



# Board Agenda Item 22

DATE: August 6, 2024

TO: Board of Supervisors

SUBMITTED BY: Steve Brandau, Supervisor, District 2

SUBJECT: Resolution authorizing staff to withdraw from application of No Place Like Home - Round Four development for Libre Commons supportive housing project.

RECOMMENDED ACTION(S):

**Adopt Resolution authorizing staff to withdraw the County's application for grant and loan funding from the California Department of Housing and Community Development program, No Place Like Home - Round Four development for Libre Commons supportive housing project (\$11,922,838).**

Approval of this item will notify the California Department of Housing and Community Development (HCD) of the County of Fresno's intent to withdraw its application for funding and services from No Place Like Home (NPLH) - Round Four grant application that was approved by your Board on January 4, 2022, as the project has become unviable.

ALTERNATIVE ACTION(S):

Your Board may choose to continue its support for the NPLH - Round Four application for the Libre Commons supportive housing project.

FISCAL IMPACT:

There is no increase in net County cost associated with the recommended action. Further, no County funds or services have been expended on this project to date, as the project has not been started. Your Board's approval of the recommended action will forego \$11,922,838 for the proposed program.

DISCUSSION:

On January 4, 2022, your Board approved Resolution 22-004, authorizing staff to proceed with an application for NPLH funding for several supportive housing projects, including Round Four funding for Libre Commons, which was co-sponsored by UpHoldings, LLC. The grant application included a commitment by the County to provide on-site services for a minimum of 20 years.

In June of 2022, HCD awarded the proposed project \$11.9 million, comprised of a \$10 million capital loan and \$1.9 million grant, contingent on a local funding match of \$9 million. At that time the City of Fresno had also pledged \$3 million to the project. However, the project is estimated to cost \$56 million in total, and the local funding match has yet to be accomplished. With the NPLH grant expiration approaching. In August 2023, UpHoldings appealed to the County to fill the local funding gap, but it did not qualify for County funds.

The proposed project has continued to face difficulties filling the local funding requirement aside from the

entirety of the construction estimate. Without the local match, the NPLH funding cannot be implemented. In addition, the City of Fresno has withdrawn its funding commitment for the project and repurposed the \$3 million originally set aside for this project, further cementing the unviability of the proposed project. It is important to note that the County has not, to date, entered into a formal agreement with HCD awarded NPLH funds or this proposed project.

The proposed Libre Commons project as submitted to your Board is no longer viable despite ongoing efforts to generate support from the developer. It is requested that your Board formally declare its withdrawal of support from the current application for funding, including any requests for extensions, and from future NPLH applications for this project and location.

If your Board approves the recommended action, the CAO's office will inform the HCD accordingly in writing with a copy of the executed resolution.

UpHoldings, LLC has been informed by telephone conversation on July 25, 2024, that this item is being presented to your Board.

REFERENCE MATERIAL:

BAI #20, January 4, 2022

ATTACHMENTS INCLUDED AND/OR ON FILE:

On file with Clerk - Resolution

CAO ANALYST:

Dylan McCully