



Board Agenda Item 34

DATE: June 30, 2026

TO: Board of Supervisors

SUBMITTED BY: Paul Nerland, County Administrative Officer
Susan Holt, Director of Behavioral Health

SUBJECT: Resolution for Conditional Commitment of Funds to Fresno Housing Authority for Permanent Supportive Housing Project

RECOMMENDED ACTION(S):

Adopt Resolution:

- a) **Authorizing the conditional commitment of Behavioral Health Services Act housing and capital development funds to the Fresno Housing Authority Permanent Supportive Housing Project known as Victory Village (Project), total not to exceed \$6,300,000;**
- b) **Authorizing the placement of a restricted use for 30 years on the Project site for 41 permanent supportive housing units dedicated to individuals experiencing chronic homelessness in Fresno County as determined by the County of Fresno;**
- c) **Authorizing the conditional commitment of operating subsidies in the amount of \$287,000 per year for up to 30 years, total not to exceed \$8,610,000; and**
- d) **Authorizing the commitment to provide, through the Department of Behavioral Health, on site supportive services for 30 years.**

There is no additional Net County Cost associated with the recommended action. Approval of the recommended action will conditionally commit Behavioral Health Services Act (BHSA) housing and capital development funds to the Fresno Housing Authority permanent supportive housing (PSH) substantial rehabilitation project (Project). The recommended action will also place a restriction on the usage of the Project as permanent supportive housing dedicated to chronically homeless individuals residing with Fresno County as determined by the County of Fresno for 30 years. Approval of the recommended action will also conditionally commit an annual operating subsidy to the Project for up to 30 years. Finally, the recommended action will also commit the Department of Behavioral Health (DBH) to provide onsite supportive services for 30 years. This item pertains to a location in District 1 but will serve chronically homeless individuals countywide.

ALTERNATIVE ACTION(S):

Your Board could not conditionally commit the items recommended in this item and instead direct staff to seek out other PSH projects or partnerships either within the City of Fresno or in other areas of Fresno County.

FISCAL IMPACT:

There is no increase in Net County Cost associated with the recommended action. The recommended resolution will conditionally commit a total not to exceed \$6,300,000 in BHSA housing and capital developments funds. The recommended action will also conditionally commit an annual operating subsidy

of \$287,000 for up to 30 years for a total not to exceed \$8,610,000. The conditional commitments are contingent upon Fresno Housing Authority receiving Reservation Letter for the second round 2026 nine percent (9%) Low-Income Housing Tax Credits (LIHTC) application to the California Tax Credit Allocation Committee (CTCAC). After the Project is awarded necessary LIHTC funding from CTCAC, staff will bring an enforceable financing commitment to your Board for approval.

DISCUSSION:

On June 16, 2026, your Board approved the BHSA Integrated Plan presented by DBH. A component of the BHSA Integrated Plan is the proposed conversion and rehabilitation of the Victory Village emergency homeless shelter property, located at 959 N Parkway Dr, Fresno, CA 93728, owned by the Fresno Housing Authority.

The proposed Project consists of the conversion of the Victory Village homeless shelter property into a 42 residential units housing project. The County of Fresno (County) is interested in utilizing 41 of the residential units as PSH units dedicated to chronically homeless individuals in Fresno County. The prioritization of chronically homeless individuals for the 41 PSH units of the Project is consistent with the requirements and mandates of BHSA. If approved, this item would conditionally commit a capital development investment of BHSA funding in the amount of \$6,300,000 and place a restriction on the use of the Project site as PSH dedicated to the Fresno County chronically homeless population as determined by the County of Fresno for 30 years.

Because the County is proposing the set aside of 41 PSH units for individuals experiencing chronic homelessness, it is assumed that higher levels of safety measures will need to be in place to ensure a safe and healthy residential environment for all the Project residents. This will require additional funds beyond the typical property management operating costs. To ensure the safety measures are enacted, this item proposes a conditional commitment of \$287,000 in annual operating subsidies for up to 30 years with a total maximum amount of \$8,610,000.

In addition to the capital and annual operating proposed investments, staff are recommending a commitment of onsite supportive services provided by DBH for 30 years at the Project site. The approximate value of the service commitment is \$424,872 per year for a 30-year maximum estimate of \$12,746,160.

The recommended Resolution, if executed by your Board, will provide supporting documentation to the Fresno Housing Authority in their application for LIHTC funding from CTCAC to fund the remainder of the capital costs to build the Project.

The conditional commitments in the recommended Resolution are all contingent upon the Project being awarded second round 2026 9% LIHTC funds from CTCAC. If Fresno Housing Authority receives a Reservation Letter for the Project, staff will return to your Board with enforceable funding agreements.

REFERENCE MATERIAL:

BAI #7, June 16, 2026

ATTACHMENTS INCLUDED AND/OR ON FILE:

On file with Clerk - Resolution

CAO ANALYST:

Dylan McCully