



County of Fresno

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Fresno, California
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Legislation Text

File #: 20-0359, **Version:** 1

DATE: April 14, 2020

TO: Board of Supervisors

SUBMITTED BY: Jean M. Rousseau, County Administrative Officer
Dawan Utecht, Director, Department of Behavioral Health

SUBJECT: Retroactive Ratification of Certification of Non-Application of Relocation Benefits and Indemnification Agreement

RECOMMENDED ACTION(S):

Retroactively Ratify the Certification of Non-Application of Relocation Benefits and Indemnification Agreement with the State of California, Housing and Community Development related to Round One of the No Place Like Home program.

Ratification is required to allow the County and Fresno Housing Authority to continue to pursue financing for the Villages at Broadway, a County permanent supportive housing development related to Round One of the No Place Like Home (NPLH) program. The deadline for submittal of the documents was April 1, 2020, which required previous authorization of the documents by the Chairman to meet the deadline. This item is countywide.

ALTERNATIVE ACTION(S):

Inaction would jeopardize funding necessary for the development, which would negatively impact housing options for homeless individuals with disabilities living in the County.

RETROACTIVE AGREEMENT:

The deadline of April 1, 2020 for submittal of the requisite documents was imposed by the California Tax Credit Allocation Committee (CTCAC) which has also committed significant financing towards the development. If the documents were not submitted by the deadline, the County and Fresno Housing Authority would be unable to close the financing loan, resulting in CTCAC rescinding the tax credits awards for Villages at Broadway which totaled over \$10 million and would prevent the project's development.

FISCAL IMPACT:

There is no increase in Net County Cost associated with the recommended action. Approval would ratify the Certification of Non-Application of Relocation Benefits and Indemnification Agreement for the financing loan.

DISCUSSION:

The Certification of Non-Application of Relocation Benefits and Indemnification Agreement are components of the State of California, Housing and Community Development (HCD), due diligence requirements associated with the NPLH. HCD requires the documents, along with other requirements, to authorize closure of the transaction. The submittal deadline of April 1, 2020 was imposed by the CTCAC to close on the financing on the same date. If the deadline was not met, CTCAC would rescind the tax credits totaling over \$10 million and

prevent the Villages at Broadway from being developed. Further, noncompliance by the deadline could have resulted in the Fresno Housing Authority receiving negative points within the CTCAC program, jeopardizing their ability to compete and/or eligibility to compete for 9% tax credits for up to two years.

The Certification of Non-Application of Relocation Benefits demonstrates and certifies that the County and Fresno Housing Authority were not required to submit a Relocation Plan, as no occupants/tenants were displaced as a result of the Villages at Broadway development.

The Indemnification Agreement allows HCD to be held harmless in connection with any and all potential legal costs and liabilities in conjunction with accepting certification from the Sponsor (County and Fresno Housing Authority) that permanent or temporary relocation of occupants/tenants was not required under Relocation Law.

ATTACHMENTS INCLUDED AND/OR ON FILE:

On file with Clerk - Certification of Non-Application of Relocation and Indemnification Agreement.

CAO ANALYST:

Sonia M. De La Rosa