NOTICE OF SPECIAL MEETING

Tuesday, April 28, 2020

6:00 p.m.

BOARD OF DIRECTORS OF THE HOUSING RELINQUISHED FUND CORPORATION

Date: April 24, 2020

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 6:00 p.m. on Tuesday, April 28, 2020 via conference call. Please call: (415) 594-5500. Follow all prompts. To access the call you will need to enter the code as follows: 575-482-803#.

AGENDA

1. Call to Order/Approval of the Agenda
2. Consideration of the minutes of January 28, 2020
3. Consideration of Increase to Pre-Development Loan from the Housing Relinquished Fund Corp. - General
4. Consideration of Increase to Loan from the Housing Relinquished Fund Corp. – Chinatown
5. Adjournment

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

HOUSING RELINQUISHED FUND CORPORATION

Tuesday, January 28, 2020
6:00 P.M.

1. There was a duly noticed special meeting of the Board of Directors of the Housing Relinquished Fund Corporation on Tuesday, January 28, 2020 at Magnolia Commons, located at 325 E Vine St., Fowler, CA.

The meeting was called to order by Chair Jones at 6:18 p.m., and upon roll call, Directors/Officers present and absent were as follows:

PRESENT: Adrian Jones, Chair
Stacy Sablan, Vice Chair
Caine Christensen, Director
Mary Castro, Director
Preston Prince, Secretary/Director

ABSENT: None.

Also in attendance: Ken Price, General Counsel, Baker Manock and Jensen.

Approval of Agenda

Upon motion by Director Sablan, seconded by Director Castro, and with unanimous vote, the agenda was approved as posted.

MOTION PASSED: 5-0

2. Consideration of the minutes of November 19, 2019

Upon motion by Director Sablan, seconded by Director Christensen, and with unanimous vote, the minutes were approved.

MOTION PASSED: 5-0

3. Consideration of the Acquisition of 466 N. Roosevelt

Upon motion by Director Sablan, seconded by Director Christensen, and with unanimous vote, the minutes were approved.
MOTION PASSED: 5-0

4. 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 6:22 p.m.

____________________________________
Preston Prince, Secretary
To: The Board of Directors of the Housing Relinquished Fund Corporation

Date: April 24, 2020

From: Preston Prince

Secretary

Agenda Item: 3

Subject: Request for Increase to General Pre-Development Funding for Fresno Housing Real Estate Development

The purpose of this memo is to request an increase to the general pre-development funding to Fresno Housing (“FH”) Real Estate Development from the Housing Relinquished Fund Corporation (“HRFC”). Pre-development funding is used for a wide variety of initial due diligence activities for concept projects, including but not limited to escrow deposits, environmental studies, market studies, appraisals, capital needs assessments, land surveys, title reports, preliminary architectural designs, plan check fees, and application fees. These items are integral to obtaining entitlements through local jurisdictions, completing initial environmental reviews, achieve project readiness to be competitive for funding and otherwise evidencing feasibility for funding applications.

At the November, 2012 Board meeting, the Board of Directors authorized a loan of $300,000 in revolving funds to be provided by HRFC for FH’s real estate development initiatives for general pre-development activities. Once a project secures financing and closes, predevelopment expenses are reimbursable from construction and permanent financing sources.

In the past couple of years and for the foreseeable future, the State of California has greatly increased funding available for affordable housing. Concurrently, the need for quality affordable housing within Fresno County has continued to increase. To compound matters, the current COVID-19 Pandemic has disrupted the economy and increased unemployment rates, creating a greater need for affordable housing. It is possible that State and Federal governments will make additional investments in affordable housing to address the housing demand and stimulate the economy. Staff is recommending an increase to the general pre-development loan to allow for additional projects to be considered and investigated for feasibility.

RECOMMENDATION:
It is recommended that the Board of Directors of the Housing Relinquished Fund Corporation approve an increase to the FH general pre-development funds of $300,000, for a total of $600,000 in order for the Fresno Housing Authority to perform initial feasibility for concept projects, and authorize the Secretary and/or his designee to negotiate and execute all ancillary documents in connection therewith.

Past Board Actions:
November 27, 2012: approved $300,000 for pre-development funding
BEFORE THE BOARD OF DIRECTORS OF THE
HOUSING RELINQUISHED FUND CORPORATION
RESOLUTION NO. ________

RESOLUTION TO APPROVE AN INCREASE TO THE HOUSING RELINQUISHED
FUND CORPORATION FUNDING TO THE FRESNO HOUSING REAL ESTATE
DEVELOPMENT DEPARTMENT FOR GENERAL PRE-DEVELOPMENT

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 April 28, 2020, 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 (“HACF”) and the Housing Authority of Fresno County (“HAFC”) have several new projects in the pre-development phase; and,

WHEREAS, on November 27, 2012 the Corporation approved a pre-development loan to the Fresno Housing Real Estate Development Department of $300,000 from HRFC for the completion of due diligence and other pre-development activities; and,

WHEREAS, there is a need for additional pre-development funds to allow for full feasibility analysis and preliminary architectural plans sufficient to gain entitlements and to allow for submission of funding applications for concept projects;

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 to increase to the Housing Relinquished Fund Corporation loan by $300,000, for a total loan of up to $600,000 to the Real Estate Development Department for pre-development activities, and authorize the Secretary/Director, Preston Prince or his designee to negotiate and execute all ancillary documents.

PASSED AND ADOPTED this 28th day of April 2020.

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 April 2020, 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 28th day of April 2020.

HOUSING RELINQUISHED FUND CORPORATION

 ________________________________,
   Preston Prince, Secretary
MEMORANDUM — Housing Relinquished Fund Corporation

To: The Board of Directors of the Housing Relinquished Fund Corporation

Date: April 24, 2020

From: Preston Prince
Secretary/Director

Board Meeting: April 28, 2020

Agenda Item: 4

Subject: Request for An Increase in HRFC Pre-Development Funding associated with the Chinatown Housing Development (APN’s 467-065-06 & 467-065-07) and Related Pre-Development and Due Diligence Activity

BACKGROUND:

The Chinatown housing development (the “Project”) site consists of two vacant parcels located on the Northeast corner of Mariposa and F Streets on approximately 0.60 acres in Fresno, CA. Staff has a concept proposal for a 4-story, mixed-use development with commercial/retail space on the ground floor, and 57 units of affordable workforce housing above.

On October 10, 2019, the Fresno City Council unanimously approved a TCC Sub-Recipient Agreement for $10,807,319 for the Chinatown Housing Development and a Memorandum of Understanding (MOU) between the City of Fresno and Fresno Housing totaling $977,902. Also on October 10th, the City of Fresno unanimously approved a HOME Agreement for $397,118 for the Project.

In addition to TCC and HOME funds, other committed public funding sources include the Infill Infrastructure Grant program (IIG), and a permanent and soft loan from California Housing Finance Agency (CalHFA).

At the October 11, 2017 Board Meeting, the Board approved an up to $1,000,000 HRFC loan for pre-development activity for the project. Staff is requesting to increase that loan by $1,000,000, for a total loan of up to $2,000,000 in HRFC funds for the Chinatown development. These funds will be used to assist in completion of due diligence and other pre-development activities. The pre-development loan will be repaid from construction sources at the time of finance closing, which is tentatively scheduled for June, 2020.

RECOMMENDATION:

It is recommended that the Board of Directors of the Housing Relinquished Fund Corporation, (i) adopt the attached resolution approving an increased funding commitment to the Housing Authority of the City of Fresno of $1,000,000, for a total loan of up to $2,000,000 for the completion of due diligence and other pre-development activities related to the Chinatown Housing Development, and (ii) authorize the Secretary/Director, Treasurer, and/or their respective designees to negotiate and execute all ancillary documents in connection therewith.
BEFORE THE BOARD OF THE
HOUSING RELINQUISHED FUND CORPORATION

RESOLUTION NO. ____

RESOLUTION AUTHORIZING AN INCREASE TO THE LOAN COMMITMENT OF $1,000,000, FOR A TOTAL LOAN OF UP TO $2,000,000 FROM THE HOUSING RELINQUISHED FUND CORPORATION (HRFC) FOR THE CHINATOWN HOUSING DEVELOPMENT (APN’s 467-065-06 & 467-065-07)

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 April 28, 2020, 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 Authority has received a CTCAC award for the development of the Chinatown housing development, which consists of the development of real property located in Chinatown on the corner of Mariposa and F streets in Fresno, CA, 93706 (APN’s 467-065-06, 467-065-07), and the improvements located thereon into a 57-unit mixed-use multifamily complex with commercial on the first floor (collectively, the Project); and,

WHEREAS, on October 10, 2019, the Fresno City Council unanimously approved a TCC Sub-Recipient Agreement for $10,807,319 for the Chinatown Housing Development and a Memorandum of Understanding (MOU) between the City of Fresno and Fresno Housing totaling $977,902; and,

WHEREAS, on October 10, 2019, the Fresno City Council unanimously approved a HOME Agreement for $397,118 for the Project; and,

WHEREAS, the Authority has secured Infill Infrastructure Grant program (IIG) funds, and a permanent and soft loan from California Housing Finance Agency (CalHFA) for the project; and,

WHEREAS, on October 11, 2017 the Board of Directors of the Housing Relinquished Fund Corporation approved up to $1,000,000 of HRFC Funding for the completion of due diligence, other pre-development activities, closing costs and development activities for the Chinatown Housing Development;

WHEREAS, the project requires financing commitments in preparation of construction closing;

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 to the funding commitment of $1,000,000, for a total
pre-development loan of up to $2,000,000 to the Chinatown Housing Development, and authorize
the Secretary/Director, Preston Prince or his designee to negotiate and execute all ancillary
documents.

PASSED AND ADOPTED this 28th day of April 2020.

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 April 2020, 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 28th day of April 2020.

HOUSING RELINQUISHED FUND CORPORATION

__________________________________

Preston Prince, Secretary