



Board Agenda Item 36

DATE: February 10, 2026

TO: Board of Supervisors

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

SUBJECT: Revised Resolution for Participation in the California Department of Housing and Community Development (HCD) Homekey+ Program - Sanger Modular Project

RECOMMENDED ACTION(S):

- 1. Adopt Resolution authorizing the County to submit a joint grant application with RHCB Development LP (RHCB) and UP Holdings California, LLC (UPholdings) to HCD for participation in the Homekey+ Program, total not to exceed \$31,650,000;**
- 2. Approve and Authorize the Vice Chairman to execute the Resolution as required by HCD; and**
- 3. Approve and authorize the Chairman to be the signatory on behalf of the Board of Supervisors on associated grant applications and all grant documents.**

There is no increase in Net County Cost associated with the recommended actions. Approval of the first recommended action will supersede Resolution No. 25-155 and allow the County, in partnership with RHCB and UPholdings, to provide HCD with an updated resolution to meet the Homekey+ application requirements. Approval of the second recommended action will allow the Vice Chairman to execute the resolution, as per HCD guidelines, the individual who certifies the resolution cannot also be authorized to execute the Homekey+ documents on behalf of the grant applicant. Approval of the third recommended action will authorize the Chairman to execute grant-related documents. If awarded, the related standard agreements will be brought to the Board for approval at a later date. This item is countywide.

ALTERNATIVE ACTION(S):

There are no viable alternative actions. Should your Board not approve recommended actions, the County's previously submitted Homekey+ application would not meet the minimum requirements to be awarded through the Homekey+ program and the County would forgo permanent supportive housing (PSH) development opportunities available from the HCD.

FISCAL IMPACT:

There is no increase in Net County Cost associated with the recommended actions. The recommended resolution will authorize the County to participate in the Homekey+ Program and if awarded, accept Homekey+ Program funds. If awarded, HCD will allocate Homekey+ funds to the County via Standard Agreement, which will return to your Board for approval at a later date.

DISCUSSION:

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 two memoranda of understandings (MOU), with RHCB and Housing Authority of the City of Fresno (Housing Authority), to formalize the County's relationship as co-applicant with each selected vendor under the Homekey+ project. Your Board also authorized two resolutions (Authorizing Resolutions), to allow the County, through DBH, to submit Homekey+ applications as co-applicant with RHCB and Fresno Housing.

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 an updated Resolution No. 25-155, authorizing the County to submit a joint grant application with RHCB and UPholdings to HCD for participation in the Homekey+ Program; a Memorandum of Understanding with RHCB and UPholdings to identify, apply for, and develop a supportive housing project for the Homekey+ Program in Sanger, Ca. (Sanger Modular), effective upon execution through June 30, 2030; and authorized the Director of the Department of Behavioral Health to be the signatory on behalf of the Board of Supervisors on associated grant applications and all grant documents.

On December 18, 2025, HCD notified County staff that additional updates to the grant application and Resolution were necessary to comply with program guidelines.

The recommended Resolution for the RHCB and UPholdings Sanger Modular project has been updated to include the Chairman as the individual authorized to sign the Homekey+ Application and associated documents, and to designate the Vice Chairman as the signatory on the Resolution, as the individual who certifies the resolution cannot also be authorized to execute the Homekey+ documents on behalf of the grant applicant.

The following is a brief description of the proposed Sanger Modular Homekey+ project:

RHCB Development, LP and UP Holdings California, LLC (Sanger Modular - Sanger, CA)

Located near SW corner Cherry Ave. & De Witt Ave. Sanger, CA 93657 (APN 322-132-05)

The total estimated cost for the proposed project is \$37,506,471, which includes an anticipated \$22,036,080 in Homekey+ funding, \$10,000,038 in No Place Like Home (NPLH) funding, \$300,000 in deferred developer fees, and \$5,170,353 in local contributions. The project proposes new construction to develop an 88-unit Homekey+ facility, to include 56 one-bedroom units, 24 two-bedroom units, seven three-bedroom units, and one on-site manager's unit. 45 of the units will be reserved for veterans with mental health or substance use disorder challenges who are at-risk of or experiencing homelessness. All tenants' units shall be limited to populations with income at or below 30 percent of the Area Median Income (AMI), and will be referred through Coordinated Entry Systems (CES).

Approval of the first recommended action will supersede Resolution No. 25-155, and update the Authorizing Resolution for the Sanger Modular project, and authorize the County and co-applicants, RHCB and UPholdings, to participate in the Homekey+ program to expand permanent affordable housing with supportive services for individuals and families at-risk of or experiencing homelessness in Fresno County. If successfully funded by HCD, the County is committed to provide on-site supportive services for individuals housed in Homekey+ developments. The provision of supportive services is essential in assisting tenants in maintaining their housing. If awarded Homekey+ grant funds, DBH will return to your Board with a Standard

Agreement for approval.

OTHER REVIEWING AGENCIES:

The Fresno County Behavioral Health Board was notified of this item at their January 2026 meeting.

REFERENCE MATERIAL:

BAI # 12, May 20, 2025

BAI # 8, February 11, 2025

ATTACHMENTS INCLUDED AND/OR ON FILE:

On file with Clerk - Resolution - RHCB and UPholdings

CAO ANALYST:

Dylan McCully