

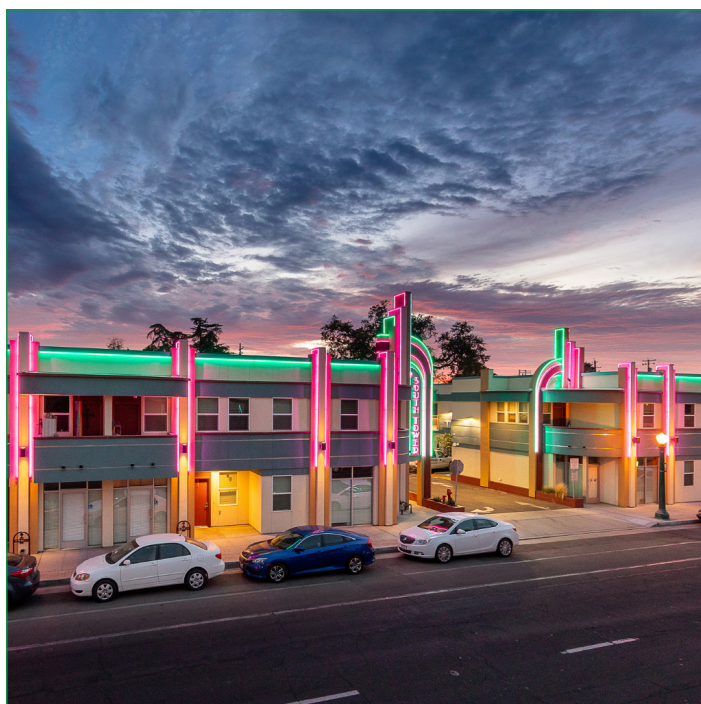


## Fresno Housing Authority

[fresnohousing.org](http://fresnohousing.org)

### ABOUT THIS PROJECT

Kresge's investment came alongside and in partnership with an investment from The California Endowment. Together, the two foundations provided \$5 million to the Fresno Housing Authority to allow it to act on a robust pipeline of 20 housing development projects using Low-Income Housing Tax Credits (LIHTC). The flexible capital would also allow the organization to support new approaches and ideas to acquire and develop naturally occurring affordable housing.

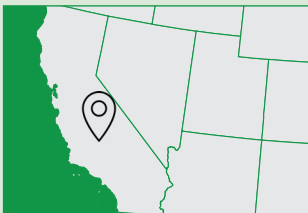


541 @ South Tower

### WHY WAS THIS NEEDED?

**Challenge:** Public Housing Authorities are one of the few solutions for affordable housing for very low-income families. However, they are almost always undercapitalized and limited in their ability to grow and support a full spectrum of affordable housing in their communities.

**Solution:** This PRI included terms that allow the Housing Authority to use half of the capital to align with its strategic program priorities, including projects related to Black homeownership, motel conversion and Naturally Occurring Affordable Housing (NOAH). The second half of the capital will support new predevelopment in high opportunity areas of the city. Neither strategy would be achievable using typical public housing resources.

IMPACTED LOCATION	YEAR APPROVED	KRESGE PROGRAM	GRANT SUPPORT
 Fresno, CA	2020	American Cities	N/A
	TYPE OF TRANSACTION	AMOUNT OF INVESTMENT	TERM OF INVESTMENT
	Program-related investment loan	\$2 million	2% interest, 5-years



Rendering of Alegre Commons

## ABOUT THE BORROWER

Established through federal and state legislation, the Fresno Housing Authority (FHA) has provided affordable housing to low-income families through a variety of programs, services, and developments since 1940. FHA directly provides quality public and affordable housing to more than 45,000 residents, of whom 20,000 are children. FHA manages and/or owns close to 80 multi-family housing developments, and since 2010 has developed over 2,100 multi-family units. FHA ranks among the top 10 housing authorities in California and the top 25 in the nation (out of more than 3,500). FHA has been nationally recognized for creating programs that benefit families, seniors, veterans, special needs populations, and children throughout Fresno County.

## IMPACT MEASURE

Expected to help develop 700 units

## KEY PARTNERS:

The California Endowment

## Key Considerations



**Aaron Seybert**  
Managing Director  
Social Investment Practice

- » This was a unique opportunity to co-invest with a philanthropic peer. The Cal Endowment team led the underwriting process, while Kresge's team provided review.
- » The Fresno Housing Authority is a leading example of centering racial equity as its housing strategy and has developed deep community trust. The Housing Authority team is committed to resident engagement, regional convenings, advocacy and collaboration in the greater region, all of which align with the American Cities strategies.
- » The pipeline of projects was clear, with 20 in place to move forward in the first two years of the investment. Six already had tax credit awards and would close in year one, totaling 260 new units. Seven were slated to get tax credits and be completed in 2021 and 2022.
- » This investment marked Kresge's first social investment in the city of Fresno, city of growing interest and with a growing body of grant investment from the foundation.