



# Board Agenda Item 46

DATE: May 12, 2026

TO: Board of Supervisors

SUBMITTED BY: Sanja Bugay, Director, Department of Social Services

SUBJECT: Agreement with Housing Authority of the City of Fresno for Master-Leased Housing at Sierra Terrace

RECOMMENDED ACTION(S):

- 1. Under Administrative Policy No. 34 for competitive bids or requests for proposals (AP 34), determine that an exception to the competitive bidding requirement under AP 34 is satisfied and a suspension of competition is warranted due to unusual or extraordinary circumstances, and that the best interests of the County would be served by entering into an Agreement with the Housing Authority of the City of Fresno, as it is a local governmental agency; and**
- 2. Approve and authorize the Chairman to execute an Agreement with the Housing Authority of the City of Fresno for master-leased housing at Sierra Terrace, located at 937 Klette Avenue, Fresno, CA 93706, effective July 1, 2026 through June 30, 2031 which includes a two-year base contract and three optional one-year extensions, total not to exceed \$4,767,897.**

There is no increase in Net County Cost associated with the recommended actions. Approval of the recommended actions will allow the Department of Social Services (Department) to continue a long-standing partnership with the Housing Authority of the City of Fresno (Fresno Housing) which allows the Department exclusive use of a 44-unit apartment complex to provide temporary housing for clients while they engage in an internal Rapid Rehousing program. Although services are provided at a location in District 1, this item is countywide.

ALTERNATIVE ACTION(S):

Should your Board elect not to approve the recommended action, the Department will lose exclusive access to 44 units of housing for families. The Department would need to seek other temporary housing for families.

SUSPENSION OF COMPETITION/SOLE SOURCE CONTRACT:

It is requested that the County find under AP 34 that an exception to the competitive bidding requirement is satisfied as Fresno Housing is a local governmental agency. The General Services Department - Purchasing concurs with the Department's request to waive the competitive bidding process.

FISCAL IMPACT:

There is no increase in Net County Cost associated with the recommended actions. The maximum amount of the recommended agreement (\$4,767,897) will be fully offset using the CalWORKs Housing Support

Program (HSP) and Bringing Families Home (BFH) allocations. Sufficient appropriations and estimated revenues will be included in the Department's Org 5610 FY 2026-27 Recommended Budget and will be included in subsequent budget requests.

DISCUSSION:

For over 40 years, the Department has contracted with Fresno Housing to provide temporary emergency housing for families experiencing homelessness or in need of stable housing. The housing program began as an emergency shelter primarily intended for Child Welfare families during or after family reunification, and secondarily for CalWORKs families when space allowed. The previous program design required families to receive cash aid and imposed a maximum stay of 90 days.

On July 1, 2023, the program was redesigned into a Project-Based Rapid Rehousing (RRH) model with the intent to continue serving the target population described above. The site contains 45 units, ranging from one to five-bedroom apartments, 44 of which are made available to the Department, while one unit remains utilized by Fresno Housing to provide a resident employee for after-hours emergencies.

Department staff provide case management and housing navigation services on site to assist families in removing obstacles to obtain and retain permanent housing and develop long-term housing stability. Temporary housing and intensive case management services are provided for a maximum of 10 to 12 months.

The recommended agreement deviates from the County's standard agreement language by allowing either party to terminate the agreement as a result of the other party breaching the terms of the contract. The recommended agreement also deviates from the County's standard agreement language by allowing for mutual indemnification of both parties and disallowing for indemnification or recoupment solely caused by County's gross negligence or willful misconduct.

The term set forth in the recommended agreement deviates from the County's standard agreement language by granting a base term effective through the current funding availability. The Department has secured sufficient funds for both of these allocations to support the program in its entirety through June 30, 2028. Should additional funding be granted by CDSS that supports the program beyond the base term, the Department will execute the extensions included in this agreement for as long as funding remains available. Budgets for extensions will be mutually negotiated between the County and Fresno Housing prior to the beginning of each fiscal year. If approved, the recommended agreement will be effective July 1, 2026 and expire June 30, 2031. The agreement may be terminated without cause by either party upon providing 30-day advance written notice.

REFERENCE MATERIAL:

BAI #87 June 20, 2023

ATTACHMENTS INCLUDED AND/OR ON FILE:

Suspension of Competition Acquisition Request  
On file with Clerk - Agreement with Housing Authority of the City of Fresno

CAO ANALYST:

Dylan McCully