



Board Agenda Item 9

DATE: May 6, 2025

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 Homekey+ Program

RECOMMENDED ACTION(S):

- 1. Adopt Resolution authorizing the County to submit a joint grant application with Housing Authority of the City of Fresno (Fresno Housing) to HCD for participation in the Homekey+ Program, total not to exceed \$35,000,000; and**
- 2. Approve and authorize 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.**

There is no increase in Net County Cost associated with the recommended actions. Approval of the first recommended action will allow the County, in partnership with Fresno Housing, to provide the California Department of Housing and Community Development (HCD) with an updated resolution to meet the Homekey+ application requirements. Approval of the second recommended action will delegate authority to the Director of the Department of Behavioral Health (DBH) to execute any documents required to accept and administer the Homekey+ Program grant funds. Permanent Supportive Housing (PSH) projects supported through Homekey+ are intended to provide safe, supportive, permanent housing with voluntary wraparound services for individuals with mental health or substance use disorder challenges who are at-risk of or experiencing homelessness. 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 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 RH Community Builders (RHCB) and Fresno Housing, to formalize the County's relationship as co-applicant with each selected vendor under the Homekey+ project. Your Board also authorized two 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.

The recommended Resolution for the Fresno Housing project has been updated to include all parties to the Homekey+ Davu Village (formerly Parkside Inn) project, to include the County of Fresno as co-applicant, Fresno Housing as co-applicant, Fresno Davu Village, LP as the property owner, and Silvercrest, Inc. as co-applicant and managing general partner. A revised Authorizing Resolution for the RHCB Homekey+ project will be brought to your Board at a later date.

The following is a brief description of the Fresno Housing Homekey+ project submitted to HCD on April 3, 2025:

Housing Authority of the City of Fresno (Davu Village/Parkside Inn - Fresno, CA)

Located at 1415 W. Olive Ave, Fresno, CA 93728

The total estimated cost for the proposed Fresno Housing project is \$22,362,000, which includes an anticipated \$21,100,000 in Homekey+ funding, \$858,000 in local contributions, and \$404,000 in permanent loans. The project proposes adaptive reuse of an existing 47-unit commercial motel into a 49-unit Homekey+ facility, to include 48 PSH units comprised of studio apartments and one 1-bedroom unit for the on-site manager. All tenants' units shall be limited to populations with income at or below 30 percent of the AMI, and will be referred through CES.

Approval of the recommended actions will update the Authorizing Resolution and authorize the County and co-applicant, Fresno Housing, 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. Should a submitted application result in the award of Homekey+ grant funds, DBH 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 # 8, February 11, 2025

ATTACHMENTS INCLUDED AND/OR ON FILE:

On file with Clerk - Resolution - Fresno Housing

CAO ANALYST:

Dylan McCully