



# Board Agenda Item 7

DATE: June 10, 2025

TO: Board of Supervisors

SUBMITTED BY: Paul Nerland, County Administrative Officer  
Susan Holt, Director, Department of Behavioral Health

SUBJECT: Resolution to Reallocate No Place Like Home Award to Sanger Modular Homekey+ Project

## RECOMMENDED ACTION(S):

### **Adopt Resolution:**

- a) **Authorizing Fresno County's Participation in the California Department of Housing and Community Development No Place Like Home (NPLH) Program - Round Four, total not to exceed \$20,000,000;**
- b) **Authorizing the County Administrative Officer and/or the Director of the Department of Behavioral Health to be the signatory on behalf of the Board of Supervisors on all NPLH grant documents; and**
- c) **Directing the County Administrative Officer and/or the Director of the Department of Behavioral Health to facilitate the transfer of California Department of Housing and Community Development - NPLH funds from the Libre Commons project to the Sanger Modular Homekey+ project.**

There is no additional Net County Cost associated with the recommended action. Approval of the recommended action will allow the County to participate in the No Place Like Home Program (NPLH) - Round Four program, administered by the California Department of Housing and Community Development (HCD) for the development of Permanent Supportive Housing (PSH). Approval will also authorize the County Administrative Officer (CAO) and/or the Director of the Department of Behavioral Health (DBH Director) to be the signatory on behalf of the County on all NPLH grant documents, with exception to the Standard Agreement which will be brought before your Board for approval, and will direct the CAO and DBH Director to facilitate the transfer of NPLH award funds from the "Libre Commons" project location to the "Sanger Modular" project location. This item is countywide.

## ALTERNATIVE ACTION(S):

There are no viable alternative actions. Should your Board not approve the recommended action, the County would be unable to leverage funds tentatively awarded through the NPLH Round Four program to support the County's Homekey+ application for the Sanger Modular PSH project, forgoing PSH development opportunities available from HCD.

## FISCAL IMPACT:

There is no increase in Net County Cost associated with the recommended action. The recommended resolution will authorize the County to participate in the NPLH - Round Four program and if awarded, accept NPLH Program funds, total not to exceed \$20,000,000. If awarded, HCD will allocate NPLH Round Four

funds to the County via Standard Agreement, which will return to your Board for approval at a later date.

## DISCUSSION:

### **NPLH - Libre Commons**

On July 1, 2016, Governor Brown signed legislation enacting the NPLH Program (Assembly Bill 1618, Chapter 43, Statutes of 2016) dedicating \$2 billion to invest in the development of PSH for persons in need of mental health services and experiencing homelessness, chronic homelessness, or are at-risk of chronic homelessness. The NPLH Program provides capital financing for acquisition, design, construction, rehabilitation, and capitalized operating subsidy, which allows California counties to increase capacity of PSH.

HCD administers the NPLH Program, approved by California voters in November 2018 through California Proposition 2, Use Millionaire's Tax Revenue for Homelessness Prevention Housing Bonds Measure, resulting in \$2 billion available to California counties over four consecutive annual periods. All California counties are eligible to compete for Program funds among counties of similar size ranging from small, medium, and large. The County falls within HCD's large county category, which includes NPLH4 funding in the amount of \$486 million dollars.

On October 25, 2021, HCD released the Notice of Funding Availability (NOFA) for the Round Four Competitive Application process, with applications due to HCD by January 19, 2022.

On January 4, 2022, the Board approved Resolution No. 22-004 which authorized the County's participation in the NPLH Round Four funding opportunity for the "Libre Commons" project located at 63 West Shaw Avenue, Fresno, CA. The NPLH application was approved by the Board, submitted to HCD, and was subsequently tentatively awarded for the Libre Commons project

On August 6, 2024, the Board approved Resolution No. 24-290 withdrawing its support from the "Libre Commons" project location due to funding concerns and the withdrawal of key project sponsors. At the August 6, 2024 meeting, the Board amended the proposed resolution, postponing their withdrawal of support to January 1, 2025 if the project was still unable to demonstrate that the project was fully funded by that date. The "Libre Commons" project was not fully funded by January 1, 2025 and support for that project has been withdrawn.

### **Homekey+ - Sanger Modular**

Proposition 1, passed by California voters in March 2024, includes the Behavioral Health Services Act and the Behavioral Health Infrastructure Bond Act (BHIBA). Homekey+ is the PSH component of the BHIBA. Homekey+ will support the development of PSH for veterans and individuals with mental health or substance use disorder challenges who are at-risk of or experiencing homelessness. Homekey+ continues a statewide effort to sustain and rapidly expand PSH for persons experiencing homelessness.

On February 11, 2025, your Board approved a Memorandum of Understanding (MOU) with RH Community Builders, LP (RHCB), to formalize the County's relationship as co-applicant with each selected vendor under the Homekey+ project. Your Board also authorized a resolution to allow the County, through its Department of Behavioral Health (DBH), to submit a Homekey+ application as co-applicant with RHCB.

In March of 2025, HCD notified County staff that the prior authorizing resolutions, previously approved by your Board and submitted to HCD, would be accepted on a temporary basis. However, HCD requires that the County submit revised Authorizing Resolutions, in order to include the names of all special purpose entities that were not yet established at the time the prior Authorizing Resolutions were executed by your Board.

On May 20, 2025, your Board approved a revised authorizing resolution and MOU for the RHCB project, to add UP Holdings California, LLC (UPholdings) as a development partner, to include the names of all parties to the project, and to require that RHCB and UPholdings actively pursue project-based vouchers and grants to support ongoing project costs and ensure long-term viability of the project.

The project proposed to develop a 51-unit Homekey+ facility, to include 37 one-bedroom and 13 two-bedroom tenant units, and one two-bedroom on-site manager's unit. 12 of the units will be reserved for veterans with mental health or substance use disorder challenges who are at-risk of or experiencing homelessness.

#### **Reallocation of NPLH Funds to Homekey+ Project**

On May 15, 2025, HCD provided authorization for the County to transition the tentatively awarded NPLH funds from the "Libre Commons" project to the County's proposed "Sanger Modular" project under the Homekey+ program, located at the southwest corner of Cherry Ave. and DeWitt Ave, Sanger CA (Assessor's Parcel Number: 322-132-05).

With the addition of the NPLH funds, the Sanger Modular Homekey+ PSH project will consist of 88 units , to include 56 one-bedroom units, 24 two-bedroom units, seven three-bedroom units, and one on-site manager's unit. 22 of the units will be reserved for veterans with mental health or substance use disorder challenges who are at-risk of or experiencing homelessness.

Approval of the recommended action will declare the County's support for participation in the NPLH Round Four program for the "Sanger Modular" project, delegate authority to the CAO and DBH Director to execute documents related to the NPLH Round Four program, and direct staff to take the necessary actions to affect the transition of tentatively awarded NPLH funds from the "Libre Commons" project, to the "Sanger Modular" Homekey+ project. Staff may return to your Board with additional resolutions or other documentation required by HCD to facilitate the transition of the NPLH award. If successfully funded by HCD, staff will return to your Board with a Standard Agreement for execution.

#### **OTHER REVIEWING AGENCIES:**

The Fresno County Behavioral Health Board was notified of this item at their May 2025 meeting.

#### **REFERENCE MATERIAL:**

BAI#12, May 20, 2025  
BAI# 8, February 11, 2025  
BAI# 22, August 6, 2024  
BAI# 20, January 4, 2022

#### **ATTACHMENTS INCLUDED AND/OR ON FILE:**

On file with Clerk - Resolution

#### **CAO ANALYST:**

Dylan McCully