



# Board Agenda Item 29

DATE: October 7, 2025

TO: Board of Supervisors

SUBMITTED BY: Susan L. Holt, Director, Department of Behavioral Health

SUBJECT: Amendment I to Standard Agreement - Avalon Commons

RECOMMENDED ACTION(S):

**Approve and authorize the Chairman to execute Amendment I to Standard Agreement No. 23-208 with the California Department of Housing and Community Development for construction of the Avalon Commons Phase I project, effective upon execution by all parties involved for a 30-year term, from May 12, 2023, through May 11, 2053, total not to exceed \$2,183,000.**

There is no additional Net County Cost associated with the recommended action, which will authorize the Chairman to execute an Amendment I to the Standard Agreement No. 23-208 (Standard Agreement) between Fresno Avalon Commons Phase I, LP (Avalon Commons LP), Housing Authority of the City of Fresno, California (Housing Authority), County of Fresno (County), and the State of California Department of Housing and Community Development (HCD), for the Avalon Commons Phase I (Avalon) No Place Like Home (NPLH) project. This amendment is effective upon execution by all parties and updates several exhibits to the Standard Agreement to correct the name of the business name of Housing Authority. This item pertains to a location in District Two.

ALTERNATIVE ACTION(S):

There is no viable alternative action. Not approving the recommended action may jeopardize the NPLH funding for the Avalon project, potentially resulting in the loss of crucial funding and putting County persons served and their families at risk of homelessness.

FISCAL IMPACT:

There is no increase in Net County Cost associated with the recommended action. The Standard Agreement authorizes the application for the awarded No Place Like Home (NPLH) funds, totaling \$2,183,000. The recommended Amendment I revises several exhibits to correct the name of Housing Authority and contains no changes to the funding structure. Sufficient appropriations and estimated revenues are included in the FY 2025-26 Department of Behavioral Health Org 5630 Adopted Budget and will be included in future budget requests.

DISCUSSION:

Avalon is a permanent supportive housing (PSH) project funded by the NPLH program, which began housing tenants in December 2024. NPLH funding supports homeless individuals with serious mental illness (SMI) or youth with serious emotional disorders (SED) and their families, providing safe, permanent housing with voluntary supportive services.

The Housing Authority and the County agreed that the Avalon site was a suitable location for PSH, offering on-site supportive services. The County has committed to providing housing supportive services for 20 years as part of a 30-year agreement required by HCD. Housing Authority will manage the property, while Avalon Commons LP assumes all ownership responsibilities. The County has priority to a minimum of 15 PSH units at Avalon for its persons served.

The NPLH Program, enacted by Governor Brown on July 1, 2016, dedicates \$2 billion in bond proceeds to develop PSH for individuals needing mental health services and experiencing homelessness. The program provides capital financing for acquisition, design, construction, rehabilitation, and operating subsidies to increase PSH capacity in California counties.

On January 29, 2019, the Board approved Resolution No. 19-025 and Memorandum of Understanding (MOU) No. 19-048, allowing the County to participate in the NPLH Competitive Allocation Program and committing its entire NPLH Non-Competitive Allocation to the Housing Authority. The MOU made Housing Authority a co-applicant for NPLH development applications. On January 30, 2019, Fresno Housing Authority (FHA) submitted three NPLH Competitive Allocation Program applications to HCD. The County's NPLH Non-Competitive Allocation, estimated at \$2,183,000, was expected to supplement successful NPLH Competitive Allocation projects. The County also committed to providing supportive services for at least 20 years to individuals housed in NPLH PSH developments.

On July 9, 2019, the Board approved Resolution No. 19-272 authorizing the County to accept the \$2,183,000 non-competitive NPLH award from HCD, and a Revised Resolution No. 19-273 previously adopted by the Board on January 29, 2019, which authorized the County's participation in the NPLH Competitive Allocation Program for Avalon.

On May 9, 2023, the Board approved Resolution No. 23-141 for the County's participation in the NPLH Competitive Allocation Program. This included Standard Agreement No. 23-208, with \$2,183,000 for Avalon. The County committed to providing supportive services at Avalon and authorized the Chairman to execute the Service Agreement No. 23-209 with HCD. The Board also authorized the Chairman to execute the No Relocation Certificate and Indemnification Agreement No. 23-210 with HCD, holding HCD harmless for legal costs related to relocation certification by Housing Authority.

Approval of the recommended action will update Exhibits A, B, D, and E to the Standard Agreement, to correct the business name for Housing Authority, with no additional changes. All other terms remain unchanged.

The recommended amendment uses the HCD contract template and differs from the County model contract. HCD requires the County to sign first and will provide a fully executed copy to the County. A copy of the fully executed amendment will be forwarded to the Clerk of the Board.

#### OTHER REVIEWING AGENCIES:

The FHA Board of Directors is aware of the HCD agreement for the NPLH development and will approve the agreements subsequent to execution by the Chairman of the Board of Supervisors. Once approved, the agreements will be forwarded to HCD for full execution.

The Behavioral Health Board was notified of this amendment at the September 2025 meeting.

#### REFERENCE MATERIAL:

BAI #39, May 9, 2023  
BAI #39, July 9, 2019  
BAI #9, January 29, 2019

ATTACHMENTS INCLUDED AND/OR ON FILE:

On file with Clerk - Amendment I to Agreement No. 23-208

CAO ANALYST:

Dylan McCully