



Board Agenda Item 30

DATE: April 11, 2023
TO: Board of Supervisors
SUBMITTED BY: Susan L. Holt, Director, Department of Behavioral Health
SUBJECT: Crossroads Village Supportive Service Agreement

RECOMMENDED ACTION(S):

Approve and Authorize the Chairman to execute an Agreement with Crossroads Village Fresno, L.P., that commits to the County to make available supportive services for a minimum of 20 years at Crossroads Villages, beginning on April 11, 2023, a permanent supportive housing development located at 3737 N Blackstone, Fresno, CA, a No Place Like Home-Round three project (\$13,348,600).

Approval of the recommended action will fulfill the County's commitment to make available supportive services to tenants at Crossroads Villages; a permanent supportive housing (PSH) project awarded in Round Three of the No Place Like Home Program (NPLH) and authorize the Chairman to execute the Service Agreement with the California Department of Housing and Community Development (HCD) for Crossroads Village.

The PSH development is for homeless individuals with Serious Mental Illness (SMI) or youth with Serious Emotional Disorders (SED) and their families. PSH meets goals set forth in NPLH and Mental Health Services Act (MHSA) program guidelines for mentally ill homeless individuals to achieve safe PSH with voluntary supportive services. This item is in District 2.

ALTERNATIVE ACTION(S):

Non-approval of the recommended action would jeopardize the approval of the rehabilitation of the development from HCD.

FISCAL IMPACT:

There is no increase in Net County Cost associated with the recommended action. The services will be funded with estimated Short/Doyle Medi-Cal Federal Financial Participation, and Mental Health Realignment funds. The estimated annual budget for the agreement will be \$667,430; or \$13,348,600 for 20 years. Sufficient appropriations and estimated revenues will be included in Department of Behavioral Health's Org 5630 future budget requests.

DISCUSSION:

On July 1, 2016, Governor Brown signed legislation enacting the NPLH Program to dedicate \$2 Billion in bond proceeds to invest in the development of Permanent Supportive Housing (PSH) for persons in need of mental health services and experiencing Homelessness, Chronic Homelessness, or are At-Risk of Chronic Homelessness. The NPLH legislation was authorized by the California Welfare and Institutions Code, sections 5849 and 5890. The NPLH Program provides capital financing for acquisition, design, construction,

rehabilitation, and capitalized operating subsidies to allow California counties to increase capacity of PSH. HCD administers the NPLH Program for California counties for construction of PSH.

On December 10, 2019, your Board adopted a resolution authorizing the Department to apply for NPLH funding for Round Three for the development of PSH. On June 26, 2020, HCD awarded the NPLH application submitted by the Department in Round Three. All HCD awards developments require a formal Standard Agreement to access NPLH funds. The Crossroads Village will be located at 3737 N. Blackstone Ave, Fresno, CA. consisting of 141 units that will integrate 50 NPLH qualified tenants with 91 Crossroads Village tenants, and two units for property managers.

On December 15, 2020, your Board approved Resolution No 20-382 to participate in Round Three of NPLH and authorized the Chairman to execute the Round Three agreement with HCD, which was approved for the Crossroads Village development. On June 23, 2021, the County received notice of a NPLH - Round 3 award in the amount of \$20,000,000 for approximately 50 units at Crossroads Village which will be subject to affordability restrictions for 55 years. On October 5, 2021, your Board authorized the County Administrative Office to execute a Capital Financing Letter of Commitment of \$2,350,000 to be used further support development of Crossroads Village into affordable housing units. On May 17, 2022, your Board approved the allocation of \$2,050,000 in Coronavirus, State, and Local Fiscal Recovery Funds (SLFRF) in accordance with the Letter.

On October 5, 2021, your Board approved a Crossroads Village - Capital Financing Letter of Commitment of \$2,350,000 to be used for construction of the Crossroads Village project to Sponsor UPHoldings California, LLC's application to the California Debt Limit Allocation Committee and Tax Credit Allocation Committee

On June 7, 2022, your Board approved Resolution No. 22-210 to participate in the HCD California Accelerator Program, a \$1.75 billion program to provide funding to 'shovel-ready' projects that have received funding under other HCD programs, such as NPLH, and have been unable to access low-income housing tax credits. The Crossroads development was awarded around \$38 million through this program.

Approval of the recommended action commits the County to a minimum 20 years of supportive services for tenants living at Crossroads Village, services beginning after construction is completed with a projected date of winter 2024. Exodus, as the County's contracted supportive services provider, will ensure the availability of on-site supportive services, an essential component to assist tenants in maintaining their housing. UPH will provide property management services and ownership of the development. UPH assumes all liability and responsibility for the development.

Crossroads Village was researched and mutually agreed upon by the Department and UPHoldings as an acceptable location for PSH which includes the availability of on-site supportive services for tenants. The site includes amenities to meet tenant's needs such as proximity to grocery, post office, bus line, etc. Crossroads Village consists of 141 total units that integrate 50 NPLH qualified tenants at 15-30% Area Median Income (AMI) with 91 Crossroads Village tenants, and two units for property. The 50 NPLH units at Crossroads Village is scheduled to close no later than June 5, 2023.

The 20-year supportive services agreement term is required by HCD to comply with NPLH Guidelines. The County will make available supportive services for a minimum of 20 years at the NPLH supportive housing development.

OTHER REVIEWING AGENCIES:

The Department has informed the County Behavioral Health Board of the Supportive Services agreement.

REFERENCE MATERIAL:

BAI #49, June 7, 2022

BAI #7, October 5, 2021

BAI #58, December 15, 2020

BAI #34, December 10, 2019

ATTACHMENTS INCLUDED AND/OR ON FILE:

On file with Clerk - Agreement with Crossroads Village Fresno, L.P.

CAO ANALYST:

Ronald Alexander