



Board Agenda Item 46

DATE: August 11, 2026

TO: Board of Supervisors

SUBMITTED BY: Paul Nerland, County Administrative Officer

Steven E. White, Director
Department of Public Works and Planning

SUBJECT: Joint Powers Agreement with Participating Cities for the County of Fresno's Urban County Program for Community Development Block Grant, Home Investment Partnerships, and Emergency Solutions Grants Entitlement Funding for July 1, 2027, through June 30, 2030

RECOMMENDED ACTION(S):

Approve and authorize the Chairman to execute a Joint Powers Agreement with participating cities for the County of Fresno's Urban County Program for Community Development Block Grant, Home Investment Partnerships, and Emergency Solutions Grants Entitlement Funding for the period of July 1, 2027 through June 30, 2030.

There is no increase in Net County Cost associated with the recommended action. Approval of the recommended action will ensure the Department of Public Works and Planning (PWP), the County Administrative Office (CAO), the unincorporated areas of the County, and the participating cities identified in Exhibit A to the Agreement will continue to be eligible recipients of funding administered by the U.S. Department of Housing and Urban Development (HUD), including the annual entitlements of Community Development Block Grant (CDBG), Home Investment Partnerships (HOME), and Emergency Solutions Grants (ESG) Entitlement funds by re-establishing an Urban County Program through a Joint Powers Agreement (JPA). Although the participating cities are located in Districts 1 and 4, this item is countywide as the JPA's project jurisdiction includes the unincorporated areas of the County.

ALTERNATIVE ACTION(S):

There is no viable alternative. Federal regulations require the lead agency for the Urban County Program (i.e., the County of Fresno) to execute a cooperative agreement with cities that elect to participate in the JPA to facilitate the administration of the Urban County Program and receive entitlement funding from HUD for CDBG, HOME, and ESG. The recommended agreement satisfies this requirement. Should your Board choose not to execute a JPA, the County would no longer qualify to receive entitlement allocations from HUD (as the unincorporated areas of the County alone would not meet the Urban County population threshold requirements) and the County would no longer be eligible to receive future entitlement funds directly from HUD.

FISCAL IMPACT:

There is no increase in Net County Cost associated with the recommended action. PWP utilizes CDBG and HOME funds for eligible activities and administrative costs, while CAO utilizes ESG funds for eligible

activities and administrative costs. In general, the three funding sources support infrastructure, housing and housing rehabilitation, and homeless services, respectively. Public and Social Services projects may be funded with up to 15% of the CDBG allocation, which may be shared with the CAO, Sheriff, or other departments for projects designated in the County's Annual Action Plan. Administrative costs of up to 20% of CDBG, 10% of HOME, and 7.5% of ESG are allowed. Negligible staff time is spent annually on the JPA itself.

DISCUSSION:

For five decades, the County has participated in an Urban County Program to receive funding from HUD. The current three-year JPA runs through the Program Year ending June 30, 2027, and was authorized by the Board on August 8, 2023. In the earlier decades the JPA focused on CDBG, but over time the HOME and ESG programs were added. HUD requires all three programs to be addressed in the JPA, but much of the JPA language is concerned with the particulars of CDBG. This is because, unlike HOME and ESG, the participating cities bear individual responsibilities specific to CDBG.

By entering into a JPA with the County, cities agree that the County is responsible for submitting the required five-year Consolidated Plan, submitting the Annual Action Plan and grant applications, and administering the HOME and ESG programs. Responsibilities for CDBG are shared, with the cities serving as subrecipients overseeing their own infrastructure projects and PWP staff supporting overall administration, infrastructure projects for the unincorporated areas of the County, and completing environmental reviews for HUD-funded activities.

On June 8, 2026, the County notified the 13 eligible cities of the option to participate with the County in the Urban County Program to receive annual CDBG allocations during the three-year period of July 1, 2027, through June 30, 2030. The six cities of Fowler, Kerman, Kingsburg, Mendota, Reedley, and Selma have elected to join the County for the three-year period and have submitted the required documents. The cities of Sanger and Parlier have City Council meetings scheduled on August 6, 2026, where those cities will make a decision on participation. An updated Exhibit A to the Agreement will be provided to the Clerk of the Board, if necessary, prior to this item being considered. The cities of Fresno and Clovis were not invited to participate in the Urban County Program, as they have sufficient populations to each qualify as a metropolitan city and are eligible to receive a direct entitlement from HUD.

The four cities of Coalinga, Firebaugh, Huron, and San Joaquin were not previously participating and elected to remain non-participants. The City of Orange Cove is currently participating but has elected to not participate in the current JPA. However, any interested non-participating city has the option to join the Urban County Program with sufficient notification prior to the start of the next program year for the remaining two years of the JPA term or join the following program year for the third and final year. Those cities not participating in the Urban County Program may be eligible to compete individually for funds from the State's CDBG Program. The list of participating and non-participating cities is included as Exhibit A to the Agreement.

The JPA continues to include provisions to accelerate activity implementation in order to comply with Federal expenditure requirements. These include a process for the temporary reallocation of CDBG funds between cities, with mutual consent of the County and the participating cities, so that the overall allocation of entitlement funds shared between the County and its partner cities will be expended timely.

Exhibit B to the Agreement, unchanged from the current JPA, identifies the methodology used by PWP for the distribution of the CDBG funds to the cities. PWP uses the same formula components (population, double-weighted poverty, and overcrowded housing units) as those used by HUD to issue CDBG funds to the Urban County Program.

OTHER REVIEWING AGENCIES:

As noted in HUD Notice CPD-26-08, "Instructions for Urban County Qualification for Participation in the

Community Development Block Grant (CDBG) Program” HUD requires the County’s JPA to “contain, or be accompanied by, a legal opinion from the county’s counsel that the terms and provisions of the agreement are fully authorized under State and local law and that the agreement provides full legal authority for the county.” The County’s Counsel has signed a certification within the recommended agreement to satisfy this requirement.

Participation in the JPA has been authorized by the respective city councils of the participating cities. Their authorizing resolutions are available as Attachment 1.

REFERENCE MATERIAL:

BAI #8, May 19, 2026
BAI #40, August 8, 2023

ATTACHMENTS INCLUDED AND/OR ON FILE:

On file with Clerk - Joint Powers Agreement
On file with Clerk - Attachment 1

CAO ANALYST:

Dylan McCully