

New Buyer, Restoration Plan Emerges For Historic Hotel Fresno

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- The hotel was designed by noted architect Edward T. Foulkes who also designed the iconic Oakland Tribune Tower. (file photo)

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The historic Hotel Fresno, a landmark on the city's skyline since 1912, could soon be reborn as the latest residential development in the downtown district.

The Fresno City Council is set to vote Thursday on a plan that would allow potential new owners APEC International, LLC to move forward with the \$21 million restoration project. Their vision would transform the vacant hotel into a 70 unit apartment building.

The hotel lobby as it looked in the 1920's

The council's vote would modify a 2011 agreement between the city and the building's current owner, Hotel Fresno, LLC. At that time the city set aside \$1.9 million in the form of a loan from the city's federally supported low and moderate income housing fund for the hotel. However, that project stalled after the previous owners were unable to secure the rest of their required funding. They subsequently put the 102-year old building on the market. The hotel is currently in escrow, and the deal is contingent upon the city council approving the loan modification.



The new proposal would transform the vacant concrete and steel building into 70 residential units, with common area space and some retail on the ground floor. Of the 70 units, 40 would be set aside for residents with low or moderate incomes, with the rest renting at market rates. Beyond the city's housing loan, the rest of the project would be paid for through a variety of state and federal housing funds and tax credits, conventional financing, plus a deferral of some city development fees.

A period photo of the Hotel Fresno

Credit City of Fresno - Adaptive Reuse Study



Financing package:

- \$1.9 million loan from the city's affordable housing funds
- \$3.5 million from a state infill grant program
- \$3.5 million conventional loan
- \$8 million in low income housing tax credits
- \$3.6 million in historic preservation tax credits
- \$700,000 in deferred city development fees

In a related deal, the city would also sell two parcels of land near the hotel to APEC for \$710,000 in order to provide parking for residents near the rear of the hotel.

The hotel lobby as it exists today, after being vacant for 30 years.

Credit City of Fresno - Adaptive Reuse Study

For years, the building has been the subject of debate and controversy. Once the city's finest hotel, it was the destination for presidents and celebrities, including generations of Fresno families. But in the 1950's the property began to decline and was eclipsed by newer neighbors. After closing as a hotel, the building served briefly serving as retirement housing, before it closed its doors for good in the early 1980's. It has remained vacant ever since, sitting in a state of disrepair, looted by vandals and damaged by the elements.



In the following decades a number of proposals have surfaced to either restore or demolish the noted landmark. In the

mid-2000's the city sued the building's owners threatening to demolish the structure if it was not brought up to code.

New owners eventually purchased the building and removed asbestos from the structure, in preparation for the planned restoration project as retail and mixed income housing. In 2011 the city approved the \$1.9 million housing loan, but the apartment project stalled, causing HUD to cancel the funding in 2012.