NOTICE OF SPECIAL MEETING

TUESDAY, JANUARY 23, 2018

6:00p.m.

BOARD OF DIRECTORS OF THE HOUSING RELINQUISHED FUND CORPORATION

Date: January 19, 2018

To: Jim Petty, Director
    Adrian Jones, Director

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, January 23, 2018 (subsequent to the 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 1
2. Consideration of the Minutes of November 28, 2017 and December 19, 2017 2
3. Election of 2018 Officers
4. Consideration of Line of Credit to Fresno Housing Authority 6
5. Adjournment

Preston Prince, Director/Secretary
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
Minutes of Special Meeting
Of the Board of Directors of

HOUSING RELINQUISHED FUND CORPORATION

Tuesday, December 19, 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, December 19, 2017 at the offices of the Fresno Housing Authority, 1331 Fulton Street, Fresno, CA 93721.

1. The meeting was called to order by Chair Jones at 8:05 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 November 28, 2017

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

   MOTION PASSED: 3-0


   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 – Blackstone/Simpson Project**

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

   **MOTION PASSED: 3-0**

5. **Consideration of Funding Commitments – Lowell Project**

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

   **MOTION PASSED: 3-0**

6. **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 8:06 p.m.

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   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 for HRFC Funding for Fresno Housing Authority

Date: January 19, 2018
Board Meeting: January 23, 2018
Agenda Item: 4

Overview

The purpose of this agenda item is to request that the Board of Directors consider approving a temporary line of credit to the Fresno Housing Authority (FH) in the event that no continuing resolution or Federal budget is approved by January 19, 2018.

As a reminder, the start of the new budget year for the Federal government is October 1st. For the 2018 Federal budget, lawmakers did not anticipate having an approved budget by the end of September, so they passed a “Continuing Resolution” (CR) which would maintain the 2017 budget through December 8, 2017. As that date approached, the focus of lawmakers was on tax reform and another continuing resolution was passed to extend the deadline for a Federal budget to January 19, 2018. As of today, there is no approved Federal budget and no approved Continuing Resolution.

A Federal budget and the resulting funding is the backbone of FH’s Housing Choice Voucher program. FH fully intends, to the best of their ability, to continue the core operations of providing services to residents and public partners. However, once the government “shuts down”, primary funders may be unable to authorize normal funding distributions due to the suspension of operations at the Federal level. While distributions will be released once legislation is adopted, there may be a need to utilize short-term alternatives to essentially “cover” the funds held in suspense due to federal closure. While FH has operated in a fiscally prudent manner, building up reserves for these types of situations, the impact of HUD’s requirement to transfer program reserves to the Treasury has reduced financial flexibility to absorb funding delays.

To increase available working capital, FH is seeking approval to utilize funds from the Housing Relinquished Fund Corp. as needed until funding streams are restored.

Recommendation

It is recommended that the Board of Directors authorize an interest-free line of credit of up to $4.2 million to the Housing Authorities of the City and County of Fresno, operating jointly as the Fresno Housing Authority, for purposes of temporarily funding core operations should a government shutdown occur.

Background Information

The Fresno Housing Authority (FH) Board approved the Agency’s 2018 Operating Budget at the Board of Commissioners’ meeting on December 19, 2017.
BEFORE THE BOARD OF DIRECTORS OF THE
HOUSING RELINQUISHED FUND CORPORATION
RESOLUTION NO. _____

RESOLUTION TO APPROVE A LINE OF CREDIT LOAN FROM THE
HOUSING RELINQUISHED FUND CORPORATION
TO THE HOUSING AUTHORITIES OF THE CITY AND COUNTY OF FRESNO

WHEREAS, the Federal Fiscal Year begins annually on October 1st; and

WHEREAS, a Federal Budget or Continuing Resolution must be in place prior to the
beginning of each Federal Fiscal Year to appropriate and authorize Federal expenditures; and

WHEREAS, a Federal Budget or an extension of the Continuing Resolution has not yet
been approved by the United States Congress; and

WHEREAS, beginning January 20, 2018 without legislation in place will create a
government shutdown; and

WHEREAS, a government shutdown may delay normal ongoing funding distributions to
the Housing Authority of the City of Fresno and the Housing Authority of Fresno County (jointly
operating as the Fresno Housing Authority); and

WHEREAS, delays in said funding distributions may create the need for additional
working capital in order for the Fresno Housing Authority to continue its core operations.

NOW THEREFORE, the Board of Directors does hereby resolve that, Preston Prince, the
Secretary and/or his designee are authorized to provide up to $4.2 million of Housing
Relinquished Fund Corp. funds as an additional line of credit to the Fresno Housing Authority
to utilize on an as-needed basis should an federal government shutdown occur. Said line of credit
shall accrue interest at 0% per annum.

PASSED AND ADOPTED THIS ________ day of __January, 2018 I, the undersigned,
hereby certify that the foregoing Resolution was duly adopted by the governing body with the following vote, to-wit:

AYES:

NOES:

ABSENT:

ABSTAIN:

_____________________________________________

Preston Prince, Secretary of the Board of Directors