NOTICE OF SPECIAL MEETING

TUESDAY, DECEMBER 19, 2017

6:00p.m.

BOARD OF DIRECTORS OF THE HOUSING RELINQUISHED FUND CORPORATION

Date: December 14, 2017

To: Adrian Jones, Chair
Jim Petty, Vice Chair

From: Preston Prince, Director/Secretary

Subject: Notice of Board Meeting

NOTICE IS HEREBY GIVEN that a meeting of the Board of Directors of the Housing Relinquished Fund Corporation, Inc., will be held at 6:00p.m. on Tuesday, December 19, 2017 (subsequent to the special meeting of the Boards of the Fresno Housing Authority) at the Fresno Housing Authority Offices, located at 1331 Fulton Mall, Fresno, California.

AGENDA
1. Call to Order/Approval of the Agenda
2. Consideration of the minutes of November 28, 2017
4. Consideration of Funding Commitment – Blackstone/Simpson Project
5. Consideration of Funding Commitment – Lowell Project
6. Adjournments

Preston Prince, Director
Minutes of Special Meeting

Of the Board of Directors of

HOUSING RELINQUISHED FUND CORPORATION

Tuesday, November 28, 2017

6:00 P.M.

There was a duly noticed special meeting of the Board of Directors of the Housing Relinquished Fund Corporation on Tuesday, November 28, 2017 at the offices of the Fresno Housing Authority, 1331 Fulton Street, Fresno, CA 93721.

1. The meeting was called to order by Vice Chair Petty at 7:47 p.m., and upon roll call, Directors/Officers present and absent were as follows:

   PRESENT: Adrian Jones, Chair
           Jim Petty, Vice Chair
           Preston Prince, Director/Secretary

   ABSENT: None.

   Also in attendance: Ken Price, General Counsel from Baker Manock and Jensen; Emily De La Guerra, Finance Director; Tracewell Hanrahan, Deputy Executive Director/COO, and Tiffany Mangum, Special Assistant to the CEO/Executive Director.

Approval of Agenda

Upon motion by Vice Chair Petty, seconded by Secretary/Director Preston, and with unanimous approval, the agenda was approved.

    MOTION PASSED: 3-0

2. Consideration of minutes of October 11, 2017

Upon motion by Vice Chair Petty, seconded by Secretary/Director Preston, and by unanimous vote, the minutes were approved.

    MOTION PASSED: 3-0

3. Consideration of the Omnibus Resolutions, Sale of Property, and Loan Commitments – Magill Terrace

Upon motion by Vice Chair Petty, seconded by Secretary/Director Preston, and by unanimous vote, this action was approved.

    MOTION PASSED: 3-0
4. Consideration of Funding Commitments – Trailside Terrace

Upon motion by Vice Chair Petty, seconded by Secretary/Director Preston, and by unanimous vote, this action was approved.

*MOTION PASSED: 3-0*

5. Adjournment

There being no further business to be considered by the Board of Directors for the Housing Relinquished Fund Corporation, the meeting was adjourned at approximately 7:49 p.m.

_____________________________________

Preston Prince, Secretary
To: The Board of Directors of the Housing Relinquished Fund Corporation
From: Preston Prince
Subject: Authorization to Finalize Acquisition of .26 Acres of Land at 731 California Ave, Fresno, CA 93706 (APN: 467-246-01T)

BACKGROUND:

The City of Fresno has focused many planning efforts in West Fresno over the past 15 years. The most recent efforts include 2016’s Downtown Neighborhoods Site Specific Plan (which includes several locations generally considered to be ‘West Fresno’), and 2017’s Southwest Fresno Specific Plan. The Fresno Housing Authority (FH) has sought to incorporate these planning efforts during the past several years, and recently submitted a West Fresno Transformative Climate Communities planning grant application to California’s Strategic Growth Council. Regardless of the results of the planning grant, FH intends to undertake its own planning efforts to redevelop its specific properties owned and controlled along California Avenue.

The property located at 731 California Ave, Fresno, CA 93706 (APN: 467-246-01T) is a .26 acre parcel that has been vacant and undeveloped for several years and is under the ownership of the Oversight Board for the Successor Agency to the Redevelopment Agency of the City of Fresno (“Oversight Board”). The subject parcel is adjacent to other real property owned by FH and located within the FH property planning area. Acquiring the property would allow for developing the land in a manner consistent with the Downtown Neighborhoods Site Specific Plan, specifically the Edison Neighborhoods subarea.

The FH Board of Commissioners approved submission of a bid at public auction in November 2017, with the bid minimum set at $55,000. FH staff was successful in their bid for the property for $81,000 on December 6, 2017. FH is requesting a loan from HRFC in the amount of $85,000 to acquire said property and related closing costs. The terms of the agreement state that escrow must be closed within 60 days following final execution of the purchase offer.

RECOMMENDATION:

It is recommended that the Board of Directors of the Housing Relinquished Funds Corporation approve a loan to FH in the amount of $81,000 to cover the acquisition price for the land.
BEFORE THE BOARD OF THE
HOUSING RELINQUISHED FUND CORPORATION

RESOLUTION NO. ____

RESOLUTION AUTHORIZING A LOAN TO FINALIZE ACQUISITION OF 731 CALIFORNIA AVE, FRESNO, CA 93706 (APN: 467-246-01T)

At a duly constituted meeting of the Board of Directors of the Housing Relinquished Fund Corporation, a California nonprofit public benefit corporation (the “Corporation”) held on December 19, 2017, the following resolution is adopted:

WHEREAS, the goals of the Corporation include financing of the development and provision of affordable housing units within Fresno County boundaries; and

WHEREAS, the Corporation desires to support housing opportunities for low and moderate income households within a variety of neighborhoods; and

WHEREAS, 731 California Ave, Fresno, CA 93706, APN 467-246-01T, (“the Property”), consists of approximately 0.26 acres of vacant land that may be used for a future mixed-use development; and

WHEREAS, the acquisition of the site would complement other real property owned by the Housing Authority of the City of Fresno (“FH”) and is located in the California Avenue planning area; and,

WHEREAS, the FH submitted a successful bid of $81,000 on December 6, 2017 to the Oversight Board for the Successor Agency to the Redevelopment Agency of the City of Fresno to acquire the Property; and,

WHEREAS, the FH is requesting a loan from the Corporation in the amount of $85,000 to finalize acquisition to the Oversight Board for the Successor Agency to the Redevelopment Agency of the City of Fresno to acquire the Property;

WHEREAS, the terms of the agreement state that escrow must close within 60 days following final execution of the purchase offer,

NOW, THEREFORE, BE IT RESOLVED, that the Board of Commissioners of the Corporation does hereby authorize a loan commitment to FH in the amount of $85,000 for the acquisition and development of the Property and (ii) authorize the Secretary/Director Treasurer, and/or his respective designees (each an “Authorized Officer” and collectively, “Authorized Officers”) to negotiate and execute all ancillary documents in connection therewith
PASSED AND ADOPTED this 19th day of December 2017.

AYES:
NAYS:
ABSTAIN:
ABSENT:
CERTIFICATE

I, the undersigned, the duly appointed Secretary of the Housing Relinquished Fund Corporation (the “Corporation”), as keeper of the records of the Corporation, CERTIFY:

1. That the attached Resolution _______ (the “Resolution”) is a true and correct copy of the resolution of the Board of Directors of the Corporation, as adopted at a meeting of the Corporation held on the 28th day of November 2017, and duly recorded in the minute books of the Corporation.

2. That such meeting was duly convened and held in all respects in accordance with law, and, to the extent required by law, due and proper notice of such meeting was given; that a quorum was present throughout the meeting and a majority of the members of the Board of Directors of the Corporation present at the meeting voted in the proper manner for the adoption of the Resolution; that all other requirements and proceedings incident to the proper adoption of the Resolution have been duly fulfilled, carried out and otherwise observed, and that I am authorized to execute this Certificate.

IN WITNESS WHEREOF, I have hereunto set my hand this 19th day of December 2017.

HOUSING RELINQUISHED FUND CORPORATION

_________________________________

Preston Prince, Secretary
MEMORANDUM — Housing Relinquished Fund Corporation

To: The Board of Directors of the Housing Relinquished Fund Corporation
From: Preston Prince
Secretary/Director
Subject: Request HRFC Funding for the development of the Blackstone & Simpson site (APNs: 443-104-08, 443-104-09, 443-104-10, & 443-104-23)

BACKGROUND:

On June 27, 2017 the Board of Directors of the Housing Relinquished Fund Corporation (“HRFC”) approved $1,400,000 for the acquisition of the property at 3019-3039 N Blackstone Avenue, Fresno, CA.

The project is envisioned as a 45 unit mixed-use complex with 7,300 square feet of commercial space. Staff of the Housing Authority of the City of Fresno is currently preparing a development funding application to the Strategic Growth Council’s Affordable Housing and Sustainable Communities program. The Housing Authority intends to apply for AHSC & IIG funding and is requesting to increase the HRFC commitment up to a total of $2,000,000.

RECOMMENDATION:

It is recommended that the Board of Directors of the Housing Relinquished Fund Corporation, (i) adopt the attached resolution approving a funding commitment increase to the Housing Authority of the City of Fresno, California for a total of $2,000,000 for the development of the Blackstone and Simpson project and (ii) authorize the Secretary/Director, Treasurer, and/or their respective designees to negotiate and execute all ancillary documents in connection therewith.
RESOLUTION AUTHORIZING A LOAN COMMITMENT TO THE HOUSING AUTHORITY OF THE CITY OF FRESNO, CALIFORNIA FROM THE HOUSING RELINQUISHED FUND CORPORATION (HRFC) IN THE AMOUNT OF $2,000,000 FOR THE DEVELOPMENT OF THE BLACKSTONE & SIMPSON SITE (APNs: 443-104-08, 443-104-09, 443-104-10, & 443-104-23)

At a duly constituted meeting of the Board of Directors of the Housing Relinquished Fund Corporation, a California nonprofit public benefit corporation (the “Corporation”) held on ________________, 2017, the following resolutions were adopted:

WHEREAS, the goals of the Corporation include financing the development of new low income housing units; and

WHEREAS, the Housing Authority of the City of Fresno, California (“HACF”) intends to submit funding applications for the proposed 45 unit Blackstone and Simpson project (“Blackstone & Simpson”); and

WHEREAS, in order to facilitate the development of the Blackstone & Simpson site, the Corporation has agreed to provide a loan to the Housing Authority of the City of Fresno, California; and

WHEREAS, HRFC committed $1,400,000 for this project on 6/27/2017; and,

WHEREAS, HRFC now agrees to increase the total commitment up to $2,000,000; and,

WHEREAS, the Corporation is authorized to delegate to one or more of its agents and employees such powers as it deems proper;

NOW, THEREFORE, BE IT RESOLVED, that the Board of the Corporation does hereby (i) authorize a loan commitment to the Housing Authority of the City of Fresno of up to $600,000 for the development of the Blackstone & Simpson site and (ii) authorize the Secretary/Director, Treasurer, or their respective designees (each an “Authorized Officer” and collectively, “Authorized Officers”) to negotiate and execute all ancillary documents in connection therewith.

PASSED AND ADOPTED this ______ day of ____________, 2017.
CERTIFICATE

I, the undersigned, the duly appointed Secretary of the Housing Relinquished Fund Corporation (the “Corporation”), as keeper of the records of the Corporation, CERTIFY:

1. That the attached Resolution _______ (the “Resolution”) is a true and correct copy of the resolution of the Board of Directors of the Corporation, as adopted at a meeting of the Corporation held on the _____ day of ______________, 2017, and duly recorded in the minute books of the Corporation.

2. That such meeting was duly convened and held in all respects in accordance with law, and, to the extent required by law, due and proper notice of such meeting was given; that a quorum was present throughout the meeting and a majority of the members of the Board of Directors of the Corporation present at the meeting voted in the proper manner for the adoption of the Resolution; that all other requirements and proceedings incident to the proper adoption of the Resolution have been duly fulfilled, carried out and otherwise observed, and that I am authorized to execute this Certificate.

IN WITNESS WHEREOF, I have hereunto set my hand this _____ day of __________, 2017.

HOUSING RELINQUISHED FUND CORPORATION

_______________________________,

Preston Prince, Secretary/Director
MEMORANDUM — Housing Relinquished Fund Corporation

To: The Board of Directors of the Housing Relinquished Fund Corporation
From: Preston Prince
Secretary/Director
Subject: Financial Update and Increased Commitment Request – Fenix Development (previously known as The Lowell Neighborhood Project)

Date: December 12, 2017
Board Meeting: December 19, 2017
Agenda Item: 5

BACKGROUND:

The purpose of this memo is to provide the Board with additional information on construction cost increases associated with the Fenix development (formerly the Lowell Neighborhood Project). Fenix is a 30-unit multi-family, scattered site affordable housing development in Fresno’s Lowell District. 22 of the units are located at a rehabilitated apartment complex on Calaveras street, and 8 of the units are new construction on Glenn avenue.

The project began construction on December 7, 2015. As discussed with the Board previously, construction pricing has been increasing over the past several years. This specific project was also impacted by construction cost increases due to a variety unforeseen structural conditions once the Calaveras rehab began, which required more extensive framing design/work than originally anticipated. Staff worked closely with Brown Construction and architect R.L. Davidson to value engineer high cost components of the original design once the initial construction bids came in higher than anticipated, and to redesign internal framing once structural deficiencies were identified.

The overall development cost increase is expected to be approximately $339,754, an estimated increase of just over 4%.

The Housing Authority of the City of Fresno, CA is the guarantor that is obligated on behalf of the limited partnership to cover any construction cost overruns. At this time, staff is requesting the Board to authorize a permanent loan increase of up to $250,000 from the Housing Relinquished Fund Corporation (HRFC).

RECOMMENDATION:

It is recommended that the Board authorize and adopt the attached resolution approving a loan increase from the Housing Relinquished Funds Corporation of up to $250,000 for the Fenix development, and authorize Preston Prince, Secretary, and/or his designee to execute any related documents.
BEFORE THE BOARD OF THE
HOUSING RELINQUISHED FUND CORPORATION

RESOLUTION NO. ____

RESOLUTION AUTHORIZING INCREASED HRFC FUNDING FOR THE FENIX HOUSING DEVELOPMENT, AND OTHER MATTERS RELATED THERETO

At a duly constituted meeting of the Board of Directors of the Housing Relinquished Fund Corporation, a California nonprofit public benefit corporation (the “Corporation”) held on December 19, 2017, the following resolution is adopted:

WHEREAS, the goals of the Corporation include financing of the development and provision of affordable housing units within Fresno County boundaries; and

WHEREAS, the Corporation desires to support housing opportunities for low and moderate income households within a variety of neighborhoods; and

WHEREAS, the Housing Authority of the City of Fresno, CA (“the Authority”) seeks to expand the development and availability of long-term housing for low and moderate income households residing in the County of Fresno, California; and

WHEREAS, the Authority has agreed to facilitate the development of real property located at 240-250 N. Calaveras Street and 146 N. Glenn Avenue, and the improvements located thereon for the development of 30 units of affordable multi-family housing (collectively, the Project); and

WHEREAS, the Project began construction on December 7, 2015; and

WHEREAS, the Project has had delays and budget changes due to value engineering and unforeseen structural engineering issues; and

WHEREAS, the Project is now over budget; and

WHEREAS, the Authority is the guarantor for the deal, and is obligated to cover any construction overruns;

WHEREAS, the Authority conducted a financial analysis to analyze the final cost impact to complete the project and is requesting a loan increase of up to $250,000 from the Housing Relinquished Funds Corporation;

NOW, THEREFORE, BE IT RESOLVED, that the Board of the Corporation does hereby authorize the Board of Directors of the Housing Relinquished Fund Corporation to adopt the attached resolution authorizing an increase of a funding commitment of up to $250,000 to the Fenix Development, and authorize the Secretary/Director, Preston Prince or his designee to negotiate and execute all ancillary documents.
PASSED AND ADOPTED this 19th day of December 2017.

AYES:
NAYS:
ABSTAIN:
ABSENT:
CERTIFICATE

I, the undersigned, the duly appointed Secretary of the Housing Relinquished Fund Corporation (the “Corporation”), as keeper of the records of the Corporation, CERTIFY:

1. That the attached Resolution _______ (the “Resolution”) is a true and correct copy of the resolution of the Board of Directors of the Corporation, as adopted at a meeting of the Corporation held on the 19th day of December 2017, and duly recorded in the minute books of the Corporation.

2. That such meeting was duly convened and held in all respects in accordance with law, and, to the extent required by law, due and proper notice of such meeting was given; that a quorum was present throughout the meeting and a majority of the members of the Board of Directors of the Corporation present at the meeting voted in the proper manner for the adoption of the Resolution; that all other requirements and proceedings incident to the proper adoption of the Resolution have been duly fulfilled, carried out and otherwise observed, and that I am authorized to execute this Certificate.

IN WITNESS WHEREOF, I have hereunto set my hand this 19th day of December 2017.

HOUSING RELINQUISHED FUND CORPORATION

_______________________________,

Preston Prince, Secretary