

CITYVIEW @ VAN NESS

FRESNO, CALIFORNIA

Summary

The CityView @ Van Ness is located at a gateway to downtown Fresno. Developed by the Fresno Housing Authority, the project replaced a long-vacant building in a highly visible location with new development that offered 45 units of affordable housing for entry-level workforce households. As an anchor for the revitalization of downtown Fresno, the influx of residents and added new commercial space supports downtown economic development.

Dealmakers

- Housing authority engaged in community building
- Collaborative effort between the housing authority and the city
- Affordable housing in a mixed-use property as an economic stimulus for downtown
- Modern, attractive design that challenges conventional notions of affordable housing
- Careful consideration to address the historic significance of the site

Overview

Location	Van Ness Avenue and Inyo Street, Fresno, California
Project Type	Affordable (50 to 60 percent AMI)
Developer	Fresno Housing Authority
Housing Type	Multifamily rental
Site Size	.388 acres
Units	45
Development Costs	\$10.6 million
Development Timeline	2010: Site acquired October 2014: Construction started January 2015: Property opened
Funding Sources	Better Opportunities Builder, Inc. City of Fresno HOME funds Fresno Housing Authority Low Income Housing Tax Credits PNC Real Estate
Website	http://www.cityviewatvanness.com/

Developer

Fresno Housing Authority (Fresno Housing) is a public agency that helps more than 16,000 very low to moderate-income families throughout the city and county of Fresno. Fresno Housing is the fifth largest housing authority in California and one of the 60 largest in the United States. It serves 17,000 households, administers nearly 13,000 Housing Choice Vouchers, and has 70 multifamily housing properties.

Other agencies involved in the development process included the City of Fresno, City of Fresno HOME, Planning Commission, Housing and Community Development Commission, City of Fresno City Council, and the city's Historic Preservation Committee.



Site Development

The City of Fresno is an agricultural and minor banking and financial center for the San Joaquin Valley, the southern half of California’s renowned agricultural Central Valley. It is the fifth-largest city in California, with a population of 520,159 in 2015 and a distinctive mix of more than 80 different nationalities. It is approximately 220 miles northwest of Los Angeles and 185 miles south of San Francisco.

While the San Joaquin Valley is generally flat and agricultural, the nearby Sierra Nevada and Sequoia and Kings Canyon National Parks provide ample outdoor recreation opportunities. The city core, once neglected, is now the focus of revitalization efforts.

The city has grown 18.35 percent since 2000, higher than the state average rate of 12.39 percent, and much higher than the national average rate of 11.61 percent. Fresno’s median household income was \$41,455 in 2010–2014. Fresno’s median house value was \$175,600 in 2010–2014—an increase of 80.47 percent since 2000. The home value growth rate is higher than the state average rate of 75.60 percent and much higher than the national average rate of 46.91 percent.

“The site is a perfect location for downtown. It helps to realize the vision of the city and catalyze projects downtown.”

Christina L. Husbands
Senior Manager, Planning & Community Development, Fresno Housing Authority

CityView @ Van Ness is located at the northeast corner of Van Ness Avenue and Inyo Street in Downtown Fresno. Centrally located near downtown business and restaurants, public transportation hubs and Chukchansi Park, the site was envisioned to be a good location to attract younger workforce residents. The project is located at a gateway to downtown Fresno, which has struggled for years. The area is part of the City of Fresno’s Downtown Revitalization/ Redevelopment Plan and the City of Fresno General Plan.

The project replaced the long-vacant Droge building in a highly visible location with new development that offered affordable housing for households earning below 50 percent and 60 percent of the area median income, or between \$25,000 and \$35,000 per year. As an anchor for the revitalization of downtown Fresno, the influx of residents and added new commercial space supports downtown economic development.

Public Approval and Outreach

The opportunity to develop CityView @ Van Ness emerged at a time when most new housing being built in Fresno was primarily higher end. CityView @ Van Ness seeks to have a similar look and feel as upscale properties but offer affordability for entry-level staff who work downtown and can’t afford more expensive options. To help narrow down the final plan, Fresno Housing convened stakeholder meetings downtown and hosted a community charrette to present several possible mixed-use configurations for the site.

The development of CityView @ Van Ness was underway at the same time as a five-year revision process to the Downtown Development Code was being completed. City staff coordinated with Fresno Housing to align the project as closely as possible with an updated set of rules and regulations designed to guide the city’s future growth.

“Staff worked with the housing authority board to understand the importance and magnitude of the CityView @ Van Ness project. Even though it was more expensive for us from an equity perspective, we were leveraging multiple elements with CityView @ Van Ness, particularly community investment.”

Michael Duarte

Director of Planning & Development, Fresno Housing Authority

The mixed uses for the property were important for downtown revitalization and activity. The building’s ownership is structured as a two-unit condominium, with 3,000 square feet of commercial space on the ground floor as one unit, and the residential portion for the other unit. Fresno Housing owns the commercial portion of the property, while the residential portion is owned for 15 years by PNC Real Estate, a limited partner and investor in the project. At expiration, Fresno Housing will have the option to purchase the residential portion. (In the unlikely event that Fresno Housing did not purchase the units, they would remain affordable units for 55 years.)

CityView @ Van Ness replaced the historic Droge Building on the site, which was built in 1922, designed by James McCullough and developed by Peter Droge. The building had many tenants and physical changes over the years. Previous uses include headquarters for the California

Peach and Fig Growers Association, a registration site for Japanese internment camps in World War II, and offices for the Works Project Administration in the 1930s. The site and building were considered to be part of the National Register of Historic Places as well as the local historic building registry.

The site underwent an 18-month review process with the Fresno Historic Preservation Commission. A feasibility analysis considered whether the original façade could be saved.

The Droge Building, long deteriorating, had been held up by iron props and was considered an eyesore. Ultimately, it was determined that the site was historic, but not the building, and the Droge building was demolished. However, the design process was guided by history and architectural memory of original Droge Building. A historic site marker was placed on the building, and artwork on the newbuilding’s façade recall significant historical events from the earlier building.

Design

CityView @ Van Ness consists of a four-story design that includes three stories of workforce housing above 3,000 square feet of ground-floor commercial/retail space. The property occupies a focal point at Inyo and Van Ness, a major intersection of the downtown area. The ground floor also includes approximately 2,500 square feet of common space. The Community Building includes management offices, a community multipurpose room, kitchen, technology center, private restrooms and an exercise equipment room. Parking and utilities are accessed from the alley.

The building includes a total of 45 units, with a mix of one manager unit, six studios, 30 one-bedrooms, and eight two-bedrooms, ranging in size from 413 to 955 square feet. To fulfill Fresno Housing’s vision of a property that would attract young working professionals, units are reserved for households earning below 50 percent and 60 percent of the area median income, earning between \$25,000 - \$35,000 per year. The high-quality affordable housing has had a significant impact on downtown revitalization.

The four-story building avoids a costly concrete podium that would be required for a taller structure. The new design seeks to recall elements from the old building, such as brick and stucco in the façade. There are 23 parking stalls onsite. In what might be considered a culture shift for Fresno, the parking ratio is not one-to-one. Rather, the parking requirements are half a parking stall per unit, with additional parking available across the street at the city-owned parking garage.



Financing

The project is financed with four-percent federal Low Income Housing Tax Credits, City of Fresno HOME funds, equity from PNC Real Estate, and financing from Fresno Housing, Better Opportunities Builder, Inc., and a conventional permanent loan. Total project costs were \$10,607,121.

Because four-percent Low Income Housing Tax Credits must be combined with additional subsidies to cover new construction or rehabilitation, this form of financing is better suited to the construction of smaller, less expensive units. Thus, the CityView @ Van Ness units are mostly one-bedroom apartments with a few studios and two-bedroom units and a higher affordability threshold of 50 to 60 percent AMI.

This project supports Fresno Housing's efforts to create quality housing, engage residents, and contribute to vibrant communities. Fresno Housing has sought to play a critical role in driving community revitalization by creating and renovating quality affordable housing.

Marketing and Management

Managed by GSF Properties, the company developed an interest list six months before the property opened and organized early interest by unit size, contact date, and marketing source. Marketing materials included colorful graphics, renderings, and available floor plans, developing a website and additional web marketing. Advertising banners and graphics were posted near site, and direct marketing reached out to local employers, events and community agencies.

Residents must meet income qualification upon initial move-in. The property manager is responsible for verifying the unit mix, maximum rents, and income limits. The program allows for wage progression, so residents may get salary raises without necessarily being disqualified from their unit. While the marketing of the property is very different than a typical Fresno Housing property, leasing has gone smoothly.

Observations and Lessons Learned

A housing authority can take the lead in advancing downtown revitalization. Strategically developing a mixed-use property and targeting a demographic in need of housing options that was already working downtown helped create a successful, vibrant project in downtown Fresno.

Collaboration is a formula for success. Close coordination between the city and the housing authority for different elements of the project resulted in a win-win situation for new affordable housing units and downtown Fresno.

Affordable housing and innovative design can exist in the same property. The architect's efforts to create a distinctive design for the project create an appealing building that is an asset to the neighborhood.

Make the marketing suit the project. Stylish marketing in social media, a website, and outreach to local employers is unusual for a housing authority but helped to generate advance interest in the development by prospective residents.

Careful consideration to address the historic significance of the site pays off. The historic preservation review deliberated how to address the historically meaningful property. Even though the original structure was eventually demolished, the end product incorporates thoughtful design elements that preserve the history of the site.



This document is a portion of NAHB's report
How Did They Do It? Discovering New Opportunities for Affordable Housing.

[Click here to view the full report.](#)

How Did They Do It?

Discovering New Opportunities
for Affordable Housing

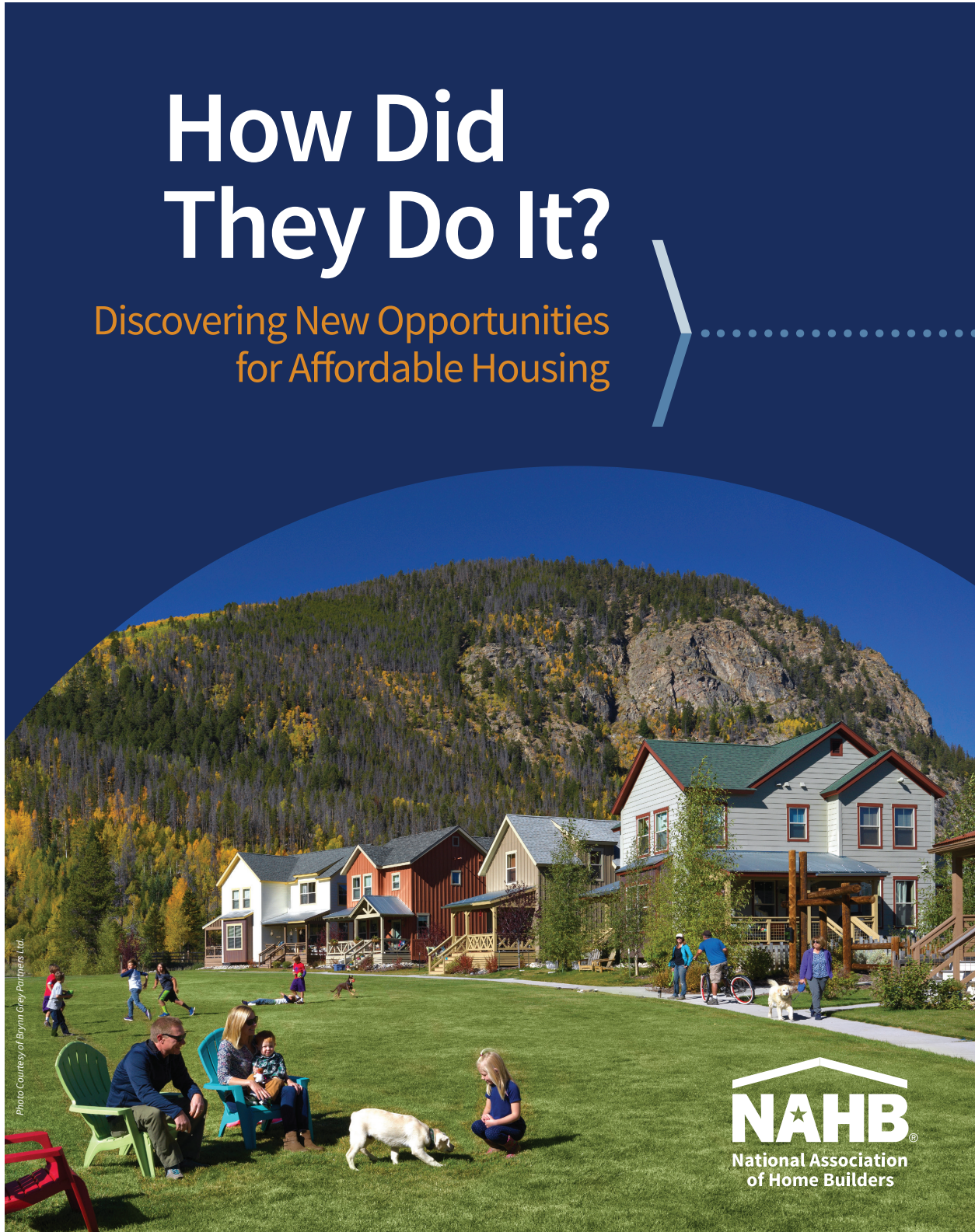


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