NOTICE OF SPECIAL MEETING

Tuesday, November 27, 2018

6:00p.m.

BOARD OF DIRECTORS OF THE HOUSING RELINQUISHED FUND CORPORATION

Date: November 27, 2018

To: Adrian Jones, Chair
    Stacy Sablan, Vice Chair
    Caine Christensen, Director
    Mary Castro, 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, November 27, 2018 (subsequent to the meeting of the Boards of the Fresno Housing Authority) at the Fresno Housing Authority Offices, located at 1331 Fulton Street, Fresno, California.

AGENDA
1. Call to Order/Approval of the Agenda 1
2. Consideration of Funding Commitment – Orchard Apartments 2
3. Consideration of Funding Commitment – Mariposa Meadows 5
4. Adjournment

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Preston Prince, Director/Secretary
To: The Board of Directors of the Housing Relinquished Fund Corporation  
Date: November 27, 2018  
Board Meeting: November 27, 2018  

From: Preston Prince  
Secretary  
Agenda Item: 2

Subject: Approval of an HRFC Loan Commitment of up to $500,000 for Pre-Development Funding for the Parlier Orchard Apartments Project

SUMMARY:

At the September 25, 2018 Fresno Housing Authority (FH) Board Meeting, the FH Board approved accepting an award of 9% Low-Income Housing Tax Credits (LIHTC) from the California Tax Credit Allocation Committee (CTCAC) for the Parlier Orchard Apartments housing development. On October 9, 2018, FH submitted the executed Preliminary Reservation Letter to CTCAC formally accepting the award. The deadline to close on financing and begin construction is April 1, 2019.

As part of the next steps in the pre-development process, financing is necessary for soft costs that will be incurred prior to the financial closing. Pre-development expenses will include a variety of costs related to the Parlier Orchard Apartments development, such as the cost of environmental reports, appraisals, architectural fees, TCAC application fees, etc. Although we have financing commitments for permanent and construction financing, funds are not made available until all diligence is complete and the close of financing occurs in March 2019. At the financial closing, the FH pre-development expenses will be fully paid.

At this time, it is requested that the Board of Directors approve an interim pre-development loan of up to $500,000 from the Housing Relinquished Fund Corporation to be repaid from construction sources. The pre-development loan will carry 5% interest on the outstanding balance.

RECOMMENDATION:

It is recommended that the Boards of Directors of the Housing Relinquished Fund Corporation adopt the attached resolution authorizing a pre-development loan commitment of up to $500,000 at 5% interest for expenses incurred in the pre-development phase of the Parlier Orchard Apartments project and authorize Preston Prince, the Secretary/Director, or his designee to negotiate and execute all ancillary documents in connection therewith.
BEFORE THE BOARD OF DIRECTORS OF THE 
HOUSING RELINQUISHED FUND CORPORATION 

RESOLUTION NO. ________

RESOLUTION TO APPROVE A PRE-DEVELOPMENT LOAN OF UP TO $500,000 
FROM THE HOUSING RELINQUISHED FUND CORPORATION 
FOR PRE DEVELOPMENT EXPENSES RELATED TO THE PARLIER ORCHARD 
APARTMENTS PROJECT

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 October 23, 2018, the following resolution is 
adopted:

WHEREAS, the goals of the Housing Relinquished Fund Corporation (HRFC) 
include the financing of the development and provision of affordable housing units 
within Fresno County boundaries; and

WHEREAS, HRFC desires to provide support to housing opportunities for low and 
moderate-income households within a variety of neighborhoods, and

WHEREAS, HRFC would like to facilitate the rehabilitation of the Parlier 
Orchard Apartments property located in Parlier, CA which currently consists of 40 
units of USDA assisted farm worker housing; and

WHEREAS, a to be formed limited partnership, (LP) is being created for the 
purposes of developing and owning the Parlier Orchard Apartments complex; and

WHEREAS, the Housing Authority of Fresno County will be a general partner 
and Silvercrest, Inc. will be the managing general partner of said LP; and

WHEREAS, the Housing Authority of Fresno County has requested and HRFC 
desires to loan of up to $500,000 at 5% interest to fund pre-development expenses 
for the Parlier Orchard Apartments project; and

WHEREAS, the subject pre-development loan shall be repaid at the financial 
closing; and

NOW THEREFORE, the Board of Directors does hereby resolve that 
Preston Prince, Secretary/Director and/or his designee are authorized to provide a 
pre-development loan of up to $500,000 at 5% interest to the Housing Authority of
Fresno County for the Parlier Orchard Apartments project and to negotiate and execute all ancillary documents in connection therewith.

PASSED AND ADOPTED THIS 27th day of November 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 Commissioners
To: The Board of Directors of the Housing Relinquished Fund Corporation

From: Preston Prince
Secretary

Date: November 27, 2018
Board Meeting: November 27, 2018
Agenda Item: 3

Subject: Approval of an HRFC Loan Commitment of up to $500,000 for Pre-Development Funding for the Mariposa Meadows Project

SUMMARY:

At the September 25, 2018 Fresno Housing Authority (FH) Board Meeting, the FH Board approved accepting an award of 9% Low-Income Housing Tax Credits (LIHTC) from the California Tax Credit Allocation Committee (CTCAC) for the Mariposa Meadows development. On October 9, 2018, FH submitted the executed Preliminary Reservation Letter to CTCAC formally accepting the award. The deadline to close on financing and begin construction is March 18, 2019.

As part of the next steps in the pre-development process, financing is necessary for soft costs that will be incurred prior to the financial closing. Pre-development expenses will include a variety of costs related to the Mariposa Meadows development, such as the cost of environmental reports, appraisals, architectural fees, TCAC application fees, etc. Although we have financing commitments for permanent and construction financing, funds are not made available until all diligence is complete and the close of financing occurs in March 2019. At the financial closing, the FH pre-development expenses will be fully paid.

At this time, it is requested that the Board of Directors approve an interim pre-development loan of up to $500,000 from the Housing Relinquished Fund Corporation to be repaid from construction sources. The pre-development loan will carry 5% interest on the outstanding balance.

RECOMMENDATION:

It is recommended that the Boards of Directors of the Housing Relinquished Fund Corporation adopt the attached resolution authorizing a pre-development loan commitment of up to $500,000 at 5% interest for expenses incurred in the pre-development phase of the Mariposa Meadows project and authorize Preston Prince, the Secretary/Director, or his designee to negotiate and execute all ancillary documents in connection therewith.
BEFORE THE BOARD OF DIRECTORS OF THE
HOUSING RELINQUISHED FUND CORPORATION

RESOLUTION NO. _______

RESOLUTION TO APPROVE A PRE-DEVELOPMENT LOAN OF UP TO $500,000
FROM THE HOUSING RELINQUISHED FUND CORPORATION
FOR PRE DEVELOPMENT EXPENSES RELATED TO THE MARIPOSA MEADOWS
PROJECT

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 October 23, 2018, the following resolution is adopted:

WHEREAS, the goals of the Housing Relinquished Fund Corporation (HRFC) include the financing of the development and provision of affordable housing units within Fresno County boundaries; and

WHEREAS, HRFC desires to provide support to housing opportunities for low and moderate-income households within a variety of neighborhoods, and

WHEREAS, HRFC would like to facilitate the rehabilitation of the Mariposa Meadows property located in SW Fresno, CA which consists of 40 units of USDA assisted farm worker housing; and

WHEREAS, a to be formed limited partnership, (LP) is being created for the purposes of developing and owning the Mariposa Meadows complex; and

WHEREAS, the Housing Authority of the City of Fresno will be a general partner and Silvercrest, Inc. will be the managing general partner of said LP; and

WHEREAS, the Housing Authority of the City of Fresno has requested and HRFC desires to loan of up to $500,000 at 5% interest to fund pre-development expenses for the Mariposa Meadows project; and

WHEREAS, the subject pre-development loan shall be repaid at the financial closing; and

NOW THEREFORE, the Board of Directors does hereby resolve that Preston Prince, Secretary/Director and/or his designee are authorized to provide a pre-development loan of up to $500,000 at 5% interest to the Housing Authority of the City of Fresno for the Mariposa Meadows project and to negotiate and execute all ancillary documents in connection therewith.

PASSED AND ADOPTED THIS 27th day of November 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 Commissioners