

Boards of Commissioners Meeting

April 23, 2019



AGENDA

O (559) 443-8400 F (559) 445-8981

1331 Fulton Street Fresno, California 93721 TTY (800) 735-2929

www.fresnohousing.org

Regular Joint Meeting of the Boards of Commissioners of the Fresno Housing Authority

5pm - April 23, 2019 1331 Fulton Street, Fresno, CA 93721

Interested parties wishing to address the Boards of Commissioners regarding this meeting's Agenda Items, and/or regarding topics not on the agenda but within the subject matter jurisdiction of the Boards of Commissioners, are asked to complete a "Request to Speak" card which may be obtained from the Board Secretary (Tiffany Mangum) at 4:45 p.m. You will be called to speak under Agenda Item 3, Public Comment.

The meeting room is accessible to the physically disabled, and the services of a translator can be made available. Requests for additional accommodations for the disabled, signers, assistive listening devices, or translators should be made at least one (1) full business day prior to the meeting. Please call the Board Secretary at (559) 443-8475, TTY 800-735-2929.

5pm

1. Call to Order and Roll Call

2. Approval of agenda as posted (or amended)

The Boards of Commissioners may add an item to this agenda if, upon a two-thirds vote, the Boards of Commissioners find that there is a need for immediate action on the matter and the need came to the attention to the Authority after the posting of this agenda.

3. **Potential Conflicts of Interest** – Any Commissioner who has a potential conflict of interest may now identify the item and recuse themselves from discussing and voting on the matter. (Gov. Code section 87105)

4. Discussion on Willow/Alluvial Project

5. Public Comment

This is an opportunity for the members of the public to address the Boards of Commissioners on any matter within the subject matter jurisdiction of the Boards of Commissioners that is <u>not</u> listed on the Agenda. At the start of your presentation, please state your name, address and/or the topic you wish to speak on that is not on the agenda. Presentations are limited to a total of three (3) minutes per speaker.

6. Consent Agenda

All Consent Agenda items are considered to be routine action items and will be enacted in one motion unless pulled by any member of the Boards of Commissions or the public. There will be no separate discussion of these items unless requested, in which event the item will be removed the Consent Agenda and considered following approval of the Consent Agenda.

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| a. | Consideration of the Minutes of March 26, 2019 | 5 |
| b. | Consideration of Amended Joint Powers Agreement – | 14 |
| | California Housing Workers Compensation Authority | |
| | (CHWCA) | |
| Inform | ational | |
| a. | Introduction to the Housing Choice Voucher Interest List | 19 |
| b. | Real Estate Development Update | 25 |
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8. Action

7.

a. Consideration of the Omnibus Resolutions – Mariposa 26 Meadows (Fresno)
b. Consideration of the Omnibus Resolutions – Orchard 46 Apartments (Parlier)
c. Consideration of Assignments and Assumptions 66 Agreement - Villa Del Mar
d. Consideration of the Continuation of the Contract for 75 General Construction/Construction Management Services

(GCCM) – Willow Project (Continued from 3/26/19)

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| | e. Consideration of the Continuation of the Contract for General Construction/Construction Management Services (GCCM) – Huron (Continued from 3/26/19) | | | |
| | f. | Consideration of Lease Agreement – U. S. Department of Veterans Affairs | 81 | |
| 9. | Comm | issioners' Report | | |
| 10. Executive Director's Report | | | | |
| 11. Closed Session Public Employee Performance Evaluation Title: CEO/Executive Director | | | | |
| 12. | 2. Report on Closed Session Item(s) | | | |
| 13. | . Adjournment | | | |

Minutes of the Joint Meeting

Of the Boards of Commissioners of the

HOUSING AUTHORITIES OF THE CITY AND COUNTY OF FRESNO

Tuesday, March 26, 2019

5:00 P.M.

The Boards of Commissioners of the Housing Authorities of the City and County of Fresno met in a regular session on Tuesday, March 26, 2019 at the HACCF property, located at 1331 Fulton Street, Fresno, California.

1. The regular meeting was called to order at 5:10 p.m. by Board Chair, Commissioner Jones, of the Board of Commissioners of the Housing Authority of City of Fresno. Roll call was taken and the Commissioners present and absent were as follows:

PRESENT: Adrian Jones, Chair

Caine Christensen, Vice Chair

Terra Brusseau* Stacy Vaillancourt Sharon Williams* Ruby Yanez

ABSENT: Rueben Scott

The meeting was called to order at 5:10 p.m. by Board Chair, Commissioner Sablan, of the Board of Commissioners of the Housing Authority of Fresno County. Roll call was taken and the Commissioners present and absent were as follows:

PRESENT: Stacy Sablan, Chair

Mary G. Castro, Vice Chair

Nikki Henry Cary Catalano Valori Gallaher

ABSENT: Joey Fuentes

Also, in attendance were the following: Preston Prince, CEO/Executive Director, and Ken Price, Baker Manock and Jensen -General Counsel.

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Commissioner Sablan publicly thanked Mrs. Miller for her years of service as a County

Commissioner. Commissioner Sablan announced that the last board meeting on February 26,

2019 was Commissioner Miller's last meeting as a Commissioner.

*Commissioner Brusseau joined the meeting during the discussion of item 2. *Commissioner Williams

joined the meeting during the discussion of action item 7c.

2. APPROVAL OF AGENDA AS POSTED (OR AMENDED)

General Counsel reported an item was added under Closed session - on Real Property

Negotiation; located at 3950 N. Del Mar in Fresno, to discuss the terms and price of the

property.

There were no public comments.

Commissioner Brusseau joined the meeting at 5:11pm.

CITY MOTION: Commissioner Vaillancourt moved, seconded by Commissioner Christensen,

to approve the amended agenda.

MOTION PASSED: 5-0

COUNTY MOTION: Commissioner Henry moved, seconded by Commissioner Gallaher, to

approve the amended agenda.

MOTION PASSED: 5-0

3. PUBLIC COMMENT

Nikki, a Fresno Housing resident, briefly shared she hadn't been attending past board meetings

because she decided to return to school.

The Boards congratulated and applaud her.

4. POTENTIAL CONFLICTS OF INTEREST

There was no conflict of interest stated at this time.

Joint Meeting

Action Minutes: 3.26.2019

5. CONSENT AGENDA

All Consent Agenda items are considered to be routine action items and will be enacted in one motion unless pulled by any member of the Boards of Commissions or the public. There will be no separate discussion of these items unless requested, in which event the item will be removed from the Consent Agenda and considered following approval of the Consent Agenda.

a. Consideration of the Minutes of February 26, 2019

General Counsel stated there is clarification to page 4 on item 7b under Public Comment of the Minutes of February 26, 2019. The sentence said "Mr. Payne finalized his presentation with stating that his Foundation can assist with the scholarship foundation the Fresno Housing Authority offers to their residents to continue their education." Mr. Payne notified staff and stated it is not his foundation, the minutes needs to reflect it is "the State Center Community College Foundation can assist with the scholarship fund the Fresno Housing Authority offers."

CITY MOTION: Commissioner Brusseau moved, seconded by Commissioner Yanez to approve the Minutes of February 26, 2019 as amended.

MOTION PASSED: 5-0

COUNTY MOTION: Commissioner Catalano moved, seconded by Commissioner Gallaher to approve the Minutes of February 26, 2019 as amended.

MOTION PASSED: 5-0

6. <u>INFORMATIONAL</u>

a. 2018 Agency Highlights Video Presentation

A 2018 Agency Highlights Video was presented.

b. Resident Empowerment – Faith in Finance

Ms. Doreen Eley, Senior Manager of Strategic Initiatives, introduced Mr. Larry Hodges, Fresno Pacific Professor.Mr. Hodges briefly presented on the course Faith and Finance he teaches with the partnership of Fresno Housing Authority and Fresno Pacific Universities. The course is offered at these complexes Legacy Commons, Cedar Courts, and Parc Grove Commons.

Ms. Marcia Hermosillo and Ms. Stefania Hermosillo, Fresno Housing residents, both presented on the benefit of the program offered to them as residents.

Joint Meeting Action Minutes: 3.26.2019 Adopted: c. Fresno Housing Intern Presentation

Mr. Scott Fetterhoff introduced Nathaniel Sorber, an intern from California State University, Fresno. Mr. Sorber presented on his internship experience with the Procurement Department.

d. Agency Data Dashboard Update - Customer Service

Mr. Bobby Coulter and Mr. Edgar Rodriguez presented on this topic.

e. 2018 Housing Assistance Payments & Leasing Overview

Ms. Tracewell Hanrahan introduced Juan Lopez, Finance Manager, and Aurora Ibarra, Senior Manager for the Housing Choice Voucher Program. Mr. Lopez and Ms. Ibarra presented on this topic.

Public comment included the following:

Nikki, a Fresno Housing resident, talked about her experience when she was 15 years old and studio apartments were close to Divisadero area.

f. Real Estate Development Update

Mr. Michael Duarte presented on this topic.

7. ACTION

a. Consideration of Funding Commitment – Highway City

Ms. Tracewell Hanrahan presented on this action item.

Public comment included the following:

Ms. April Henry, Executive Director of the Highway City Community Development, thanked the Fresno Housing Authority for their partnership. Ms. Henry said this partnership will bring collaborative services to the Highway City community such as the Fresno County Library, School District, Centro La Familia, the Central Community Church, and food services.

Mr. Henry Pauls, Pastor, Central Community Church, briefly talked about the community benefit of the partnership of Fresno Housing Authority and Highway City Community

Development. He thanked the Fresno Housing Authority for the partnership and added that the Community is looking forward to the completion of the community center.

CITY MOTION: Commissioner Christensen moved, seconded by Commissioner Yanez to approve the funding Commitment – Highway City.

MOTION PASSED: 5-0

COUNTY MOTION: Commissioner Catalano moved, seconded by Commissioner Henry to approve the funding Commitment – Highway City.

MOTION PASSED: 5-0

b. Consideration of the Sub-Agreement for the Chinatown Project – City of Fresno

Ms. Tracewell Hanrahan presented on this action item.

Public comment included the following:

Eric Payne requested the video "Transformative Climate Communities" be played. Mr. Payne briefly said visuals are more powerful, adding that this is the opportunity to see the work Fresno Housing Authority is lifting up. In addition, he said Fresno Housing Authority is helping transform communities and neighborhoods that have been neglected for a long time. He concluded by asking the Boards for their support on this item.

CITY MOTION: Commissioner Brusseau moved, seconded by Commissioner Vaillancourt to approve the Sub-Agreement for the Chinatown Project – City of Fresno.

MOTION PASSED: 5-0

COUNTY MOTION: Commissioner Catalano moved, seconded by Commissioner Gallaher to approve the Sub-Agreement for the Chinatown Project – City of Fresno.

MOTION PASSED: 5-0

c. Consideration of the Contract for General Construction/Construction Management Services – Kingsburg Seniors Project

Mr. Michael Duarte presented on this action item.

At approximately 7:06 pm, Commissioner Williams joined the meeting.

CITY MOTION: Commissioner Christensen moved, seconded by Commissioner Vaillancourt to approve the Contract for General Construction/Construction Management Services – Kingsburg Seniors Project.

Joint Meeting Action Minutes: 3.26.2019 Adopted: **MOTION PASSED:** 6-0

COUNTY MOTION: Commissioner Henry moved, seconded by Commissioner Castro to approve the Contract for General Construction/Construction Management Services – Kingsburg Seniors Project.

MOTION PASSED: 5-0

d. Consideration of the Contract for General Construction/Construction Management Services – Willow Project

Mr. Michael Duarte presented on this action item.

Commissioner Brusseau provided a comment that she wanted for the record, that she will not support this project.

The Boards heard and discussed Commissioner Brusseau's concerns regarding the project's location and the development process, and Commissioner Catalano's concern on the procurement process for this contract. The Boards decided to continue the conversation to the next board meeting.

CITY MOTION: Commissioner Yanez moved, seconded by Commissioner Williams to continue the item on the Contract for General Construction/Construction Management Services – Willow Project to the next board meeting.

MOTION PASSED: 6-0

COUNTY MOTION: Commissioner Catalano moved, seconded by Commissioner Gallaher to continue the item on the Contract for General Construction/Construction Management Services – Willow Project to the next board meeting.

MOTION PASSED: 5-0

e. Consideration of the Contract for General Construction/Construction Management Services – Huron

Mr. Michael Duarte presented on this action item.

CITY MOTION: Commissioner Brusseau moved, seconded by Commissioner Vaillancourt to continue the item on the Contract for General Construction/Construction Management Services – Huron to the next board meeting.

MOTION PASSED: 6-0

COUNTY MOTION: Commissioner Catalano moved, seconded by

Joint Meeting

Action Minutes: 3.26.2019

Adopted:

Commissioner Henry to continue the item on the for General Construction/Construction Management Services – Huron to the next board meeting.

MOTION PASSED: 5-0

f. Consideration of Consideration of Loan Agreement – San Ramon Apartments

Ms. Emily De La Guerra presented on this action item.

CITY MOTION: Commissioner Christensen moved, seconded by Commissioner Yanez to approve the Loan Agreement – San Ramon Apartments.

MOTION PASSED: 6-0

COUNTY MOTION: Commissioner Catalano moved, seconded by Commissioner Gallaher to approve the Loan Agreement – San Ramon Apartments.

MOTION PASSED: 5-0

g. Consideration to Accept the 2018 Year-End Financials and HAP Results

Ms. Emily De La Guerra presented on this action item.

CITY MOTION: Commissioner Brusseau moved, seconded by Commissioner Yanez to accept the 2018 Year-End Financials and HAP Results.

MOTION PASSED: 6-0

COUNTY MOTION: Commissioner Catalano moved, seconded by Commissioner Gallaher to accept the 2018 Year-End Financials and HAP Results.

MOTION PASSED: 5-0

Commissioner Vaillancourt left the meeting at approximately 8:11 pm.

8. COMMISSIONERS' REPORT

Commissioner Brusseau asked for a tour of all Fresno Housing Authority projects/properties. She added it is an important work that the Fresno Housing Authority does and she wants to understand it completely. Commissioners Catalano and Henry concurred with Commissioner Brusseau.

Joint Meeting

Action Minutes: 3.26.2019

Adopted:

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General Counsel and Ms. Hanrahan agree that Commissioner Brusseau's request is possible.

Commissioner Williams presented some safety concern at her property. Commissioner Williams said not having screen doors and speed bumps are safety issues at Legacy Commons.

Mr. Prince explain the city code in her area is the reason speedbumps were not built in her neighborhood. He added that Fresno Housing Authority staff will follow up on her safety concerns.

Commissioner Sablan briefly shared the topic for the Board Retreat on August 23, 2019, as being Board Governance.

Commissioner Castro left the meeting at approximately 8:59 pm.

9. EXECUTIVE DIRECTOR'S REPORT

In addition to the written Director's report, the following items were announced:

- Mr. Prince briefly discussed the All Staff Event on March 15, 2019. He highlighted the stewardship awards that were given during the event.
- Mr. Prince announced the Board Dinner scheduled for April 11, 2019. More information will be communicated to the Boards by Executive Office.
- He briefly shared there will be potential bidders for Board room and Reception area, as these locations are in the process of remodeling.
- Mr. Prince reminded the Boards the board retreat date is scheduled for August 23, 2019.

10. CLOSED SESSION

The Boards went into closed session at approximately 9:22 pm.

a. CONFERENCE WITH REAL PROPERTY NEGOTIATORS

(Pursuant to Government Code § 54954.5(b))

Property: APN 434-201-35, 434-201-27 Agency negotiator: Preston Prince

Negotiating parties: Fresno Housing Authority; property at 3950 N. Del Mar in Fresno

Under negotiation: Price and Terms of Sale

The Boards returned to open session at approximately 9:38 p.m.

11. REPORT ON CLOSED SESSION

There were no items to report at this time.

Joint Meeting

Action Minutes: 3.26.2019

Adopted:

12. <u>ADJOURNMENT</u>

There being no further business to be considered by the Boards of Commissioners for the Housing Authorities of the City and County of Fresno, the meeting was adjourned at approximately 9:39 p.m.

Preston Prince, Secretary to the Boards of Commissioners



BOARD MEMO

O (559) 443-8400 F (559) 445-8981

1331 Fulton Mall Fresno, California 93721 TTY (800) 735-2929

www.fresnohousing.org

TO: Boards of Commissioners **DATE:** April 18, 2019

Fresno Housing Authority **BOARD MEETING:** April 23, 2019

FROM: Preston Prince AGENDA ITEM: 6b

CEO/Executive Director AUTHOR: Scott Fetterhoff

SUBJECT: Resolution to Approve the Amended Joint Powers Agreement for

CHWCA (California Housing Workers' Compensation Authority)

Executive Summary

The purpose of this memo is to provide an overview to the Boards of Commissioners of the proposed changes to the Joint Powers Agreement creating CHWCA (the California Housing Workers' Compensation Authority). CHWCA is a Joint Powers Authority that provides workers' compensation coverage to members and their employees, within a pool and risk sharing agreement.

CHWCA's Joint Powers Agreement was most recently updated in 2005. One proposed change in this version is a revision of the requirement to maintain a quorum throughout the course of a meeting. The other substantive change is to replace the term "premium(s)" with "contribution(s)" throughout the document, as it more accurately reflects how CHWCA's funding serves its operation not as an insurer, but rather as a shared risk pooling of resources and efforts.

Recommendation

Fresno Housing Legal Counsel has reviewed this Joint Powers Agreement and has not raised any concerns. It is recommended that, since Fresno Housing is a CHWCA participating member, the Boards of Commissioners act to approve and adopt the amended Joint Powers Agreement for CHWCA.

Fiscal Impact

There is no fiscal impact to member agencies as a result of these changes to CHWCA's Joint Powers Agreement.

| RESOLUTION NO. | RESOLUTION | NO. |
|----------------|------------|-----|
|----------------|------------|-----|

BEFORE THE BOARD OF COMMISSIONERS OF THE

HOUSING AUTHORITY OF THE CITY OF FRESNO

RESOLUTION OF THE BOARD OF COMISSIONERS OF THE HOUSING AUTHORITY OF THE CITY OF FRESNO APPROVING THE AMENDED JOINT POWERS AGREEMENT CREATING THE CALIFORNIA HOUSING WORKERS' COMPENSATION AUTHORITY (CHWCA)

WHEREAS, Fresno Housing Authority is a member of the California Housing Workers' Compensation Authority (CHWCA), a joint powers authority created pursuant to California Government Code Section 6500 et seq. for the purposes of providing workers compensation insurance for its members through joint pooling of self-insured claims or losses as permitted pursuant to California Government Code Section 990.4 and 990.8;

WHEREAS, pursuant to Article 16 of the Joint Powers Agreement (Agreement), the Agreement may be amended by a vote of two-thirds of the Members, acting through their governing bodies;

WHEREAS, at a regular meeting of the CHWCA Executive Committee on November 15, 2019, the Executive Committee approved the circulation to the CHWCA members of certain clarifying revisions to the Agreement;

WHEREAS, if two thirds of the CHWCA members, through their governing bodies approve the Amended Agreement, the CHWCA Board will confirm approval of the Amended Agreement at its annual meeting held in May 2019; and

WHEREAS, Fresno Housing Authority has reviewed the proposed Amended Joint Powers Agreement and confirms that the revisions are appropriate;

NOW THEREFORE, BE IT RESOLVED that the Board of Commissioners of the Housing Authority of the City of Fresno, hereby approves the Amended Joint Powers Agreement Creating the California Housing Workers' Compensation Authority (CHWCA), attached hereto as Exhibit "A".

| PASSED AND ADOPTED THIS 23rd DAY OF APRIL, 2019. I, the undersigned, hereby |
|---|
| certify that the foregoing Resolution was duly adopted by the governing body with the |
| following vote, to-wit: |

| NOES: | |
|-------|--|

AYES:

| ABSENT: | |
|----------|--|
| ABSTAIN: | |
| | Preston Prince, Secretary of the Boards of Commissioners |

| RESOLUTION NO. |
|----------------|
|----------------|

BEFORE THE BOARD OF COMMISSIONERS OF THE

HOUSING AUTHORITY OF THE COUNTY OF FRESNO

RESOLUTION OF THE BOARD OF COMISSIONERS OF THE HOUSING AUTHORITY
OF THE COUNTY OF FRESNO APPROVING THE AMENDED JOINT POWERS
AGREEMENT CREATING THE CALIFORNIA HOUSING WORKERS' COMPENSATION
AUTHORITY (CHWCA)

WHEREAS, Fresno Housing Authority is a member of the California Housing Workers' Compensation Authority (CHWCA), a joint powers authority created pursuant to California Government Code Section 6500 et seq. for the purposes of providing workers compensation insurance for its members through joint pooling of self-insured claims or losses as permitted pursuant to California Government Code Section 990.4 and 990.8;

WHEREAS, pursuant to Article 16 of the Joint Powers Agreement (Agreement), the Agreement may be amended by a vote of two-thirds of the Members, acting through their governing bodies;

WHEREAS, at a regular meeting of the CHWCA Executive Committee on November 15, 2019, the Executive Committee approved the circulation to the CHWCA members of certain clarifying revisions to the Agreement;

WHEREAS, if two thirds of the CHWCA members, through their governing bodies approve the Amended Agreement, the CHWCA Board will confirm approval of the Amended Agreement at its annual meeting held in May 2019; and

WHEREAS, Fresno Housing Authority has reviewed the proposed Amended Joint Powers Agreement and confirms that the revisions are appropriate;

NOW THEREFORE, BE IT RESOLVED that the Board of Commissioners of the Housing Authority of the County of Fresno, hereby approves the Amended Joint Powers Agreement Creating the California Housing Workers' Compensation Authority (CHWCA), attached hereto as Exhibit "A".

| PASSED AND ADOPTED THIS 23rd DAY OF APRIL, 2019. I, the undersigned, hereby |
|---|
| certify that the foregoing Resolution was duly adopted by the governing body with the |
| following vote, to-wit: |

| NOES: | |
|-------|--|

AYES:

| ABSENT: | |
|----------|--|
| ABSTAIN: | |
| | Preston Prince, Secretary of the Boards of Commissioners |



BOARD MEMO

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1331 Fulton Street Fresno, California 93721 TTY (800) 735-2929

www.fresnohousing.org

TO: Boards of Commissioners **DATE:** April 18, 2019

Fresno Housing Authority **BOARD MEETING:** April 23, 2019

FROM: Preston Prince AGENDA ITEM: 7a

CEO/Executive Director AUTHOR: Angelina Nguyen

SUBJECT: Interest List Update (Housing Choice Voucher Program)

Executive Summary

The Fresno Housing Authority plans to announce the re-opening of the online registration and pre-application process for the Housing Choice Voucher (HCV/Section 8) program interest lists in Spring 2019 (May/June). A Public Notice will officially announce the dates, times, and detailed information regarding the process. Public outreach will be in collaboration with various media outlets and community organizations. On-site assistance will be made available to the public as well as other reasonable accommodation requests.

Pre-applications for the HCV interest lists will be accepted only during the specified timeframe. Pre-applications will be used for lottery system draws used to create the waiting lists for each respective HCV program. A final lottery draw will be made at a later date yet to be determined. Staff is currently working from a waiting list created from a final draw made in December 2018. All applicants not selected at that time were informed via their resident portal of their status and advised to reapply when the interest list re-opened. The 2018 waiting list must be exhausted before any pre-applications are drawn from the 2019 lists. This process should facilitate efficient management of the waiting lists and improve planning and anticipation for both the agency and the public. The lottery system continues to ensure everyone has an equal chance of placement on the official waiting lists.

Recommendation

No recommendation at this time. Informational only.

Background Information

The Fresno Housing Authority last opened the registration for the Housing Choice Voucher Program interest lists on May 1, 2018. Registration remained open until May 15, 2018.



Interest List Housing Choice Voucher Update

Board of Commissioners Meeting April 23, 2019

By Angie Nguyen, Chief of Staff



Background

- HCV interest lists last opened on May 1, 2018 and closed on May 15, 2018
- On Day 1, we received 14,059 pre-applications
- By closing 38,058 pre-applications were received
- 21,011 unduplicated pre-applications
- 1,600 Visitors to our Boardroom
- Final draw in December 2018



The Plan

- Re-open online registration/pre-applications for the HCV program interest lists in Spring 2019 (May/June)
- Remain open for specified time frame
- A Public Notice will officially announce dates/time and detailed information on the process
- Communication push through various media outlets
- Continue use of lottery system in accordance with Administrative Plan
- Final Draw for waiting list placement at a later date
 TBD



Coordinated Effort

- Explore strategies on educating applicants on preferences
- Resident Advisory Board's (RAB) review of the online application and process
- On-site assistance for walk-ins during the opening period; additional access points
- Get information out to community partners
- Landlord outreach and education



Questions?



BOARD MEMO

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www.fresnohousing.org

TO: Boards of Commissioners

Fresno Housing Authority

FROM: Preston Prince

CEO/Executive Director

SUBJECT: Real Estate Development Update

DATE: April 18, 2019

BOARD MEETING: April 23, 2019

AGENDA ITEM: 7b

AUTHOR: Christina Husbands

Executive Summary

Staff will present an overview of current real estate activities.

Recommendation

None at this time. Informational only.



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www.fresnohousing.org

TO: Board of Commissioners **DATE:** April 18, 2019

Fresno Housing Authority **BOARD MEETING:** April 23, 2019

FROM: Preston Prince AGENDA ITEM: 8a

CEO/Executive Director AUTHOR: Brandon Gonzalez

SUBJECT: Mariposa Meadows – Closing Omnibus Development &

Financing Resolution

Executive Summary

On June 26, 2018, the Board of Commissioners adopted resolutions approving the submission of a 9% Low-Income Housing Tax Credit (LIHTC) application for Mariposa Meadows to the California Tax Credit Allocation Committee (CTCAC) for purposes of substantial rehabilitation and to secure new financing for the property. The application was successful and on September 19, 2018, CTCAC made its formal awards for the 2018 second round of 9% LIHTCs and awarded a preliminary reservation letter for the Mariposa Meadows Project.

Mariposa Meadows is an existing 40 unit Farm Labor Housing development on approximately 5.82 acres in southwest Fresno, CA. The existing site consists of 20 duplex buildings with units ranging from two-to-five bedrooms and an exisiting community center. FH originally developed the property in 1991 with financial assistance from the United States Department of Agriculture (USDA). The loan and rental assistance provided by USDA is nearing the end of the commitment term and staff is working with USDA to preserve the affordability of the property. The project will entail the substantial rehabilitation of the existing 40 unit complex and community center. The community center will accommodate services for families and children, community events, and property management-related functions.

The Housing Authority of the City of Fresno, California (the "Authority"), is the sole member of Fresno Mariposa Meadows AGP, LLC, a California limited liability company, the administrative general partner (the "Administrative General Partner") of the Partnership. Silvercrest, Inc., an instrumentality of the Authority, is the managing general partner of the Partnership (see Exhibit A).

Approval to develop the Project requires that the Board of Commissioners of the Housing Authority of the City of Fresno, California adopt a resolution authorizing the following actions:

1. Authorization of Preston Prince, CEO/Executive Director, Tracewell Hanrahan, Deputy Executive Director, and/or their designee to execute

- documents on behalf of the Housing Authority of the City of Fresno, CA in the name of the Administrative General Partner (AGP) or the Partnership.
- 2. Authorize a Housing Authority of the City of Fresno, CA Land/Building Donation to Silvercrest, Inc. as Managing General Partner in the amount of \$3,139,465 for the benefit of redeveloping the Mariposa Meadows property.
- 3. Authorize approval for the Housing Authority of the City of Fresno to re-amortize the existing USDA 514 loan in the amount of \$210,535 for a new 33-year maximum term.
- 4. Authorize Deferral of \$89,791 of Developer Fee payable to the Housing Authority of the City of Fresno, CA.
- 5. Authorize the Agency as the management agent of the Development;
- 6. Authorize actions for the financing, development and operation of the Project, and
- 7. Provide for other matters related thereto.

Staff is recommending that the Board adopt the attached resolutions, drafted by our affordable housing finance counsel, Ballard Spahr LLP, and as required by our equity and lending partners, in order to finalize the closing of the Project on or about May 3, 2019.

A resolution authorizing the execution and delivery of documents, the admission of certain partners to Fresno Mariposa Meadows, LP ("Partnership"), and the execution of such documents to implement project financing by the Housing Authority of the City of Fresno, California, on its own behalf and in the capacity as sole member of the Fresno Mariposa Meadows AGP, LLC, the Administrative General Partner of the partnership, in connection with the financing, development and operation of the Mariposa Meadows development, and providing for other matters related thereto.

Recommendation

It is recommended that the Board of Commissioners of the Fresno Housing Authority adopt the attached resolution, authorizing the execution and delivery of documents in the name of the Administrative General Partner and in the name of the Partnership, in connection with the financing, development and operation of the Project, authorizing the lending and the borrowing of money, and providing for other matters related thereto.

Fiscal Impact

Project financing includes a set of construction and permanent loans in addition to an equity investment. Total construction financing will be \$13,017,909 from the sources listed in Table 1.

Table 1: Construction Sources of Finance

| Source | A | mount | Description |
|---|----|-----------|---|
| Construction Loan | \$ | 7,742,877 | The Partnership has received a commitment for a construction loan from US Bank. The loan has a 22 month term at 5.580% interest rate. |
| USDA Loan | \$ | 210,535 | This loan has a 33 year term at 1.00% interest rate |
| Income from Operations for Relocation Expenses | \$ | 199,560 | Annual rental income and USDA subsidy that will be used to offset temporary and permanent relocation expenses during construction. |

| Source | Aı | mount | Description |
|--|----|-----------|--|
| Costs Deferred until Perm Financing | \$ | 1,135,581 | These costs are not due until construction is complete, and loan converts to a permanent loan structure. |
| Deferred Developer Fee | \$ | 89,791 | Deferred Developer Fee |
| Equity Contribution | \$ | 500,000 | Equity contribution at financial closing and construction start. |
| Fresno HA Land/Building Donation | \$ | 3,139,465 | Donation of the appraised value of the land and building. |
| GP Contribution | \$ | 100 | Equity contribution from the Housing Authority and Silvercrest, Inc. at closing. |

Total permanent financing will be \$13,017,909, from the sources listed in Table 2.

Table 2: Permanent Sources of Finance

| Source | Amount | Description | |
|---|--------------|--|--|
| Investor Equity | \$ 8,020,458 | US Bank has comitted to providing equity to the project. | |
| US Bank Conventional Perm Loan | \$ 1,358,000 | This loan has a 15 year term at 5.70% interest rate. | |
| USDA Loan | \$ 210,535 | This loan has a 33 year term at 1.00% interest rate. | |
| Income from Operations for Relocation Expenses | \$ 199,560 | Annual rental income and USDA subsidy that will be used to offset temporary and permanent relocation expenses during construction. | |
| Deferred Developer Fee | \$ 89,791 | Deferred Developer Fee | |
| Fresno HA Land/Building Donation | \$ 3,139,465 | Donation of the appraised value of the land and building. | |
| GP Contribution | \$ 100 | Equity contribution from the Housing Authority and Silvercrest, Inc. at closing. | |

Background Information

Mariposa Meadows is an existing multi-family residential USDA Farm Labor development consisting of 40 affordable housing units on approximately 5.82 acres located at 1011 W. Atchison Avenue, Fresno, California. The site was constructed in 1991 and consists of 20 duplex buildings and one Community/ Laundry Facility Building. FH is proposing a rehabilitation project that will include several amenities and secure new long-term financing. These upgrades include but are not limited to flooring, windows,

carpeting, cabinetry, doors, lighting, bathroom and kitchen fixtures, washer/dryers, dishwashers, heating/cooling, and roofing upgrades. As part of FH's efforts to achieve greater energy efficiency within our communities, all appliance upgrades will comply with current energy standards. The development would include a mix of two-to-five bedroom units and would have affordability levels ranging from 30% to 80% of the area median income.

Attachments: Exhibit A - Organizational Chart

Exhibit B – Site Plan

Exhibit C – Development Proforma

Exhibit D – Operating Budget Exhibit E – 15 Year Projection

RESOLUTION NO._____ BEFORE THE BOARDS OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE CITY OF FRESNO

A RESOLUTION AUTHORIZING THE EXECUTION AND DELIVERY OF DOCUMENTS, THE MAKING OF CERTAIN GUARANTIES, THE ADMISSION OF CERTAIN PARTNERS TO FRESNO MARIPOSA MEADOWS, LP ("PARTNERSHIP") AND THE EXECUTION OF SUCH DOCUMENTS TO IMPLEMENT PROJECT FINANCING BY THE HOUSING AUTHORITY OF THE CITY OF FRESNO, CALIFORNIA ON ITS OWN BEHALF AND IN ITS CAPACITY AS THE MANAGER AND SOLE MEMBER OF FRESNO MARIPOSA MEADOWS AGP, LLC, THE ADMINISTRATIVE GENERAL PARTNER OF THE PARTNERSHIP, IN CONNECTION WITH THE FINANCING, DEVELOPMENT AND OPERATION OF THE FRESNO MARIPOSA MEADOWS PROJECT, AND PROVIDING FOR OTHER MATTERS RELATED THERETO.

WHEREAS, the Housing Authority of the City of Fresno, California (the "**Authority**" or "**HACF**") seeks to expand the development and availability of long-term housing for low income persons residing in the City of Fresno, California (the "**City**"); and

WHEREAS, the Authority is authorized, among other things, to enter into partnership and operating agreements and to make loans to partnerships to finance, plan, undertake, construct, acquire and operate housing projects; and

WHEREAS, the Authority has agreed to facilitate the development of approximately 5.82 acres located at 1011 West Atchison Avenue, Fresno, California, APN Number 477-040-46-ST (the "**Property**"), for the purposes of the rehabilitation of an existing forty (40) unit low income multifamily residential project, including one (1) manager's unit to be generally known as "Fresno Mariposa Meadows" (collectively, the "**Project**"); and

WHEREAS, the Authority has entered into an Operating Agreement dated as of October 10, 2018, pursuant to which the Authority is the manager and sole member of Fresno Mariposa Meadows AGP, LLC, a California limited liability company (the "Administrative General Partner"), and the Authority filed Articles of Organization with the California Secretary of State on October 10, 2018; and

WHEREAS, the Administrative General Partner, together with Silvercrest, Inc., entered into an Agreement of Limited Partnership dated as of October 10, 2018, pursuant to which the Administrative General Partner is the "Administrative GP" and Silvercrest, Inc. is the "Managing GP" (collectively the "General Partners"), and Silvercrest, Inc. is the "Limited Partner" of Fresno Mariposa Meadows, LP, a California limited partnership (the "Partnership"), and also filed a Certificate of Limited Partnership with the California Secretary of State on October 10, 2018; and

WHEREAS, the Administrative General Partner; Silvercrest, Inc., as managing general partner and withdrawing limited partner; and U.S. Bancorp Community Development Corporation, a Minnesota corporation (the "**Investor Limited Partner**"); will enter into an amended and restated limited

partnership agreement of Fresno Mariposa Meadows, LP; and

WHEREAS, the Authority owned the Property as low-income public housing with financial assistance provided by the U.S. Department of Housing and Urban Development ("**HUD**") under the U.S. Housing Act of 1937, as amended, 42 U.S.C. 1437 *et. seq.* The Property, as part of a larger development known as Yosemite Village, was encumbered by Declarations of Trust recorded on October 22, 1952 and October 31, 1988 (the "**Yosemite Declarations**") and on February 8, 2019, HUD approved to the disposition of the Property to the Partnership and release of the Yosemite Declarations, as documented in the letter from HUD to the Authority dated March 15, 2019, as may be thereafter amended (the "**Property Disposition**");

WHEREAS, the Property is currently encumbered by an existing deed of trust made by the Authority for the benefit of the United States of America, acting through the Farmers Home Administration, United States Department of Agriculture (the "**USDA**") dated June 26, 1990 securing an indebtedness of \$2,754,000, which has an approximate outstanding principal balance of \$210,535 (the "**USDA Loan**"); and

WHEREAS, the Authority intends to sell the Project to the Partnership for the purchase price of Zero and 00/100 Dollars (\$0.00) and donate the full fair market value of the Project to the Partnership; and

WHEREAS, the Partnership will finance the cost of acquiring and rehabilitating the Project with numerous sources of funds, projected to include an estimated equity investment of \$8,020,458 from the Investor Limited Partner eligible to benefit from federal low-income housing tax credits allocated to the Project under Section 42 of the Internal Revenue Code; construction loan proceeds in an amount estimated not to exceed \$8,500,000 from U.S. Bank National Association, a national banking association ("USBNA"); permanent loan proceeds in an amount estimated not to exceed \$1,500,000 from the California Community Reinvestment Corporation ("CCRC"); and the assumption of the USDA Loan by the Partnership (collectively, the "Project Financing"); and

WHEREAS, the Authority intends to act as the developer and management agent of the Project, the sole member and manager of the Administrative General Partner and guarantor of certain obligations connected with the Project; and

WHEREAS, the Authority wishes to ratify and confirm all actions of the Authority and its officers prior to the date hereof and consistent with the terms of this resolution and to authorize such actions subsequent to the date hereof; and

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

NOW, THEREFORE, BE IT RESOLVED:

1. <u>Development Services.</u> The CEO/Executive Director, Preston Prince, the Deputy Director, Tracewell Hanrahan, the Chief of Staff, Angelina Nguyen, and/or their respective designees (each, an "Authorized Officer" and, collectively, the "Authorized Officers"), and each of them acting alone,

are authorized and directed to enter into a Development Services Agreement with the Partnership and to execute such other documents and take such other actions as necessary to fulfill the Authority's intended functions as developer of the Project (including any subcontracts with respect thereto).

- 2. General Partner Function. The Authorized Officers, and each of them acting alone, are authorized and directed to cause the Authority, in its capacity as manager of the Administrative General Partner, to take all actions and execute all documents necessary for the Administrative General Partner to carry out its function as administrative general partner of the Partnership, including without limitation by execution of the Amended and Restated Agreement of Limited Partnership of the Partnership and any amendment thereto in furtherance of such admissions; provided further, that in such capacity, the Authority is authorized and directed to cause the Administrative General Partner to approve the admission of the Investor Limited Partner to the Partnership.
- 3. **Approval of the Property Disposition Documents**. The Authority has been presented with drafts of the documents listed in Exhibit A under the heading "Property Disposition Documents" (the "Property Disposition Documents") in connection with the Yosemite Declarations and HUD, which documents are on file with the Authority's Secretary. The Authorized Officers, and each of them acting alone, are authorized and directed to execute and deliver, on behalf of the Authority acting on its own behalf or as the manager of the Administrative General Partner, the Property Disposition Documents substantially in the form on file with the Authority; provided however, any Authorized Officer may approve on the Authority's behalf or as the manager of the Administrative General Partner any further changes to the draft Property Disposition Documents, including material changes, and such Authorized Officer's signature on the final Property Disposition Documents shall be construed as the Authority's approval of such changes. The Authorized Officers, and each of them acting alone, are further authorized and directed to execute and deliver, on behalf of the Authority acting on its own behalf or as the manager of the Administrative General Partner, any other documents reasonably required to be executed by the Authority, the Administrative General Partner or as the manager of the Administrative General Partner of the Partnership to carry out the transactions contemplated by the Property Disposition Documents.
- 4. **Approval of Partnership Documents.** The Authority has been presented with drafts of the documents listed in Exhibit A under the heading "Partnership Documents" (the "Partnership **Documents**") in connection with the Partnership and the Project, which documents are on file with the Authority's Secretary. The Authorized Officers, and each of them acting alone, are authorized and directed to execute and deliver, on behalf of the Authority acting on its own behalf or as the manager of the Administrative General Partner, the Partnership Documents substantially in the form on file with the Authority; provided however, any Authorized Officer may approve on the Authority's behalf or as the manager of the Administrative General Partner any further changes to the draft Partnership Documents, including material changes, and such Authorized Officer's signature on the final Partnership Documents shall be construed as the Authority's approval of such changes. The Authorized Officers, and each of them acting alone, are further authorized and directed to execute and deliver, on behalf of the Authority acting on its own behalf or as the manager of the Administrative General Partner, any other documents reasonably required to be executed by the Authority, the Administrative General Partner or as the manager of the Administrative General Partner of the Partnership to carry out the transactions contemplated by the Partnership Documents.

- 5. Approval of Loan Assembly Activities. The Authorized Officers, and each of them acting alone, are authorized on behalf of the Authority acting on its own behalf or as manager of the Administrative General Partner to execute, deliver and/or file (or cause to be delivered and/or filed) all documents deemed necessary or appropriate to assemble the Project Financing, including without limitation, construction, permanent and third party loan applications, tax credit applications, and any and all other documents reasonably required to (i) cause the Investor Limited Partner to make capital contribution(s) to the Partnership, and (ii) borrow sufficient funds to support the Project.
- 6. Loan of Funds. The Authorized Officers, and each of them acting alone, on behalf of the Authority in its capacity as the manager of the Administrative General Partner, are authorized to take such actions and execute such documents as necessary to cause the Partnership to borrow funds from U.S. Bank National Association, California Community Reinvestment Corporation and USDA in an aggregate approximate amount of up to \$14,000,000. Each Authorized Officer, and each of them acting alone, is authorized to decrease the principal amount of any loan by any amount, or to increase the principal amount of any loan by an amount up to 10% more than the maximum aggregate principal amount for the loans stated in this resolution. The source of funds for any such increase shall be funds available to the Authority and/or the Partnership or such other funds that may become available to the Authority and/or the Partnership for the Project. The Board directs the Executive Director to report to the Board if the total amount borrowed by the Partnership for the Project exceeds the aggregate maximum principal amount stated in this resolution for all loans to the Partnership.
- 7. **Approval of Guarantees.** The Authorized Officers, and each of them acting alone, are authorized on behalf of the Authority acting on its own behalf, to execute and perform under such guarantees as are deemed necessary or appropriate to the Project Financing, including without limitation, with respect to the Partnership Documents, the construction loan from USBNA and the permanent loan from CCRC (described below).
- 8. **Approval of USBNA and CCRC Loan Documents**. The Authority has been presented with drafts of the documents listed in Exhibit A under the heading "USBNA and CCRC Loan Documents" (the "USBNA and CCRC Loan Documents") in connection with the Partnership and the Project, which documents are on file with the Authority's Secretary, and pursuant to which the Partnership will borrow a construction loan in an amount estimated not to exceed \$8,500,000, which will convert to a permanent loan in an amount estimated not to exceed \$1,500,000. The Authorized Officers, and each of them acting alone, are authorized to enter into the transactions described in the USBNA and CCRC Loan Documents and to incur indebtedness and grant liens and security interests and guarantees in connection with such transactions. The Authorized Officers and each of them acting alone, are authorized and directed to execute and deliver, on behalf of the Authority acting on its own behalf or as the manager of the Administrative General Partner, the USBNA and CCRC Loan Documents substantially in the form on file with the Authority; provided however, any Authorized Officer may approve on the Authority's behalf or as the manager of the Administrative General Partner, any further changes to the draft USBNA and CCRC Loan Documents, including material changes, and the final amount to be borrowed, and such Authorized Officer's signature on the final USBNA and CCRC Loan Documents shall be construed as the Authority's approval of such changes and final loan amount. The Authorized Officers and each of them acting alone, are further authorized and directed to execute and deliver, on behalf of the Authority acting on its own behalf or

as the manager of the Administrative General Partner, any other documents reasonably required to be executed by the Authority, the Administrative General Partner, or the Partnership to carry out the transactions contemplated by the USBNA and CCRC Loan Documents.

- 9. Approval of USDA Documents. The Authority has been presented with drafts of the documents listed in Exhibit A under the heading "USDA Documents" (the "USDA Documents") to be executed by the Partnership and the Authority to effectuate the sale of the Project to the Partnership and the assignment and assumption of the USDA Loan which USDA Documents are on file with the Authority's Secretary. The Authorized Officers, and each of them acting alone, are authorized and directed to execute and deliver, on behalf of the Authority acting on its own behalf or as the manager of the Administrative General Partner to execute and deliver the USDA Documents and all documents deemed necessary and appropriate to obtain USDA approval related to the transfer of the Project and the assignment and assumption of the USDA Loan, the USDA Documents substantially in the form on file with the Authority; provided however, any Authorized Officer may approve on the Authority's behalf, any further changes to the draft USDA Documents, including material changes, and the final amount to be loaned, and such Authorized Officer's signature on the final USDA Documents shall be construed as the Authority's approval of such changes. The Authorized Officers, and each of them acting alone, are further authorized and directed to execute and deliver, on behalf of the Authority acting on its own behalf or as manager of the Administrative General Partner, any other documents reasonably required to be executed by the Authority or the Partnership, to carry out the transactions contemplated by the USDA Documents.
- 10. **Approval of the Acquisition Documents.** The Authority has been presented with drafts of the documents listed in Exhibit A under the heading "Acquisition Documents" (the "Acquisition **Documents**") in connection with the purchase of the Project by the Partnership from the Authority, which documents are on file with the Authority's Secretary, and pursuant to which the Partnership will acquire the Project for a purchase price of \$0.00 with the Authority donating the approximate fair market value of the Project of \$3,139,465 to the Partnership. The Authorized Officers, and each of them acting alone, are further authorized and directed to execute and deliver, on behalf of the Authority acting on its own behalf or as the manager of the Administrative General Partner, the Acquisition Documents and to purchase and take such other actions as they deem necessary or desirable for the Partnership to acquire and develop the Project; provided however, any Authorized Officer may approve on the Authority's behalf or as the manager of the Administrative General Partner any further changes to the draft Acquisition Documents, including material changes, and such Authorized Officer's signature on the final Acquisition Documents shall be construed as the Authority's approval of such changes. The Authorized Officers, and each of them acting alone, are further authorized and directed to execute and deliver, on behalf of the Authority acting on its own behalf or as the manager of the Administrative General Partner, any other documents reasonably required to be executed by the Authority, the Administrative General Partner, or the Partnership to carry out the transactions contemplated by the Acquisition Documents.
- 11. <u>Approval of the Management Agent and Management Agent Documents</u>. The Authority, as the management agent, is approved to manage the Project. The Authority has been presented with drafts of the documents listed in Exhibit A under the heading "Management Agent Documents" (the "Management Agent Documents") in connection with the management of the Project. The Authorized Officers, and each of them acting alone, are authorized and directed to

approve and to execute and deliver, on behalf of the Authority acting on its own behalf or as the manager of the Administrative General Partner, the Management Agent Documents substantially in the form on file with the Authority; *provided however*, any Authorized Officer may approve on the Authority's behalf or as the manager of the Administrative General Partner, any further changes to the draft Management Agent Documents, including material changes, and such Authorized Officer's signature on the final Management Agent Documents shall be construed as the Authority's approval of such changes. The Authorized Officers, and each of them acting alone, are further authorized and directed to execute and deliver, on behalf of the Authority acting on its own behalf or as the manager of the Administrative General Partner, any other documents reasonably required to be executed by the Authority, the Administrative General Partner, or the Partnership to carry out the transactions contemplated by the Management Agent Documents.

- 12. Assignments. The Authorized Officers, and each of them acting alone, are authorized on behalf of the Authority acting on its own behalf or as the manager of the Administrative General Partner, to execute and deliver one or more instruments (i) causing the Partnership to assume the Authority's rights under the construction contract, the architects' contracts, and other consultant and development contracts, as such rights pertain to the acquisition and construction of the Project, to the extent required by the Investor Limited Partner, and (ii) assigning to lenders and others the Partnership's interests in such contracts as may be required as a condition of the Project Financing, and (iii) to effectuate the assignment and assumption of any existing Acquisition Documents, Property Disposition Documents, USBNA and CCRC Loan Documents, and USDA Documents.
- Execution of Documents. The Authorized Officers, and each of them acting alone, are 13. authorized on behalf of the Authority acting on its own behalf or as manager of the Administrative General Partner, to execute, deliver and/or file (or cause to be delivered and/or filed) any affidavits, certificates, letters, government forms, documents, agreements and instruments that any such Authorized Officer determines to be necessary or desirable: (i) to give effect to this resolution; (ii) to consummate the transactions contemplated herein; and (iii) to further the acquisition, rehabilitation, development, financing, construction, and leasing of the Project. Without limiting the scope of such authorization, such documents include declarations of restrictive covenants, regulatory agreements, various deeds, leases, notes, loan agreements, deeds of trust, guaranties and indemnities and collateral assignments related to the Project Financing. Such documents may also include, without limitation, lease-up and marketing agreements, partnership management services agreements, development agreements, construction guaranty agreements, repayment guarantees, cash pledge agreements, environmental indemnity agreements, property management agreements, architect agreements, contractor agreements, housing assistance payment contracts, irrevocable consents, confessions of judgment and appointments of attorneys for service of process.
- 14. **Expenditures.** The Authority is authorized to expend such funds (and to cause the Partnership and the Administrative General Partner to expend such funds) as are necessary to pay for all filing fees, application fees, registration fees and other costs relating to the Project or actions authorized by this resolution.
- 15. <u>Acting Officers Authorized</u>. Any action required by this resolution to be taken by the Chair of the Board or Executive Director of the Authority may, in the absence of such person, be taken by

the duly authorized acting Chair of the Board or acting Executive Director of the Authority, respectively or by the designee of the Chair of the Board or Executive Director.

- 16. **Execution of Obligations.** The Board directs the Authority's Executive Director to cause the Authority to fulfill the Authority's duties and obligations under the various agreements authorized.
- 17. **Ratification and Confirmation.** All actions of the Authority and its officers prior to the date hereof and consistent with the terms of this resolution are ratified and confirmed, including, but not limited to, the formation of the Partnership and the Administrative General Partner, and the filing of finance applications related to the Project Financing and the prior execution of any Project documents listed on Exhibit A or otherwise required herein.

| 18. Effective and approval. | re Date. This resolution | shall be in full force and | effect from and after its adoption |
|------------------------------------|---------------------------------------|----------------------------------|--|
| | | | , 2019. I, the undersigned, herby overning body with the following |
|] | AYES: NOES: ABSENT: ABSTAIN: | | |
| | <u>.</u>] | Preston Prince, Secretary of the | ne Board of Commissioners |

CERTIFICATE

| | EO/Executive Director of the Housing Authority of |
|--|--|
| the City of Fresno, California (the "Authori CERTIFY: | ty"), as keeper of the records of the Authority |
| the resolution of the Board of Commissioners | (the " Resolution ") is a true and correct copy of of the Authority, as adopted at a meeting of the, 2019, and duly recorded in the minute |
| and, to the extent required by law, due and prop was present throughout the meeting and a major of the Authority present at the meeting vote Resolution; that all other requirements and pr | rened and held in all respects in accordance with law er notice of such meeting was given; that a quorum rity of the members of the Board of Commissioners d in the proper manner for the adoption of the roceedings incident to the proper adoption of the and otherwise observed, and that I am authorized to |
| IN WITNESS WHEREOF, I have here 2019. | unto set my hand this day of |
| | OUSING AUTHORITY OF THE CITY OF RESNO, CALIFORNIA |
| Pre | eston Prince, CEO/Executive Director |

EXHIBIT A PROJECT DOCUMENTS

Partnership Documents

- (a) Certificate of Limited Partnership of Fresno Mariposa Meadows, LP;
- (b) Amended and Restated Agreement of Limited Partnership of Fresno Mariposa Meadows, LP by and among Silvercrest, the Administrative General Partner, and the Limited Partner, together with all exhibits;
- (c) Development Services Agreement between the Authority and the Partnership;
- (d) Agreement of Guaranty for the benefit of Partnership and Limited Partners
- (e) Subordination Agreement by the Partnership, Silvercrest and the Administrative General Partner:

Property Disposition Documents

- (f) Disposition Agreement by and between HUD and the Authority;
- (g) Partial Release of Declarations of Trust executed by HUD and the Authority;
- (h) Use Agreement by and between HUD, the Authority and the Partnership;
- (i) Subordination Agreement (Mariposa Meadows Redevelopment Plan) by and between the City of Fresno, a municipal corporation, in its capacity as Housing Successor to the Redevelopment Agency of the City of Fresno and the Partnership;

USBNA and CCRC Loan Documents

- (j) Construction Loan Agreement executed by the Partnership and USBNA;
- (k) Promissory Note executed by the Partnership in favor of USBNA;
- (1) Construction and Permanent Deed of Trust, Assignment of Leases and Rents, Security Agreement and Fixture Filing executed by the Partnership as trustor, to Placer Title Company for the benefit of USBNA;
- (m) Repayment and Completion Guaranty executed by the Authority in favor of USBNA;
- (n) Environmental and ADA Indemnification Agreement by the Partnership and the Authority in favor of USBNA;
- (o) Assignment of Partnership Interests, Capital Contributions and Credits by the Partnership, Silvercrest and the Administrative General Partner in favor of USBNA;

- (p) Collateral Assignment of Contract Rights by Silvercrest and the Administrative General Partner in favor of USBNA;
- (q) Assignment and Subordination of Construction Contract by the Partnership in favor of USBNA and consented to by Johnston Contracting, Inc.;
- (r) Assignment and Subordination of Architect's Contract by the Partnership in favor of USBNA and consented to by R.L. Davidson, Inc.;
- (s) Assignment of Property Manager Agreement executed by the Partnership in favor of USBNA and consented to by the Authority;
- (t) Assignment of Development Services Agreement and Developer Fee Subordination Agreement by the Authority and the Partnership in favor of USBNA;
- (u) California Judicial Reference Agreement by the Partnership, Silvercrest, the Administrative General Partner, the Authority and USBNA;
- (v) Partnership Borrowing Authorization by Silvercrest and the Administrative General Partner in favor of USBNA;
- (w) Loan Purchase Agreement by the Partnership, USBNA and CCRC;
- (x) Promissory Note (Delivery Assurance Fee) by the Partnership in favor of CCRC;
- (y) Delivery Assurance Fee Multifamily Deed of Trust, Security Agreement and Fixture Filing by the Partnership as trustor, to Placer Title Company for the benefit of CCRC;
- (z) Permanent Loan Agreement by the Partnership and CCRC;
- (aa) Environmental Indemnity (Unsecured) by the Partnership in favor of CCRC;
- (bb) Replacement Reserve Agreement between the Partnership and CCRC;
- (cc) Subordination Agreement executed by the Partnership, the USDA, USBNA and CCRC;

And such other documents as reasonably required by USBNA and CCRC;

USDA Documents

- (dd) Consolidated Seller and Purchaser Written Statements (Mariposa Meadows) by and between the Authority and the Partnership;
- (ee) Repair Agreement (Mariposa Meadows) by and between the Authority and the Partnership;
- (ff) Loan Approval Conditions acknowledged by the Partnership;

- (gg) Assumption Agreement by and between the Partnership and USDA;
- (hh) Rental Assistance Agreement executed by the Partnership;
- (ii) Multiple Family Housing Transfer of Rental Assistance executed by USDA;
- (jj) USDA Multiple Family Housing Promissory Note executed by the Partnership;
- (kk) USDA Loan Agreement executed by the Partnership;
- (ll) Security Agreement (Multi-Family Housing) executed by the Partnership;
- (mm) Restrictive Use Covenant Transferees Assuming Agency Loans executed by the Partnership;

Acquisition Documents

- (nn) Purchase and Sale Agreement (Fresno Mariposa Meadows);
- (oo) Grant Deed by the Authority in favor of Partnership;

Management Agent Documents

- (pp) USDA Management Plan Farm Labor Housing by the Partnership, the Authority and USDA; and
- (qq) Fresno Mariposa Meadows Property Management Agreement between the Partnership and the Authority.

A-3

Ownership Structure MARIPOSA MEADOWS

Fresno Mariposa Meadows Limited Partnership the "Partnership" EIN: 83-1783439

Fresno Mariposa Meadows AGP, LLC "Administrative General Partner"

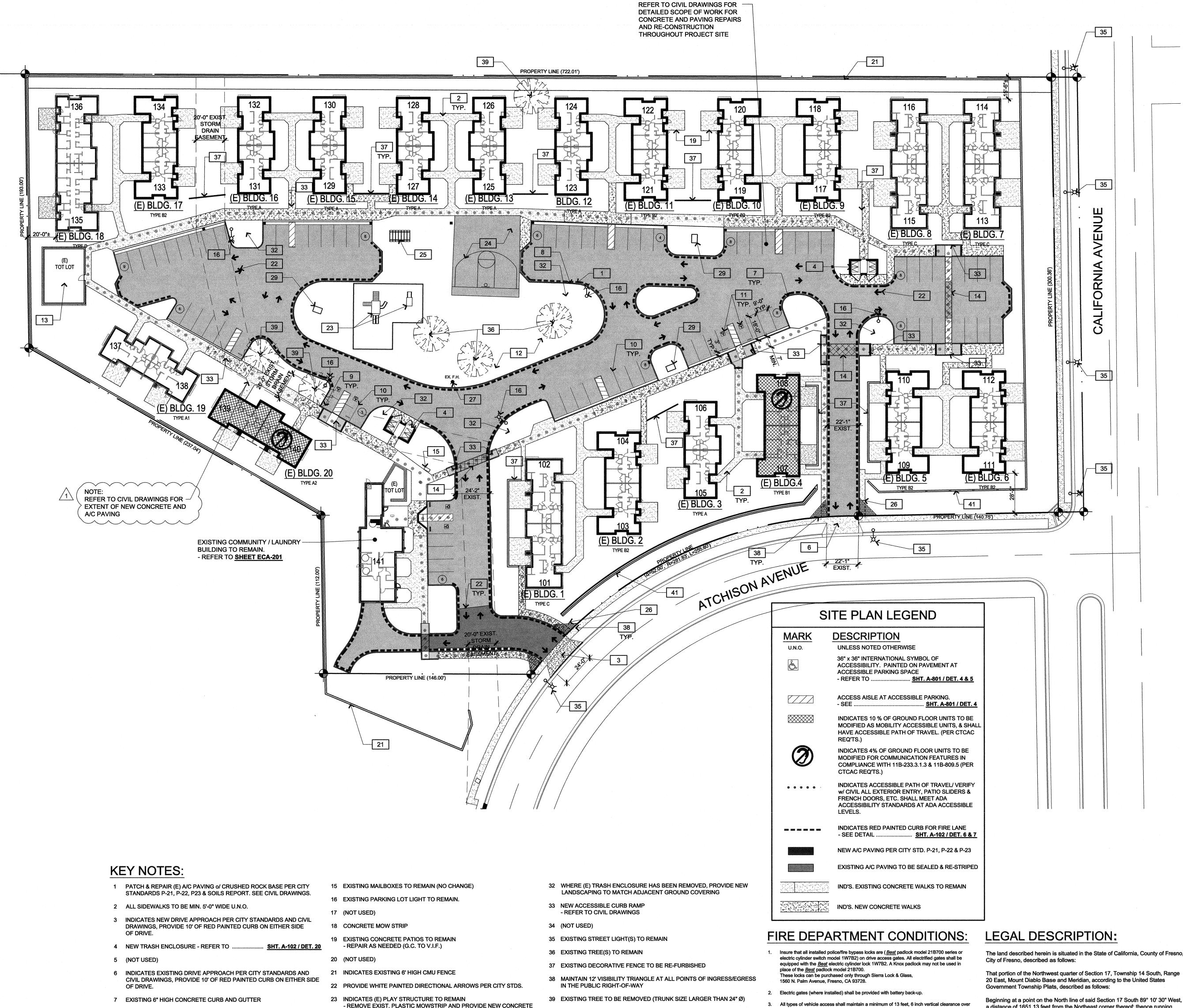
EIN: 83-1783852 0.005%

Silvercrest, Inc.

"Managing General Partner" EIN: 77-0490711 0.005% U.S. Bank "Investor Limited Partner" EIN: 41-1917892 99.99%

Housing Authority of the City of Fresno, CA

"Sole Member"
EIN: 94-6000749
100%



40 EXISTING TREE TO BE REMOVED (TRUNK SIZE LESS THAN 24" Ø)

41 EXISTING 6' HIGH WROUGHT IRON / CMU FENCING TO REMAIN AT

- PAINT WROUGHT IRON RAILING (COLOR T.B.D.)

STREET FRONTAGE

MOWSTRIP PER CIVIL DRAWINGS

26 PROVIDE SIGN AT ENTRY TO PARKING AREA

- REFER TO DETAIL

LOCATION TO REMAIN

28 (NOT USED)

30 (NOT USED)

31 (NOT USED)

24 INDICATES (E) A/C PAVING AT BASKETBALL COURT TO BE SEALED &

25 INDICATES (E) WOOD FRAMED SHADE STRUCTURE TO REMAIN

27 INDICATES EXISTING FIRE HYDRANT TO REMAIN (NO CHANGE)

29 INDICATES EXISTING SUB-SURFACE ELECTRICAL TRANSFORMER

8 CONSTRUCT NEW 6" HIGH CONCRETE CURB AND GUTTER

AT EACH ACCESSIBLE STALL AS SHOWN (TYP.)

12 LANDSCAPE AREA - TYP. SEE LANDSCAPING PLANS.

- (CROSSWALK MARKINGS NOT REQUIRED)

STALLS. - FULL DEPTH OF STALL

PAVEMENT / RAMPS ETC.

13 EXISTING TOT LOT PLAY AREA

ACROSS DRIVE AISLE

SEE DETAIL .

11 INDICATES ACCESSIBLE PARKING STALL(S).

9 INDICATES NEW PRE-CAST CONCRETE TIRE STOPS (6"W x 6"H x 36"L)

10 PROVIDE 4" W. WHITE PAINTED PARKING STRIPES AT ALL PARKING

- REFER TO CIVIL DRAWINGS FOR ALTERATIONS TO EXISTING

- SEE **LANDSCAPE PLANS** FOR NEW FALL PROTECTION MATERIALS

14 DOUBLE CROSS-HATCH INDICATES ACCESSIBLE PATH OF TRAVEL

SITE NOTES:

- 1. GENERAL CONTRACTOR SHALL BE RESPONSIBLE FOR COORDINATING ALL CONSTRUCTION TRADES AND ENSURING THAT ALL FINISHED WORK COMPLIES WITH ALL FEDERAL AND STATE ACCESSIBILITY REQUIREMENTS INCLUDING BUT NOT LIMITED TO: SLOPE OF PATH OF TRAVEL, ETC.
- 2. REFER TO CIVIL ENGINEERING DRAWINGS FOR HORIZONTAL CONTROL. DIMENSIONS SHOWN ON ARCHITECTURAL SITE PLAN

3. ALL OPEN NON-PAVED AREAS SHALL BE LANDSCAPED. (TYP.)

- INDICATES MIN. DISTANCE BETWEEN BUILDINGS OR ADJACENCIES.
- ALL TRAFFIC CONTROL DEVICES AND GATES PROPOSED WITHIN THE PROJECT SHALL BE REVIEWED AND APPROVED BY THE FIRE DEPARTMENT PRIOR TO ISSUANCE OF BUILDING PERMITS.
- 5. THE CONSTRUCTION SITE SHALL BE WATERED FOR DUST CONTROL AS DIRECTED BY THE DEPARTMENT OF PUBLIC WORKS/ AND CITY REQUIREMENTS.
- RESIDENTIAL STRUCTURES SHALL BE EQUIPPED WITH ELECTRICAL OUTLETS ON ALL FOUR SIDES OF THE STRUCTURE TO FACILITATE
- THE USE OF ELECTRIC LAWN AND GARDEN EQUIPMENT. AISLES, PASSAGEWAYS AND RECESSES RELATED TO AND WITHIN THE BUILDING COMPLEX SHALL BE ILLUMINATED WITH AN INTENSITY

OF AT LEAST 0.25 FOOT- CANDLES AT GROUND LEVEL 30 MIN. BEFORE

- SUNSET & 30 MIN. BEFORE SUNRISE. 8. ALL LIGHTING DEVICES SHALL BE PROTECTED BY WEATHER AND VANDAL RESISTANT COVERS.
- 9. LIGHTS SHALL BE OF AN ENERGY-EFFICIENT, INDIRECT DIFFUSED TYPE, & SHALL NOT EXCEED A HEIGHT GREATER THAN 15 FT. ABOVE
- 10. ALL EXTERIOR LIGHTING SHALL BE SHIELDED SO AS NOT TO PRODUCE OBTRUSIVE GLARE ONTO THE PUBLIC RIGHT-OF-WAY OR ADJOINING PROPERTIES.
- 11. OPEN PARKING LOTS AND CARPORTS SHALL BE PROVIDED WITH A MAINTAINED MINIMUM OF ONE FOOT-CANDLE OF LIGHT ON THE ENTIRE PAVED AREA OF THE PARKING SURFACE 30 MIN. BEFORE
- 12. REFER TO CIVIL DRAWINGS FOR FIRE HYDRANT LOCATIONS.
- 13. ANY SURVEY MONUMENTS WITHIN THE AREA OF CONSTRUCTION SHALL BE PRESERVED OR RESET BY A PERSON LICENSED TO PRACTICE LAND SURVEYING IN THE STATE OF CALIFORNIA.
- 14. 2-WORKING DAYS BEFORE COMMENCING EXCAVATION OPERATIONS WITHIN THE STREET RIGHT-OF-WAY AND/OR UTILITY EASEMENTS, ALL EXISTING UNDERGROUND FACILITIES SHALL HAVE BEEN LOCATED BY 'UNDERGROUND SERVICES ALERT' (USA). CALL 1-800-642-2444
- 15. REPAIR ALL DAMAGED AND/OR OFF-GRADE CONCRETE STREET IMPROVEMENTS AS DETERMINED BY THE CONSTRUCTION MANAGEMENT ENGINEER PRIOR TO OCCUPANCY.

PROJECT INFORMATION APPLICANT / DEVELOPER:

SUNSET & 30 MIN. BEFORE SUNRISE.

HOUSING AUTHORITY OF THE CITY OF FRESNO 1331 FULTON MALL, FRESNO, CA 93721 Ph. No. 559 443-8492

1011 W. ATCHISON AVE.. SITE ADDRESS: FRESNO, CA 93706 477-040-46ST

5.39 ACRES TOTAL SITE AREA: RESIDENTIAL MULTI-FAMILY LAND USE (GENERAL PLAN): URBAN NEIGHBORHOOD

ZONING - EXISTING: ALLOWABLE DENSITY 30 UNITS / ACRE TOTAL UNITS:

TOTAL BUILDINGS: 20 DUPLEX BUILDINGS CONSTRUCTION TYPE: V-B (NON-SPRINKLERED)

UNIT TYPE BREAKDOWN

'A' UNITS - 2 BDRM, 1 BATH = 12 (EXIST. PLAN) 'A1' UNITS - 2 BDRM, 1 BATH = 2 (EXIST. PLAN) 'A2' UNITS - 2 BDRM, 1 BATH = 2 (MOD. ACCESSIBLE) 'B1' UNITS - 3 BDRM, 1 BATH = 2 (MOD. ACCESSIBLE)

'B2' UNITS - 3 BDRM, 1 BATH = 14 (EXIST. PLAN) 'C' UNITS - 4 BDRM, 2 BATH = 6 (EXIST. PLAN) 'D' UNITS - 5 BDRM, 1 BATH TOTAL UNITS = 2 (EXIST. PLAN) = 40 (INCL. 4 (10%) MODIFIED FOR MOBILITY ACCESSIBILITY & 2 (4%) FOR COMMUNICATION

FEATURES) **TOTAL 2 BEDROOM UNITS TOTAL 3 BEDROOM UNITS** TOTAL 4 BEDROOM UNITS TOTAL 5 BEDROOM UNITS

TOTAL UNITS

BUILDING TYPE BREAKDOWN (6) BUILDING (#3, 12, 13, 14, 15 & 16) (2) PER BUILDING 2 UNITS/BUILDING

(1) BUILDINGS (#19) (2) PER BUILDING

(1) BUILDINGS (#20)

2 UNITS TOTAL (1) BUILDINGS (#4) (2) PER BUILDING 2 UNITS/BUILDING

2 UNITS (7) BUILDINGS (#2, 5, 6, 9, 10, 11, & 17) (2) PER BUILDING 7 UNITS/BUILDING

BUILDING TYPE 'C' (3) BUILDINGS (#1, 7, & 8)

2 UNITS/BUILDING = (1) BUILDINGS (#18)

TOTAL

a distance of 1651.13 feet from the Northeast corner thereof; thence running

South 00° 49' 30" East, a distance of 207.83 feet to the point of curvature of a

Southerly and Southeasterly along said curve a distance of 255.80 feet through

Atchison Street, South 00" 12' 21" West, a distance of 146.00 feet: thence South

an internal angle of 52° 00' 13"; thence leaving said right of way line of West

89° 10' 30" West, a distance of 112.00 feet; thence South 29° 47' 49" West, a

distance of 237.04 feet; thence South 89° 10' 30" West, parallel to the North line

of said Section 17, a distance of 193.00 feet; thence North 00° 12' 21" East, a

line North 89 10' 30" East, a distance of 306.00 feet to the Point of Beginning.

distance of 780.01 feet to the North line of said Section; thence along said North

Excepting therefrom all rights to oil, gas and other hydrocarbon substances, and

other minerals situated in, or under the property described in this option, and the

right to extract the same, provided the extraction can be accomplished without

drilling or excavating thereon, or in any way disturbing the land herein described

within 100 feet of its surface perpendicularly, as set forth in the Deed from Estella

J. Brophy, recorded February 14, 1951, in Book 2970 Page 134, Official Records.

APN: 477-040-46-ST

tangential curve concave to the Northeast, having a radius of 281.83 feet; thence

along the Westerly and Southwesterly right of way line of West Atchison Avenue, $/_1$

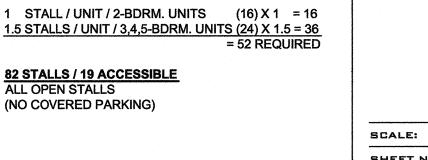
1 STALL / UNIT / 2-BDRM. UNITS $(16) \times 1 = 16$ REQUIRED: 1.5 STALLS / UNIT / 3,4,5-BDRM. UNITS (24) X 1.5 = 36

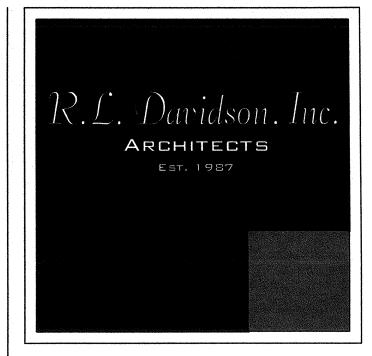
2 UNITS/BUILDING

2 UNITS

(1) BUILDING

82 STALLS / 19 ACCESSIBLE PROVIDED: ALL OPEN STALLS



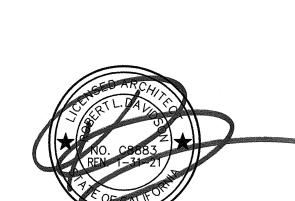


425 SPRUCE AVE. CLOVIS, CA 93611 559.435.3303 WWW.RLDAVIDSON.COM

STRUCTURAL BUILDING ____ MECHANICAL___ ELECTRICAL ____ PLUMBING ___ PROJECT DEVEL Eba GRADING ____ PLANNING/ZONING _____

COND. APPROVED BY KIND & VISK

CITY OF FRESNO PLANNING & DEVELOPMENT DEPT



MARIPOSA MEADOWS RENOVATION 1011 W. ATCHISON

FRESNO, CA

NO. DATE: PRELIMINARY "NOT FOR CONSTRUCTION" PRELIMINARY "NOT FOR CONSTRUCTION" PLAN CHECK SUBMITTAL 02-14-19 PLAN CHECK RESUBMITTAL

SHEET TITLE: **ARCHITECTURAL**

1" = 30'-0" SHEET NO.

PROJECT NO.

- All types of vehicle access shall maintain a minimum of 13 feet, 6 inch vertical clearance over the entire width of the access. (FFD Development Policy 403.002)
- 4. Emergency vehicle access shall be designated by painting the curb red (top and side) and stenciling "FIRE LANE NO PARKING" in 3-inch white letters on the most vertical curb, at least every 50 feet. If no curb is present, a minimum 6-inch wide red stripe shall be painted along the edge of the roadway with "FIRE LANE" in 3-inch white letters at least every 50 feet. (FFD Development Policy 403.005)
- 5. Signs may be used in conjunction with, or in lieu of, curb painting.
- FFD Development Policy 403.005) The curbside signs shall be at a minimum: a) The sign shall be at a minimum 12 x 18 inch sign with a white reflective background. The sign shall read "FIRE LANE NO PARKING" in minimum 3-inch red letters. c) Signs shall be placed at the beginning and end of the designated fire lane and be at 50 foot intervals. Directional arrows shall be placed on the signs to indicate the extent and
- direction of the fire lanes. d) Signs shall be set at least 18 inches but not more than 24 inches from the curb and must have a finished height of 7 feet to the bottom of the sign when adjacent to sidewalks. e) Signs shall not be obstructed by landscaping or street fixtures and shall be readily visible
- 6. Provide sign(s) (17"x22" minimum) at all public entrance drives to the property which state "Warning - Vehicles stopped, parked or left standing in fire lanes will be immediately removed at owner's expense - 22658(a) California Vehicle Code - Fresno Police Department
- 7. Fire hydrants and access roads shall be installed, tested and approved and shall be maintained serviceable prior to and during all phases of development. The 4 1/2 inch outlet shall face the access lane.

EXHIBIT C Mariposa Meadows Pro Forma

| Development Sources and Uses | | | |
|--|--------|------------|--|
| | Amount | | |
| Sources of Funds | 4 | /12/2019 | |
| USDA Perm Loan | \$ | 210,535 | |
| US Bank Conventional Perm Loan | \$ | 1,358,000 | |
| Fresno HA Land/Bldg. Donation | \$ | 3,139,465 | |
| Income from Operations for Relocation Cost | \$ | 199,560 | |
| Deferred Developer Fee | \$ | 89,791 | |
| GP Contribution | \$ | 100 | |
| LIHTC Equity | \$ | 8,020,458 | |
| Total Sources of Funds | \$ | 13,017,909 | |
| | | | |
| Uses of Funds | Amount | | |
| Construction Costs | \$ | 4,710,946 | |
| Contingencies | \$ | 679,928 | |
| Permits/Impact Fees/etc. | \$ | 100,000 | |
| Professional Fees | \$ | 564,000 | |
| Relocation | \$ | 759,560 | |
| Loan Fees and other Soft Costs | \$ | 4,788,957 | |
| Reserves | \$ | 492,630 | |
| Developer Fee | \$ | 921,888 | |
| Total Uses of Funds | \$ | 13,017,909 | |

| Acquisition Sources and Uses | | |
|--|----------|--------------------------------|
| Sources of Funds | A | mount |
| USDA Perm Loan | \$ | 210,535 |
| Fresno HA Land & Building Donation | Ç | 3,139,465 |
| Total Uses of Funds | \$ | 3,350,000 |
| | | |
| | | |
| Uses of Funds | Α | mount |
| Uses of Funds Reamortize USDA Perm Loan | <i>A</i> | |
| | \$ | mount 210,535 33,139,465 |

^{*}Draft as of 4/12/2019

Exhibit D

Mariposa Meadows Residential Component Projected Stabilized Operating Budget

| | | | | Net Rent | Ann. Rent |
|---------------------------|---------|-------|---------|----------|------------|
| Unit Type | # Units | % AMI | SF/Unit | Per Unit | Total |
| 4Bd./2Bath **Unsubsidized | 2 | 30% | 1128 | 409 | \$ 9,816 |
| 2Bd./1Bath | 1 | 30% | 791 | 352 | \$ 4,224 |
| 3Bd./1Bath | 3 | 30% | 924 | 390 | \$ 14,040 |
| 5Bd./2Bath | 1 | 30% | 1281 | 508 | \$ 6,096 |
| 4Bd./2Bath **Unsubsidized | 1 | 40% | 1128 | 583 | \$ 6,996 |
| 2Bd./1Bath | 2 | 40% | 791 | 487 | \$ 11,688 |
| 3Bd./1Bath | 3 | 40% | 924 | 546 | \$ 19,656 |
| 4Bd./2Bath | 1 | 40% | 1128 | 583 | \$ 6,996 |
| 5Bd./2Bath | 1 | 40% | 1281 | 700 | \$ 8,400 |
| 2Bd./1Bath **Unsubsidized | 2 | 50% | 791 | 621 | \$ 14,904 |
| 4Bd./2Bath **Unsubsidized | 1 | 50% | 128 | 756 | \$ 9,072 |
| 2Bd./1Bath | 2 | 50% | 791 | 621 | \$ 14,904 |
| 3Bd./1Bath | 3 | 50% | 924 | 701 | \$ 25,236 |
| 4Bd./2Bath | 1 | 50% | 1128 | 756 | \$ 9,072 |
| 2Bd./1Bath | 5 | 60% | 791 | 756 | \$ 45,360 |
| 3Bd./1Bath | 5 | 60% | 924 | 856 | \$ 51,360 |
| 2Bd./1Bath | 2 | 70% | 791 | 890 | \$ 21,360 |
| 3Bd./1Bath | 1 | 70% | 924 | 1011 | \$ 12,132 |
| 2Bd./1Bath | 2 | 80% | 791 | 999 | \$ 23,976 |
| 3Bd/1Bath**Managers Unit | 1 | | | | \$ - |
| USDA Rental Subsidy | | | | | \$ 151,752 |
| TOTAL REVENUE | 40 | | | | \$ 467,040 |

| RESIDENTIAL OPERATING EXPENSES | Per Unit | TOTAL |
|--|----------|---------|
| Management Fee | 796 | 31,824 |
| Advertising/Marketing | 15 | 600 |
| Legal and Accounting | 193 | 7,700 |
| Utilities (water, trash, electricity, gas, etc.) | 638 | 25,523 |
| Payroll: Onsite Manager(s)/Staff | 1,584 | 63,348 |
| Maintenance/Repairs | 1,672 | 66,866 |
| Real Estate Property Tax | 131 | 5,252 |
| Insurance | 526 | 21,056 |
| Services Amenities | 500 | 20,000 |
| Security Alarm | 68 | 2,700 |
| Office Expense/Misc. Admin. | 216 | 8,637 |
| Total Operating Expenses | 6,338 | 253,506 |
| Replacement Reserves | 606 | 24,250 |
| Total Operating and Reserve Budget | 6,944 | 277,756 |

Exhibit E

Mariposa Meadows RESIDENTIAL COMPONENT - 15 YEAR CASH FLOW ANALYSIS

| INCOME FROM HOUSING UNITS | nflation | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 | Year 6 | Year 7 | Year 8 | Year 9 | Year 10 | Year 11 | Year 12 | Year 13 | Year 14 | Year 15 |
|---|----------|-------------|------------------------|-----------------|---------------|---------------|-------------|-------------|-------------|-------------|---------------|-------------|-------------|-------------|-------------|-------------|
| Schedule Rental Income | 2.0% | \$ 315,288 | \$ 321,594 | \$ 328,026 | \$ 334,586 | \$ 341,278 | \$ 348,103 | \$ 355,065 | \$ 362,167 | \$ 369,410 | \$ 376,798 | \$ 384,334 | \$ 392,021 | \$ 399,861 | \$ 407,859 | \$ 416,016 |
| USDA Rental Subsidy | | \$ 151,752 | \$ 154,787 | \$ 157,883 | \$ 161,040 | \$ 164,261 | \$ 167,546 | \$ 170,897 | \$ 174,315 | \$ 177,802 | \$ 181,358 | \$ 184,985 | \$ 188,685 | \$ 192,458 | \$ 196,307 | \$ 200,234 |
| Misc. Income | | \$ 8,500 | \$ 8,670 | \$ 8,843 | \$ 9,020 | \$ 9,201 | \$ 9,385 | \$ 9,572 | \$ 9,764 | \$ 9,959 | \$ 10,158 | \$ 10,361 | \$ 10,569 | \$ 10,780 | \$ 10,996 | \$ 11,216 |
| GROSS POTENTIAL INCOME - HOUSING | | \$ 475,540 | \$ 485,051 | \$ 494,752 | \$ 504,647 | \$ 514,740 | \$ 525,035 | \$ 535,535 | \$ 546,246 | \$ 557,171 | \$ 568,314 | \$ 579,681 | \$ 591,274 | \$ 603,100 | \$ 615,162 | \$ 627,465 |
| VACANCY ASSUMPTIONS | | | | | | | | | | | | | | | | |
| Vacancy Loss | -7.0% | \$ (33,288) | \$ (33,954) | \$ (34,633) | \$ (35,325) | \$ (36,032) | \$ (36,752) | \$ (37,487) | \$ (38,237) | \$ (39,002) | \$ (39,782) | \$ (40,578) | \$ (41,389) | \$ (42,217) | \$ (43,061) | \$ (43,923) |
| TOTAL VACANCY LOSS | | \$ (33,288) | \$ (33,954) | \$ (34,633) | \$ (35,325) | \$ (36,032) | \$ (36,752) | \$ (37,487) | \$ (38,237) | \$ (39,002) | \$ (39,782) | \$ (40,578) | \$ (41,389) | \$ (42,217) | \$ (43,061) | \$ (43,923) |
| | | | | | | | | | | | | | | | | |
| EFFECTIVE GROSS INCOME | | \$ 442,252 | \$ 451,097 | \$ 460,119 | \$ 469,322 | \$ 478,708 | \$ 488,282 | \$ 498,048 | \$ 508,009 | \$ 518,169 | \$ 528,532 | \$ 539,103 | \$ 549,885 | \$ 560,883 | \$ 572,100 | \$ 583,542 |
| OPERATING EXPENSES & RESERVE DEPO | | | | | | | | | | | | | | | | |
| Operating Expenses | 3.0% | , - | \$ 255,702 | \$ 263,373 | \$ 271,274 | \$ 279,412 | \$ 287,794 | \$ 296,428 | \$ 305,321 | \$ 314,481 | \$ 323,915 | \$ 333,633 | \$ 343,642 | \$ 353,951 | \$ 364,569 | \$ 375,506 |
| Real Estate Taxes | 2.5% | , - | \$ 5,383 | \$ 5,518 | \$ 5,656 | \$ 5,797 | \$ 5,942 | \$ 6,091 | \$ 6,243 | \$ 6,399 | \$ 6,559 | \$ 6,723 | \$ 6,891 | \$ 7,063 | \$ 7,240 | \$ 7,421 |
| Replacement Reserve | | \$ 24,250 | \$ 24,250 | \$ 24,250 | \$ 24,250 | \$ 24,250 | \$ 24,250 | \$ 24,250 | \$ 24,250 | \$ 24,250 | \$ 24,250 | \$ 24,250 | \$ 24,250 | \$ 24,250 | \$ 24,250 | \$ 24,250 |
| TOTAL EXPENSES & RESERVES | | \$ 277,756 | \$ 285,335 | \$ 293,141 | \$ 301,180 | \$ 309,459 | \$ 317,987 | \$ 326,769 | \$ 335,814 | \$ 345,130 | \$ 354,724 | \$ 364,606 | \$ 374,783 | \$ 385,264 | \$ 396,059 | \$ 407,177 |
| | | . | A 4 6 7 7 6 6 | A 4 6 6 0 0 0 0 | 4 4 6 9 4 4 9 | 4 4 6 6 6 4 6 | 4.== === | A 4=4 ==0 | A 4== 40= | 4 4 | 4 4 2 - 2 - 2 | A | 4 | A 4== 646 | A .== | 4 |
| NET OPERATING INCOME | | \$ 164,496 | \$ 165,762 | \$ 166,979 | \$ 168,142 | \$ 169,249 | \$ 170,296 | \$ 171,279 | \$ 172,195 | \$ 173,039 | \$ 173,808 | \$ 174,497 | \$ 175,102 | \$ 175,619 | \$ 176,041 | \$ 176,365 |
| DEBT SERVICE Bank Loan | | ć 124 000 | ć 124 000 | ć 124 000 | \$ 134.888 | \$ 134.888 | \$ 134.888 | \$ 134.888 | \$ 134.888 | ć 124 000 | ć 124 000 | \$ 134.888 | \$ 134.888 | \$ 134.888 | \$ 134.888 | ć 124 000 |
| | | \$ 134,888 | \$ 134,888 \$ 7.493 | \$ 134,888 | , | | ,, | ÷ == 1,000 | , | \$ 134,888 | \$ 134,888 | , | 4 | ,, | ,, | \$ 134,888 |
| USDA Loan | | \$ 7,493 | , | \$ 7,493 | \$ 7,493 | \$ 7,493 | \$ 7,493 | , | \$ 7,493 | \$ 7,493 | \$ 7,493 | \$ 7,493 | , | · ., | \$ 7,493 | \$ 7,493 |
| Total Required Debt Service | | \$ 142,381 | \$ 142,381 | \$ 142,381 | \$ 142,381 | \$ 142,381 | \$ 142,381 | \$ 142,381 | \$ 142,381 | \$ 142,381 | \$ 142,381 | \$ 142,381 | \$ 142,381 | \$ 142,381 | \$ 142,381 | \$ 142,381 |
| Net Cash Flow | | \$ 22,115 | \$ 23,381 | \$ 24,598 | \$ 25,761 | \$ 26,868 | \$ 27,915 | \$ 28,898 | \$ 29,814 | \$ 30,658 | \$ 31,427 | \$ 32,116 | \$ 32,721 | \$ 33,238 | \$ 33,660 | \$ 33,984 |
| DEBT SERVICE COVERAGE RATIO | | 1.16 | 1.16 | 1.17 | 1.18 | 1.19 | 1.20 | 1.20 | 1.21 | 1.22 | 1.22 | 1.23 | 1.23 | 1.23 | 1.24 | 1.24 |



BOARD MEMO

O (559) 443-8400 F (559) 445-8981

1331 Fulton Street Fresno, California 93721 TTY (800) 735-2929

www.fresnohousing.org

TO: Boards of Commissioners

Fresno Housing Authority

FROM: Preston Prince

CEO/Executive Director

DATE: April 18, 2019

BOARD MEETING: April 23, 2019

AGENDA ITEM: 8b

AUTHOR: Scott Berry

SUBJECT: Parlier Orchard Apartments – Closing Omnibus Development & Financing Resolution

Executive Summary

On June 26, 2018, the Board authorized Fresno Housing Authority ("Agency") staff to submit a 2nd Round Low-Income Housing Tax Credit ("LIHTC") application to the California Tax Credit Allocation Committee ("CTCAC") to acquire financing for the Parlier Orchard Apartments development. The Agency was successful in its application, and received a reservation for Federal and State tax credits in September of 2018. Parlier Orchard Apartments is an existing 40 unit farmworker, multifamily low-income property on approximately 3.29 acres in Parlier, CA. The property was initially developed by the Agency with financial assistance from the United States Department of Agriculture (USDA). USDA provided a loan and rental assistance that is nearing the end of the commitment term and staff is working with USDA to secure new financing commitments and preserve the affordability of the property. Agency staff is proposing to complete substantial rehabilitation of the existing 40 unit complex and build a new 1,956 SF (approx.) community building along with a new apartment unit to be designated for the onsite management staff.

To aid in the development, on October 16, 2018, Parlier Orchard Apartments, LP ("Partnership") was created, and will be the owner of the development throughout construction and operations. The Partnership is comprised of US Bank, Silvercrest, Inc., and the Housing Authority of Fresno County, CA ("HAFC"). HAFC will serve as the Partnership's Administrative General Partner, and Silvercrest, Inc. (an instrumentality of the Agency) will serve as the Partnership's manageing general partner (see Exhibit A).

Approval to develop the Project requires that the Board of Commissioners of the Housing Authority of Fresno County, California adopt a resolution authorizing the following actions:

1. Authorization of Preston Prince, CEO/Executive Director, Tracewell Hanrahan, Deputy Executive Director, and/or their designee to execute documents on behalf of the Housing Authority of Fresno County, CA in the name of the Administrative General Partner (AGP) or the Partnership.

- 2. Authorize a Housing Authority of Fresno County, CA Land/Building Donation to Silvercrest, Inc. as Managing General Partner in the amount of \$1,683,010 for the benefit of redeveloping the Orchard Apartments property.
- 3. Authorize a permanent loan from Silvercrest, Inc. in an amount estimated not to exceed \$2,235,117, which will be funded by the sale of State certificated tax credits.
- 4. Authorize approval for the Housing Authority of Fresno County, CA to re-amortize the existing USDA 514 loan in the amount of \$16,990 for a new 33-year maximum term.
- 5. Authorize Deferral of \$18,009 of Developer Fee payable to the Housing Authority of Fresno County, CA.
- 6. Authorize the Agency as the management agent of the Development
- 7. Authorize actions for the financing, development and operation of the Project, and
- 8. Provide for other matters related thereto.

Staff is recommending that the Board adopt the attached resolutions, drafted by our affordable housing finance counsel, Ballard Spahr LLP, and as required by our equity and lending partners, in order to finalize the closing of the Project on or about May 17, 2019.

A resolution authorizing the execution and delivery of documents, the admission of certain partners to Parlier Orchard Apartments, LP ("Partnership"), and the execution of such documents to implement project financing by the Housing Authority of Fresno County, California, on its own behalf and in the capacity as sole member of the Parlier Orchard Apartments AGP, LLC, the Administrative General Partner of the partnership, in connection with the financing, development and operation of the Orchard Apartments development, and providing for other matters related thereto.

Recommendation

It is recommended that the Boards of Commissioners of the Fresno Housing Authority adopt the attached resolutions, authorizing the execution and delivery of documents in the name of the Administrative General Partner and in the name of the Partnership, in connection with the financing, development, and operation of the Project, authorizing the lending and the borrowing of money, and providing for other matter related thereto, and authorize Preston Prince, CEO/Executive Director, Tracewell Hanrahan, Deputy Executive Director, and/or their designee, to negotiate and execute documents in connection with the approved actions:

Fiscal Impact

Total construction costs amount to \$13,495,179.

Table 1: Construction Sources of Finance

| Source | Amount | Description |
|-------------------------------------|---------------|---|
| Construction Loan | \$ 10,011,354 | 22 month term at 5.48% interest rate |
| USDA 514 Loan | \$ 16,990 | 22 Month term at 1% interest |
| Costs Deferred until perm financing | \$ 720,984 | These costs are not due until construction is complete, and loan converts to a permanent loan structure |

| Source | Amount | Description |
|--------------------------------|--------------|---|
| Income from Ops and Relo Costs | \$ 294,732 | Income from tenant rents and subsidy during rehabilitation |
| Defered Developer Fee | \$ 18,009 | |
| Land/Building Donation | \$ 1,683,010 | Donation of the value of the land and buildings |
| LP Contribution | \$ 750,000 | Equity contribution at financial closing and construction start |
| GP Contribution | \$ 100 | Equity contribution from the Housing Authority and Silvercrest, Inc. at closing |

Total permanent sources of finance amount to \$13,495,179.

Table 2: Permanent Sources of Finance

| Source | Amount | Description |
|--------------------------------------|--------------|--|
| USDA 514 Loan | \$ 16,990 | 33 year loan at 1% interest |
| | | |
| Permanent Loan – Tranche B | \$ 2,833,100 | 15 year term, 30 year amoritization at 5.41 % interest |
| Land/Building Donation | \$ 1,683,010 | Donation of the value of the land and buildings |
| Certificated State Credits Sales | \$ 2,011,605 | Proceeds from Silvercrest, Inc's sale of State |
| Proceeds | | Certificated Tax Credits |
| Income from Ops and Relo Costs | \$ 294,732 | Funds from tenant rent and subsidy during rehabilitation |
| Deferred Developer Fee | \$ 18,009 | |
| General Partner Capital | \$ 100 | Equity contribution from the Housing Authority and |
| Contribution | | Silvercrest, Inc. at closing |
| Limited Partner Capital Contribution | \$ 6,637,633 | Tax Credit Equity from US Bank |
| Continuution | | |

Background Information

Parlier Orchard Apartments is an existing farm worker, multi-family residential development consisting of 40 affordable housing units on 3.29 acres at 295 S. Newmark Ave in Parlier, California. The Fresno Housing Authority intends to fully rehabilitate the existing 40 units and construct a new building to include a manager's unit and community space. The development will include a mix of two-to-four bedroom units and will have affordability levels ranging from 30% to 80%. Parlier Orchard Apartments' location presents opportunities for easy access to community amenities such as public parks, schools, medical care, and grocery shopping. All of the units will be built to include amenities that are comparable to high quality units in the community. Unit amenities will include Energy Star appliances, dishwashers, and central

heating and cooling. On-site parking and unit amenities will bring new life to the complex and tenant population.

Attachments: Exhibit A - Organizational Chart

Exhibit B – Development Pro Forma

Exhibit C – Operating Budget Exhibit D – 15-Year Projections

Exhibit E - Site Plan

RESOLUTION NO._____ BEFORE THE BOARDS OF COMMISSIONERS OF THE HOUSING AUTHORITY OF FRESNO COUNTY

A RESOLUTION AUTHORIZING THE EXECUTION AND DELIVERY OF DOCUMENTS, THE MAKING OF CERTAIN GUARANTIES, THE ADMISSION OF CERTAIN PARTNERS TO PARLIER ORCHARD APARTMENTS, LP ("PARTNERSHIP") AND THE EXECUTION OF SUCH DOCUMENTS TO IMPLEMENT PROJECT FINANCING BY THE HOUSING AUTHORITY OF FRESNO COUNTY, CALIFORNIA ON ITS OWN BEHALF AND IN ITS CAPACITY AS THE MANAGER AND SOLE MEMBER OF PARLIER ORCHARD APARTMENTS AGP, LLC, THE ADMINISTRATIVE GENERAL PARTNER OF THE PARTNERSHIP, IN CONNECTION WITH THE FINANCING, DEVELOPMENT AND OPERATION OF THE PARLIER ORCHARD APARTMENTS PROJECT, AND PROVIDING FOR OTHER MATTERS RELATED THERETO.

WHEREAS, the Housing Authority of Fresno County, California (the "**Authority**" or "**HAFC**") seeks to expand the development and availability of long-term housing for low income persons residing in the City of Parlier, California (the "**City**"); and

WHEREAS, the Authority is authorized, among other things, to enter into partnership and operating agreements and to make loans to partnerships to finance, plan, undertake, construct, acquire and operate housing projects; and

WHEREAS, the Authority has agreed to facilitate the development of approximately 3.29 acres located at 295 S. Newmark Avenue, Parlier, California, APN Number 355-041-18-T for the purposes of the rehabilitation of an existing forty (40) unit low income multifamily residential project and the construction of a new community building and the addition of one (1) manager's unit to be generally known as "Parlier Orchard Apartments" (collectively, the "**Project**"); and

WHEREAS, the Authority has entered into an Operating Agreement dated as of October 16, 2018, pursuant to which the Authority is the manager and sole member of Parlier Orchard Apartments AGP, LLC, a California limited liability company (the "**Administrative General Partner**"), and the Authority filed Articles of Organization with the California Secretary of State on October 16, 2018; and

WHEREAS, the Administrative General Partner, together with Silvercrest, Inc., entered into an Agreement of Limited Partnership dated as of October 16, 2018, pursuant to which the Administrative General Partner is the "Administrative GP" and Silvercrest, Inc. is the "Managing GP" (collectively the "General Partners"), and Silvercrest, Inc. is the "Limited Partner" of Parlier Orchard Apartments, LP, a California limited partnership (the "Partnership"), and also filed a Certificate of Limited Partnership with the California Secretary of State on October 16, 2018; and

WHEREAS, the Administrative General Partner; Silvercrest, Inc., as managing general partner and withdrawing limited partner; and U.S. Bancorp Community Development Corporation, a Minnesota corporation, as the investor limited partner (the "**Investor Limited Partner**"); will enter into an

amended and restated limited partnership agreement of Parlier Orchard Apartments, LP; and

WHEREAS, the Project is currently encumbered by an existing deed of trust made by the Authority for the benefit of the United States of America, acting through the Farmers Home Administration, United States Department of Agriculture (the "USDA") dated August 12, 1986 securing an indebtedness of Two Million Seventy-Seven Thousand Eight Hundred and 00/100 Dollars (\$2,077,800.00), which has an approximate outstanding principal balance of \$16,990 (the "USDA Loan"); and

WHEREAS, the Authority intends to sell the Project to the Partnership for the purchase price of \$1,500,000 and donate \$1,683,010 of the fair market value of the Project to the Partnership; and

WHEREAS, the Partnership will finance the cost of acquiring and rehabilitating the Project with numerous sources of funds, projected to include an estimated equity investment of \$6,637,633 from the Investor Limited Partner eligible to benefit from federal low-income housing tax credits allocated to the Project under Section 42 of the Internal Revenue Code; construction loan proceeds in an amount estimated not to exceed \$10,500,000 from U.S. Bank National Association, a national banking association ("USBNA"); permanent loan proceeds in an amount estimated not to exceed \$3,500,000 from the California Community Reinvestment Corporation ("CCRC"); the assumption of the USDA Loan by the Partnership; and permanent loan proceeds funded from the sale of State of California low-income housing tax certificated credits to USBNA in an estimated amount estimated not to exceed \$2,235,117 from Silvercrest, Inc. ("Silvercrest") (collectively, the "Project Financing"); and

WHEREAS, the Authority intends to act as the developer and management agent of the Project, the sole member and manager of the Administrative General Partner and guarantor of certain obligations connected with the Project; and

WHEREAS, the Authority wishes to ratify and confirm all actions of the Authority and its officers prior to the date hereof and consistent with the terms of this resolution and to authorize such actions subsequent to the date hereof; and

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

NOW, THEREFORE, BE IT RESOLVED:

- 1. <u>Development Services</u>. The CEO/Executive Director, Preston Prince, the Deputy Director, Tracewell Hanrahan, the Chief of Staff, Angelina Nguyen, and/or their respective designees (each, an "Authorized Officer" and, collectively, the "Authorized Officers"), and each of them acting alone, are authorized and directed to enter into a Development Services Agreement with the Partnership and to execute such other documents and take such other actions as necessary to fulfill the Authority's intended functions as developer of the Project (including any subcontracts with respect thereto).
- 2. <u>General Partner Function</u>. The Authorized Officers, and each of them acting alone, are authorized and directed to cause the Authority, in its capacity as manager of the Administrative

General Partner, to take all actions and execute all documents necessary for the Administrative General Partner to carry out its function as administrative general partner of the Partnership, including without limitation by execution of the Amended and Restated Agreement of Limited Partnership of the Partnership and any amendment thereto in furtherance of such admissions; provided further, that in such capacity, the Authority is authorized and directed to cause the Administrative General Partner to approve the admission of the Investor Limited Partner to the Partnership.

- 3. **Approval of Partnership Documents.** The Authority has been presented with drafts of the documents listed in Exhibit A under the heading "Partnership Documents" (the "Partnership **Documents**") in connection with the Partnership and the Project, which documents are on file with the Authority's Secretary. The Authorized Officers, and each of them acting alone, are authorized and directed to execute and deliver, on behalf of the Authority acting on its own behalf or as the manager of the Administrative General Partner, the Partnership Documents substantially in the form on file with the Authority; provided however, any Authorized Officer may approve on the Authority's behalf or as the manager of the Administrative General Partner any further changes to the draft Partnership Documents, including material changes, and such Authorized Officer's signature on the final Partnership Documents shall be construed as the Authority's approval of such changes. The Authorized Officers, and each of them acting alone, are further authorized and directed to execute and deliver, on behalf of the Authority acting on its own behalf or as the manager of the Administrative General Partner, any other documents reasonably required to be executed by the Authority, the Administrative General Partner or as the manager of the Administrative General Partner of the Partnership to carry out the transactions contemplated by the Partnership Documents.
- 4. <u>Approval of Loan Assembly Activities</u>. The Authorized Officers, and each of them acting alone, are authorized on behalf of the Authority acting on its own behalf or as manager of the Administrative General Partner to execute, deliver and/or file (or cause to be delivered and/or filed) all documents deemed necessary or appropriate to assemble the Project Financing, including without limitation, construction, permanent and third party loan applications, tax credit applications, and any and all other documents reasonably required to (i) cause the Investor Limited Partner to make capital contribution(s) to the Partnership, and (ii) borrow sufficient funds to support the Project.
- Loan of Funds. The Authorized Officers, and each of them acting alone, on behalf of the Authority in its capacity as the manager of the Administrative General Partner, are authorized to take such actions and execute such documents as necessary to cause the Partnership to borrow funds from U.S. Bank National Association, California Community Reinvestment Corporation, Silvercrest and USDA in an aggregate approximate amount of up to \$14,000,000. Each Authorized Officer, and each of them acting alone, is authorized to decrease the principal amount of any loan by any amount, or to increase the principal amount of any loan by an amount up to 10% more than the maximum aggregate principal amount for the loans stated in this resolution. The source of funds for any such increase shall be funds available to the Authority and/or the Partnership or such other funds that may become available to the Authority and/or the Partnership for the Project. The Board directs the Executive Director to report to the Board if the total amount borrowed by the Partnership for the Project exceeds the aggregate maximum principal amount stated in this resolution for all loans to the Partnership.

- 6. **Approval of Guarantees.** The Authorized Officers, and each of them acting alone, are authorized on behalf of the Authority acting on its own behalf, to execute and perform under such guarantees as are deemed necessary or appropriate to the Project Financing, including without limitation, with respect to the Partnership Documents, the construction loan from USBNA and the permanent loan from CCRC (described below).
- **Approval of USBNA and CCRC Loan Documents**. The Authority has been presented with drafts of the documents listed in Exhibit A under the heading "USBNA and CCRC Loan Documents" (the "USBNA and CCRC Loan Documents") in connection with the Partnership and the Project, which documents are on file with the Authority's Secretary, and pursuant to which the Partnership will borrow a construction loan in an estimated amount not to exceed \$10,500,000, which will convert to a permanent loan in an estimated amount not to exceed \$3,500,000. The Authorized Officers, and each of them acting alone, are authorized to enter into the transactions described in the USBNA and CCRC Loan Documents and to incur indebtedness and grant liens and security interests and guarantees in connection with such transactions. The Authorized Officers and each of them acting alone, are authorized and directed to execute and deliver, on behalf of the Authority acting on its own behalf or as the manager of the Administrative General Partner, the USBNA and CCRC Loan Documents substantially in the form on file with the Authority; provided however, any Authorized Officer may approve on the Authority's behalf or as the manager of the Administrative General Partner, any further changes to the draft USBNA and CCRC Loan Documents, including material changes, and the final amount to be borrowed, and such Authorized Officer's signature on the final USBNA and CCRC Loan Documents shall be construed as the Authority's approval of such changes and final loan amount. The Authorized Officers and each of them acting alone, are further authorized and directed to execute and deliver, on behalf of the Authority acting on its own behalf or as the manager of the Administrative General Partner, any other documents reasonably required to be executed by the Authority, the Administrative General Partner, or the Partnership to carry out the transactions contemplated by the USBNA and CCRC Loan Documents.
- 8. Approval of USDA Documents. The Authority has been presented with drafts of the documents listed in Exhibit A under the heading "USDA Documents" (the "USDA Documents") to be executed by the Partnership and the Authority to effectuate the sale of the Project to the Partnership and the assignment and assumption of the USDA Loan which USDA Documents are on file with the Authority's Secretary. The Authorized Officers, and each of them acting alone, are authorized and directed to execute and deliver, on behalf of the Authority acting on its own behalf or as the manager of the Administrative General Partner to execute and deliver the USDA Documents and all documents deemed necessary and appropriate to obtain USDA approval related to the transfer of the Project and the assignment and assumption of the USDA Loan, the USDA Documents substantially in the form on file with the Authority; provided however, any Authorized Officer may approve on the Authority's behalf, any further changes to the draft USDA Documents, including material changes, and the final amount to be loaned, and such Authorized Officer's signature on the final USDA Documents shall be construed as the Authority's approval of such changes. The Authorized Officers, and each of them acting alone, are further authorized and directed to execute and deliver, on behalf of the Authority acting on its own behalf or as manager of the Administrative

General Partner, any other documents reasonably required to be executed by the Authority or the Partnership, to carry out the transactions contemplated by the USDA Documents.

- 9. **Approval of Silvercrest Loan Documents**. The Authority has been presented with drafts of the documents listed in Exhibit A under the heading "Silvercrest Loan Documents" (the "Silvercrest Loan Documents") in connection with the Partnership and the Project, which documents are on file with the Authority's Secretary, and pursuant to which the Partnership will borrow a permanent loan from Silvercrest, Inc. in an amount estimated not to exceed \$2,235,117, which will be funded by the sale by Silvercrest of State certificated tax credits. The Authorized Officers, and each of them acting alone, are authorized on behalf of the Authority acting on its own behalf or as the manager of the Administrative General Partner to enter into the transactions described in the Silvercrest Loan Documents and to incur indebtedness and grant liens and security interests and guarantees in connection with such transactions. The Authorized Officers, and each of them acting alone, are authorized and directed to execute and deliver, on behalf of the Authority acting on its own behalf or as the manager of the Administrative General Partner, the Silvercrest Loan Documents substantially in the form on file with the Authority; provided however, any Authorized Officer may approve on the Authority's behalf or as the manager of the Administrative General Partner any further changes to the draft Silvercrest Loan Documents, including material changes, and the final amount to be borrowed, and such Authorized Officer's signature on the final Silvercrest Loan Documents shall be construed as the Authority's approval of such changes and final loan amount. The Authorized Officers, and each of them acting alone, are further authorized and directed to execute and deliver, on behalf of the Authority acting on its own behalf or as the manager of the Administrative General Partner, any other documents reasonably required to be executed by the Authority, the Administrative General Partner, or the Partnership to carry out the transactions contemplated by the Silvercrest Loan Documents.
- 10. **Approval of the Acquisition Documents.** The Authority has been presented with drafts of the documents listed in Exhibit A under the heading "Acquisition Documents" (the "Acquisition **Documents**") in connection with the purchase of the Project by the Partnership from the Authority, which documents are on file with the Authority's Secretary, and pursuant to which the Partnership will acquire the Project for a purchase price of \$1,500,000, payable by cash proceeds or note, with the Authority donating approximately \$1,683,010 of the fair market value of the Project to the Partnership. The Authorized Officers, and each of them acting alone, are further authorized and directed to execute and deliver, on behalf of the Authority acting on its own behalf or as the manager of the Administrative General Partner, the Acquisition Documents and to purchase and take such other actions as they deem necessary or desirable for the Partnership to acquire and develop the Project; provided however, any Authorized Officer may approve on the Authority's behalf or as the manager of the Administrative General Partner any further changes to the draft Acquisition Documents, including material changes, and such Authorized Officer's signature on the final Acquisition Documents shall be construed as the Authority's approval of such changes. The Authorized Officers, and each of them acting alone, are further authorized and directed to execute and deliver, on behalf of the Authority acting on its own behalf or as the manager of the Administrative General Partner, any other documents reasonably required to be executed by the Authority, the Administrative General Partner, or the Partnership to carry out the transactions contemplated by the Acquisition Documents.

- 11. Approval of the Management Agent and Management Agent Documents. Authority, as the management agent, is approved to manage the Project. The Authority has been presented with drafts of the documents listed in Exhibit A under the heading "Management Agent Documents" (the "Management Agent Documents") in connection with the management of the Project. The Authorized Officers, and each of them acting alone, are authorized and directed to approve and to execute and deliver, on behalf of the Authority acting on its own behalf or as the manager of the Administrative General Partner, the Management Agent Documents substantially in the form on file with the Authority; provided however, any Authorized Officer may approve on the Authority's behalf or as the manager of the Administrative General Partner, any further changes to the draft Management Agent Documents, including material changes, and such Authorized Officer's signature on the final Management Agent Documents shall be construed as the Authority's approval of such changes. The Authorized Officers, and each of them acting alone, are further authorized and directed to execute and deliver, on behalf of the Authority acting on its own behalf or as the manager of the Administrative General Partner, any other documents reasonably required to be executed by the Authority, the Administrative General Partner, or the Partnership to carry out the transactions contemplated by the Management Agent Documents.
- 12. Assignments. The Authorized Officers, and each of them acting alone, are authorized on behalf of the Authority acting on its own behalf or as the manager of the Administrative General Partner, to execute and deliver one or more instruments (i) causing the Partnership to assume the Authority's rights under the construction contract, the architects' contracts, and other consultant and development contracts, as such rights pertain to the acquisition and construction of the Project, to the extent required by the Investor Limited Partner, and (ii) assigning to lenders and others the Partnership's interests in such contracts as may be required as a condition of the Project Financing, and (iii) to effectuate the assignment and assumption of any existing Acquisition Documents, USBNA and CCRC Loan Documents, USDA Documents, and Silvercrest Loan Documents.
- **Execution of Documents**. The Authorized Officers, and each of them acting alone, are 13. authorized on behalf of the Authority acting on its own behalf or as manager of the Administrative General Partner, to execute, deliver and/or file (or cause to be delivered and/or filed) any affidavits, certificates, letters, government forms, documents, agreements and instruments that any such Authorized Officer determines to be necessary or desirable: (i) to give effect to this resolution; (ii) to consummate the transactions contemplated herein; and (iii) to further the acquisition, rehabilitation, development, financing, construction, and leasing of the Project. Without limiting the scope of such authorization, such documents include declarations of restrictive covenants, regulatory agreements, various deeds, leases, notes, loan agreements, deeds of trust, guaranties and indemnities and collateral assignments related to the Project Financing. Such documents may also include, without limitation, lease-up and marketing agreements, partnership management services agreements, development agreements, construction guaranty agreements, repayment guarantees, cash pledge agreements, environmental indemnity agreements, property management agreements, architect agreements, contractor agreements, housing assistance payment contracts, irrevocable consents, confessions of judgment and appointments of attorneys for service of process.
- 14. **Expenditures.** The Authority is authorized to expend such funds (and to cause the Partnership and the Administrative General Partner to expend such funds) as are necessary to pay for

all filing fees, application fees, registration fees and other costs relating to the Project or actions authorized by this resolution.

- 15. **Acting Officers Authorized.** Any action required by this resolution to be taken by the Chair of the Board or Executive Director of the Authority may, in the absence of such person, be taken by the duly authorized acting Chair of the Board or acting Executive Director of the Authority, respectively or by the designee of the Chair of the Board or Executive Director.
- 16. **Execution of Obligations.** The Board directs the Authority's Executive Director to cause the Authority to fulfill the Authority's duties and obligations under the various agreements authorized.
- 17. **Ratification and Confirmation.** All actions of the Authority and its officers prior to the date hereof and consistent with the terms of this resolution are ratified and confirmed, including, but not limited to, the formation of the Partnership and the Administrative General Partner, and the filing of finance applications related to the Project Financing and the prior execution of any Project documents listed on Exhibit A or otherwise required herein.

| 18. and a | Effective Date. This resolution shall be in full force and effect from and after its adoption eval. |
|--------------|---|
| | SSED AND ADOPTED THIS DAY OF, 2019. I, the undersigned, herby at the foregoing Resolution was duly adopted by the governing body with the following |
| | AYES: |
| | NOES: |
| | ABSENT: |
| | ABSTAIN: |
| | Preston Prince, Secretary of the Board of Commissioners |

CERTIFICATE

| I, the undersigned, the duly appointed CEO Fresno County, California (the " Authority "), as k | D/Executive Director of the Housing Authority of |
|---|---|
| | (the " Resolution ") is a true and correct copy of of the Authority, as adopted at a meeting of the |
| 2. That such meeting was duly conver and, to the extent required by law, due and proper was present throughout the meeting and a majorit of the Authority present at the meeting voted Resolution; that all other requirements and pro- Resolution have been duly fulfilled, carried out an execute this Certificate. | y of the members of the Board of Commissioners in the proper manner for the adoption of the ceedings incident to the proper adoption of the |
| IN WITNESS WHEREOF, I have, 2019. | hereunto set my hand this day of |
| | USING AUTHORITY OF FRESNO UNTY, CALIFORNIA |
| Presi | on Prince, CEO/Executive Director |

EXHIBIT A PROJECT DOCUMENTS

Partnership Documents

- (a) Certificate of Limited Partnership of Parlier Orchard Apartments, LP;
- (b) Amended and Restated Agreement of Limited Partnership of Parlier Orchard Apartments, LP by and among the Managing General Partner, the Administrative General Partner, and the Limited Partner, together with all exhibits;
- (c) Development Services Agreement between the Authority and the Partnership;
- (d) Agreement of Guaranty for the benefit of Partnership and Limited Partners
- (e) Subordination Agreement by the Partnership, Silvercrest and the Administrative General Partner:

USBNA and **CCRC** Loan Documents

- (f) Construction Loan Agreement executed by the Partnership and USBNA;
- (g) Promissory Note executed by the Partnership in favor of USBNA;
- (h) Construction and Permanent Deed of Trust, Assignment of Leases and Rents, Security Agreement and Fixture Filing executed by the Partnership as trustor, to Placer Title Company for the benefit of USBNA;
- (i) Repayment and Completion Guaranty executed by the Authority in favor of USBNA;
- (j) Environmental and ADA Indemnification Agreement by the Partnership and the Authority in favor of USBNA;
- (k) Assignment of Partnership Interests, Capital Contributions and Credits by the Partnership, Silvercrest and the Administrative General Partner in favor of USBNA;
- (l) Collateral Assignment of Contract Rights by Silvercrest and the Administrative General Partner in favor of USBNA;
- (m) Assignment and Subordination of Construction Contract by the Partnership in favor of USBNA and consented to by Quiring General LLC;
- (n) Assignment and Subordination of Architect's Contract by the Partnership in favor of USBNA and consented to by R.L. Davidson, Inc.;
- (o) Assignment of Property Manager Agreement executed by the Partnership in favor of USBNA and consented to by the Authority;

- (p) Assignment of Development Services Agreement and Developer Fee Subordination Agreement by the Authority and the Partnership in favor of USBNA;
- (q) Pledge and Security Agreement by Silvercrest in favor of USBNA;
- (r) California Judicial Reference Agreement by the Partnership, Silvercrest, the Administrative General Partner, the Authority and USBNA;
- (s) Partnership Borrowing Authorization by Silvercrest and the Administrative General Partner in favor of USBNA;
- (t) Loan Purchase Agreement by the Partnership, USBNA and CCRC;
- (u) Promissory Note (Delivery Assurance Fee) by the Partnership in favor of CCRC;
- (v) Delivery Assurance Fee Multifamily Deed of Trust, Security Agreement and Fixture Filing by the Partnership as trustor, to Placer Title Company for the benefit of CCRC;
- (w) Permanent Loan Agreement by the Partnership and CCRC;
- (x) Environmental Indemnity (Unsecured) by the Partnership in favor of CCRC;
- (y) Replacement Reserve Agreement between the Partnership and CCRC;
- (z) Subordination Agreement executed by the Partnership, the USDA, USBNA and CCRC;
- (aa) Subordination Agreement executed by the Partnership, Silvercrest, USBNA and CCRC;

And such other documents as reasonably required by USBNA and CCRC;

USDA Loan Documents

- (bb) Consolidated Seller and Purchaser Written Statements (Mariposa Meadows) by and between the Authority and the Partnership
- (cc) Repair Agreement (Mariposa Meadows) by and between the Authority and the Partnership
- (dd) Loan Approval Conditions acknowledged by the Partnership;
- (ee) Assumption Agreement by and between the Partnership and USDA
- (ff) Rental Assistance Agreement executed by the Partnership;
- (gg) Multiple Family Housing Transfer of Rental Assistance executed by USDA;
- (hh) USDA Multiple Family Housing Promissory Note executed by the Partnership;
- (ii) USDA Loan Agreement executed by the Partnership;
- (ij) Security Agreement (Multi-Family Housing) executed by the Partnership;

(kk) Restrictive Use Covenant – Transerees Assuming Agency Loans executed by the Partnership;

Silvercrest Loan Documents

- (ll) Loan Agreement between the Partnership and Silvercrest;
- (mm) Promissory Note by the Partnership in favor of Silvercrest;

Acquisition Documents

- (nn) Purchase and Sale Agreement (Parlier Orchard Apartments);
- (oo) Grant Deed by the Authority in favor of the Partnership;
- (pp) HAFC Purchase Money Note by the Partnership in favor of the Authority;

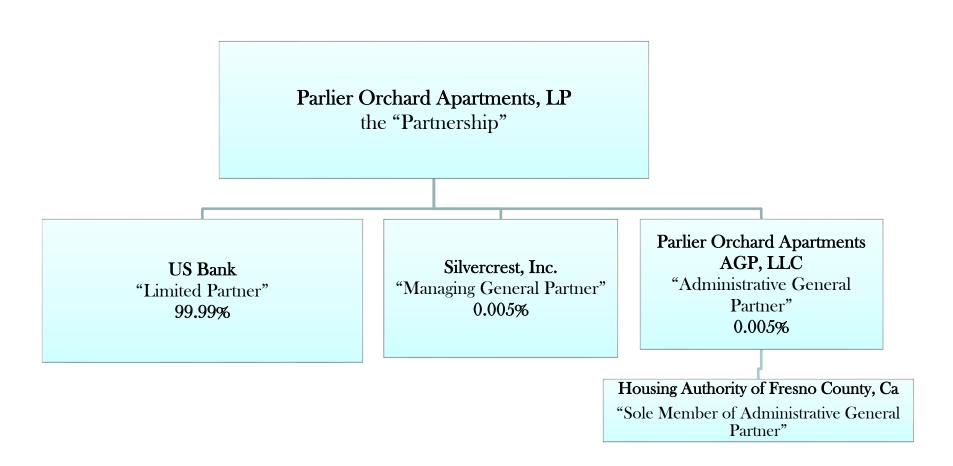
Management Agent Documents

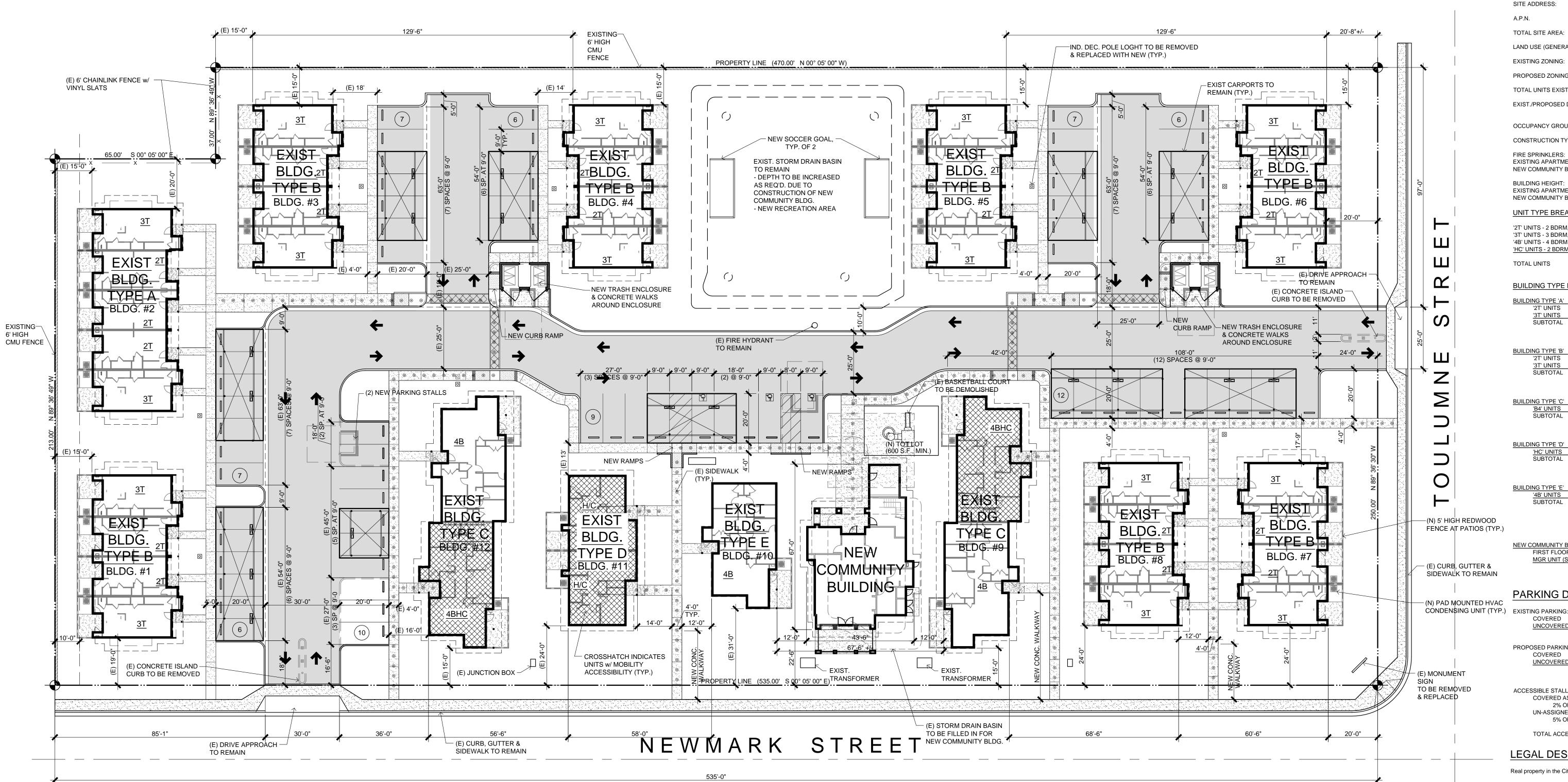
- (qq) USDA Management Plan Farm Labor Housing by the Partnership, the Authority and USDA; and
- (rr) Parlier Orchard Apartments Property Management Agreement between the Partnership and the Authority.

A-3

Exhibit A

Ownership Structure Parlier Orchard Apartments, LP





SITE PLAN SCALE: 1" = 20'-0"

"ORCHARD APARTMENTS"

FAMILY APARTMENT COMMUNITY PARLIER, CA **DEVELOPED BY:** HOUSING AUTHORITY OF FRESNO COUNTY

PROJECT INFORMATION:

HOUSING AUTHORITY OF FRESNO COUNTY APPLICANT / DEVELOPER: 1331 FULTON MALL FRESNO, CA 93776 Ph. No. 559-443-8492 295 S. NEWMARK AVE., PARLIER, CA SITE ADDRESS: A.P.N. TOTAL SITE AREA: 131,345 S.F. = ± 3.05 ACRES

LAND USE (GENERAL PLAN): RESIDENTIAL-MEDIUM LOW DENSITY **EXISTING ZONING:**

PROPOSED ZONING: TOTAL UNITS EXIST/PROPOSED: 40 RENTABLE EXIST./PROPOSED DENSITY: 1 UNIT / 3,283 S.F. = 13.11 UNITS / ACRE

OCCUPANCY GROUPS: CONSTRUCTION TYPE: FIRE SPRINKLERS: EXISTING APARTMENTS NEW COMMUNITY BUILDING

BUILDING HEIGHT: EXISTING APARTMENTS: NEW COMMUNITY BUILDING: UNIT TYPE BREAKDOWN

'2T' UNITS - 2 BDRM, 1.5 BATH TOWNHOUSE = 17 '3T' UNITS - 3 BDRM, 1.5 BATH TOWNHOUSE = 16 '4B' UNITS - 4 BDRM, 2 BATH SINGLE LEVEL 'HC' UNITS - 2 BDRM, 1 BATH SINGLE LEVEL

TOTAL UNITS (INCL. 4 MODIFIED FOR MOBILITY ACCESSIBILITY)

BUILDING TYPE BREAKDOWN:

= (1) BUILDING = (7) BUILDINGS = (2) PER BUILDING = 4 UNITS/BUILDING 28 UNITS = (2) BUILDINGS = 2 UNITS/BUILDING = (1) BUILDING BUILDING TYPE 'D' = (1) BUILDING

PARKING DEVELOPMENT DATA:

PROPOSED PARKING: COVERED

COVERED ASSIGNED PARKING PER 1109A.4 2% OF 43 STALLS:

UN-ASSIGNED PARKING PER 1109A.5 3 STALLS REQ'D 3 STALLS PROVIDED

LEGAL DESCRIPTION:

Real property in the City of Parlier, County of Fresno, State of California, described as follows: THAT PORTION OF THE SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 24, TOWNSHIP 15 SOUTH, RANGE 22 EAST, MOUNT DIABLO BASE AND MERIDIAN, ACCORDING TO THE UNITED STATES GOVERNMENT TOWNSHIP PLATS AND DESCRIBED AS FOLLOWS: THE EASTERLY 280.00 FEET OF SAID PORTION OR SECTION 24; EXCEPTING THEREFROM THE SOUTHERLY 750 FEET;

ALSO EXCEPTING THEREFROM ALL OF THAT PORTION OF THE PARCEL AS DEEDED TO THE CITY OF PARLIER BY DOCUMENT NO. 84050472, DATED MAY 24, 1984.

SHEET SCHEDULE

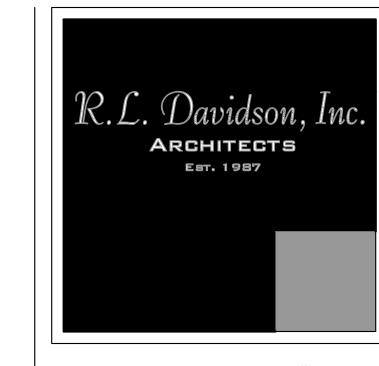
| | LIOOHLDOLL | |
|-----|---------------------------------------|--|
| | _ | |
| 1.0 | SITE PLAN | |
| 2.0 | UNIT TYPE HC FLOOR PLANS | |
| 2.1 | UNIT TYPE 4B & 4BHC FLOOR PLANS | |
| 2.2 | UNIT TYPES 2T & 3T FLOOR PLANS | |
| 3.0 | BUILDING TYPE 'A' COORDINATION PLAN | |
| 3.1 | BUILDING TYPE 'B' COORDINATION PLAN | |
| 3.2 | BUILDINGS TYPE 'C' COORDINATION PLANS | |
| 3.3 | BUILDINGS TYPE 'D' COORDINATION PLANS | |
| 3.4 | BUILDING TYPE 'E' COORDINATION PLAN | |
| 4.0 | BUILDING TYPE 'A' EXTERIOR ELEVATIONS | |
| 4.1 | BUILDING TYPE 'B' EXTERIOR ELEVATIONS | |
| 4.2 | BUILDING TYPE 'C' EXTERIOR ELEVATIONS | |
| 4.3 | BUILDING TYPE 'D' EXTERIOR ELEVATIONS | |
| 4.4 | BUILDING TYPE 'E' EXTERIOR ELEVATIONS | |
| 5.0 | COMMUNITY BUILDING FLOOR PLANS | |
| | | |

COMMUNITY BUILDING EXTERIOR ELEVATIONS

PROPOSED SITE



VICINITY MAP: PARLIER, CA
SCALE: N.T.S.



7600 North Ingram, #232 FRESNO, CA 93711 559.435.3303 WWW.RLDAVIDSON.COM



ORCHARD APARTMENTS 295 S. Newmark Ave. Parlier, CA 93648

FRESNO HOUSING AUTHORITY

NO. DATE: ISSUE: 02-22-2018 INITIAL DESIGN

SITE PLAN

P1.0 PROJECT NO.

EXHIBIT C Parlier Orchard Apartments

| Pro Forma Sources and Uses | | |
|---|----|------------|
| | | Amount |
| Sources of Funds | 4 | /15/2019 |
| Permanent Loan - Tranche B | \$ | 2,833,100 |
| Certificated State Credits Sales Proceeds | \$ | 2,011,605 |
| Income from Ops for Relo Costs | \$ | 294,732 |
| Deferred Developer Fee | \$ | 18,009 |
| General Partner Contribution | \$ | 100 |
| Limited Partner Contribution | \$ | 6,637,633 |
| Total Sources of Funds | \$ | 11,795,179 |
| | | |
| Uses of Funds | | Amount |
| Construction Costs | \$ | 5,074,443 |
| Contingencies | \$ | 637,444 |
| Permits/Impact Fees/etc. | \$ | 65,000 |
| Professional Fees | \$ | 946,110 |
| Relocation | \$ | 569,732 |
| Loan Fees and Other Soft Costs | \$ | 2,836,050 |
| Reserves | \$ | 694,610 |
| Developer Fee | \$ | 971,790 |
| Total Uses of Funds | \$ | 11,795,179 |

| Acquisition Sources and Uses | |
|---|--------------|
| Sources of Funds | Amount |
| USDA Perm Loan | \$ 16,990 |
| Fresno HA Land & Building Donation | \$1,683,010 |
| Total Uses of Funds | \$ 1,700,000 |
| | |
| | |
| Uses of Funds | Amount |
| Uses of Funds Reamortize USDA Perm Loan | |
| | |

^{*}Draft as of 4/15/2019

Exhibit D

Parlier Orchard Apartments Residential Component Projected Stabilized Operating Budget

| | | | | Net Rent | Ann. Rent |
|--------------------------|---------|-------|---------|----------|------------|
| Unit Type | # Units | % AMI | SF/Unit | Per Unit | Total |
| 2Bd/2Bath | 1 | 30% | | \$ 337 | \$ 4,044 |
| 2Bd/2Bath | 4 | 40% | | \$ 472 | \$ 22,656 |
| 2Bd/2Bath | 7 | 50% | | \$ 606 | \$ 50,904 |
| 2Bd/2Bath | 5 | 60% | | \$ 740 | \$ 44,400 |
| 2Bd/2Bath | 1 | 80% | | \$ 1,010 | \$ 12,120 |
| 3Bd/2Bath | 1 | 30% | | \$ 383 | \$ 4,596 |
| 3Bd/2Bath | 6 | 40% | | \$ 539 | \$ 38,808 |
| 3Bd/2Bath | 3 | 30% | | \$ 694 | \$ 24,984 |
| 3Bd/2Bath | 3 | 4% | | \$ 849 | \$ 30,564 |
| 3Bd/2Bath | 1 | 70% | | \$ 1,004 | \$ 12,048 |
| 3Bd/2Bath | 1 | 80% | | \$ 1,160 | \$ 13,920 |
| 4Bd/2Bath | 2 | 30% | | \$ 428 | \$ 10,272 |
| 4Bd/2Bath | 2 | 40% | | \$ 602 | \$ 14,448 |
| 4Bd/2Bath | 1 | 60% | | \$ 948 | \$ 11,376 |
| 2Bd/2Bath**No Subsidy | 1 | 60% | | \$ 740 | \$ 8,880 |
| 3Bd/2Bath**No Subsidy | 1 | 60% | | \$ 849 | \$ 10,188 |
| | | | | | |
| 3Bd/2Bath**Managers Unit | 1 | N/A | | | |
| Laundry | | | | | \$ 14,741 |
| USDA Rental Subsidy | | | | | \$ 209,520 |
| TOTAL REVENUE | 41 | | | | \$ 538,469 |

| RESIDENTIAL OPERATING EXPENSES | Per Unit | TOTAL |
|--|----------|---------|
| Management Fee | 796 | 32,640 |
| Advertising/Marketing | 12 | 500 |
| Legal and Accounting | 195 | 8,000 |
| Utilities (water, trash, electricity, gas, etc.) | 912 | 37,412 |
| Payroll: Onsite Manager(s)/Staff | 1,586 | 65,044 |
| Maintenance/Repairs | 1,440 | 59,021 |
| Real Estate Property Tax | 2 | 100 |
| Insurance | 553 | 22,675 |
| Services Amenities | 468 | 19,200 |
| Office Expenses/Misc. | 193 | 7,900 |
| Total Operating Expenses | 6,158 | 252,492 |
| Replacement Reserves | 600 | 24,600 |
| Total Operating and Reserve Budget | 6,758 | 277,092 |

Exhibit E

Parlier Orchard Apartments RESIDENTIAL COMPONENT - 15 YEAR CASH FLOW ANALYSIS

| INCOME FROM HOUSING UNITS | Inflation | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 | Year 6 | Year 7 | Year 8 | Year 9 | Year 10 | Year 11 | Year 12 | Year 13 | Year 14 | Year 15 |
|--|-----------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Schedule Rental Income | 2.0% | \$ 314,208 | \$ 320,492 | \$ 326,902 | \$ 333,440 | \$ 340,109 | \$ 346,911 | \$ 353,849 | \$ 360,926 | \$ 368,145 | \$ 375,508 | \$ 383,018 | \$ 390,678 | \$ 398,492 | \$ 406,462 | \$ 414,591 |
| USDA Rental Subsidy | 2.0% | \$ 209,520 | \$ 213,710 | \$ 217,985 | \$ 222,344 | \$ 226,791 | \$ 231,327 | \$ 235,954 | \$ 240,673 | \$ 245,486 | \$ 250,396 | \$ 255,404 | \$ 260,512 | \$ 265,722 | \$ 271,036 | \$ 276,457 |
| Misc. Income | 2.0% | \$ 14,741 | \$ 15,036 | \$ 15,337 | \$ 15,643 | \$ 15,956 | \$ 16,275 | \$ 16,601 | \$ 16,933 | \$ 17,271 | \$ 17,617 | \$ 17,969 | \$ 18,329 | \$ 18,695 | \$ 19,069 | \$ 19,450 |
| GROSS POTENTIAL INCOME - HOUSIN | G | \$ 538,469 | \$ 549,238 | \$ 560,223 | \$ 571,428 | \$ 582,856 | \$ 594,513 | \$ 606,404 | \$ 618,532 | \$ 630,902 | \$ 643,520 | \$ 656,391 | \$ 669,519 | \$ 682,909 | \$ 696,567 | \$ 710,498 |
| VACANCY ASSUMPTIONS | | | | | | | | | | | | | | | | |
| Vacancy Loss - Residential | -7.0% | \$ (23,026) | \$ (23,957) | \$ (24,436) | \$ (24,925) | \$ (25,423) | \$ (25,932) | \$ (26,450) | \$ (26,979) | \$ (27,519) | \$ (28,069) | \$ (28,630) | \$ (29,203) | \$ (29,787) | \$ (30,383) | \$ (30,265) |
| Vacancy Loss - Subsidy | -7.0% | \$ (14,666) | \$ (14,960) | \$ (15,259) | \$ (15,564) | \$ (15,875) | \$ (16,193) | \$ (16,517) | \$ (16,847) | \$ (17,184) | \$ (17,528) | \$ (17,878) | \$ (18,236) | \$ (18,601) | \$ (18,973) | \$ (19,352) |
| TOTAL VACANCY LOSS | | \$ (37,693) | \$ (38,917) | \$ (39,695) | \$ (40,489) | \$ (41,298) | \$ (42,125) | \$ (42,967) | \$ (43,826) | \$ (44,703) | \$ (45,597) | \$ (46,508) | \$ (47,439) | \$ (48,388) | \$ (49,356) | \$ (49,617) |
| | | | | | | | | | | | | | | | | |
| EFFECTIVE GROSS INCOME | | \$ 500,776 | \$ 510,322 | \$ 520,528 | \$ 530,939 | \$ 541,558 | \$ 552,388 | \$ 563,437 | \$ 574,706 | \$ 586,199 | \$ 597,924 | \$ 609,882 | \$ 622,080 | \$ 634,521 | \$ 647,212 | \$ 660,881 |
| OPERATING EXPENSES & RESERVE DE | POSITS | | | | | | | | | | | | | | | |
| Operating Expenses | 3.0% | \$ 252,492 | \$ 260,067 | \$ 267,869 | \$ 275,905 | \$ 284,182 | \$ 292,707 | \$ 301,489 | \$ 310,533 | \$ 319,849 | \$ 329,445 | \$ 339,328 | \$ 349,508 | \$ 359,993 | \$ 370,793 | \$ 381,917 |
| Replacement Reserve | 3.0% | \$ 24,600 | \$ 25,338 | \$ 26,098 | \$ 26,881 | \$ 27,688 | \$ 28,518 | \$ 29,374 | \$ 30,255 | \$ 31,163 | \$ 32,097 | \$ 33,060 | \$ 34,052 | \$ 35,074 | \$ 36,126 | \$ 37,210 |
| TOTAL EXPENSES & RESERVES | | \$ 277,092 | \$ 285,405 | \$ 293,967 | \$ 302,786 | \$ 311,869 | \$ 321,226 | \$ 330,862 | \$ 340,788 | \$ 351,012 | \$ 361,542 | \$ 372,388 | \$ 383,560 | \$ 395,067 | \$ 406,919 | \$ 419,127 |
| NET OPERATING INCOME | | \$ 223,684 | \$ 224,917 | \$ 226,561 | \$ 228,153 | \$ 229,688 | \$ 231,163 | \$ 232,574 | \$ 233,917 | \$ 235,187 | \$ 236,381 | \$ 237,494 | \$ 238,520 | \$ 239,454 | \$ 240,293 | \$ 241,755 |
| | | . , | , , | . , | , , | . , | . , | . , | , , | . , | , , | . , | , , | , , | , , | |
| USDA RD Loan | | \$ 605 | \$ 605 | \$ 605 | \$ 605 | \$ 605 | \$ 605 | \$ 605 | \$ 605 | \$ 605 | \$ 605 | \$ 605 | \$ 605 | \$ 605 | \$ 605 | \$ 605 |
| Perm Loan | | \$ 191,117 | \$ 191,117 | \$ 191,117 | \$ 191,117 | \$ 191,117 | \$ 191,117 | \$ 191,117 | \$ 191,117 | \$ 191,117 | \$ 191,117 | \$ 191,117 | \$ 191,117 | \$ 191,117 | \$ 191,117 | \$ 191,117 |
| Net Cash Flow | | \$ 31,962 | \$ 33,195 | \$ 34,839 | \$ 36,431 | \$ 37,966 | \$ 39,441 | \$ 40,852 | \$ 42,195 | \$ 43,465 | \$ 44,659 | \$ 45,772 | \$ 46,798 | \$ 47,732 | \$ 48,571 | \$ 50,033 |
| DEBT SERVICE COVERAGE RATIO | | 7.00 | 6.78 | 6.50 | 6.26 | 6.05 | 5.86 | 5.69 | 5.54 | 5.41 | 5.29 | 5.19 | 5.10 | 5.02 | 4.95 | 4.83 |



BOARD MEMO

O (559) 443-8400 F (559) 445-8981

1331 Fulton Street Fresno, California 93721 TTY (800) 735-2929

www.fresnohousing.org

TO: Board of Commissioners

Fresno Housing Authority

FROM: Preston Prince

CEO/Executive Director

DATE: April 15, 2019

BOARD MEETING: April 23, 2019

AGENDA ITEM: 8c

AUTHOR: Daniel Guerra

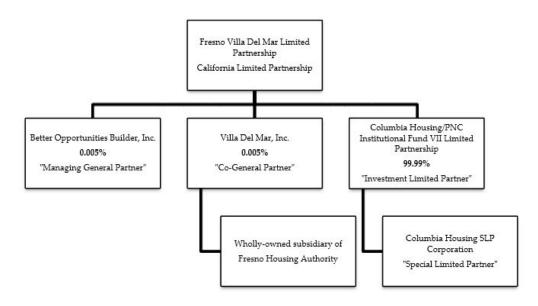
SUBJECT: Consideration of the Purchase of Special/Investor Limited

Partnership Interest in Villa Del Mar, LP

Executive Summary

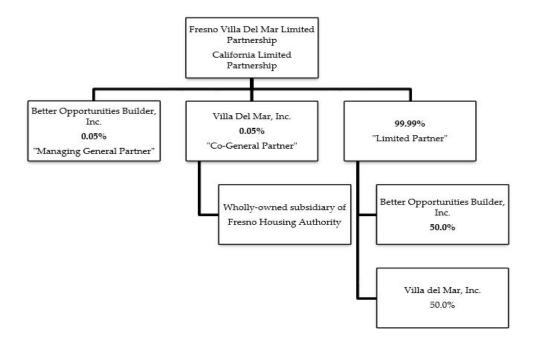
The purpose of this memo is to request approval from the Boards of Commissioners for Villa Del Mar, Inc., a subsidiary of the Fresno Housing Authority, to purchase fifty percent of the limited partners' interest in Fresno Villa Del Mar, LP from PNC Bank. Better Opportunities Builder, Inc. (BOB), the Managing General Partner, would purchase the remaining half of the limited partners' interest.

Fresno Villa Del Mar, LP (the "Partnership") was formed in 2001 to acquire, own, operate, and manage a 48-unit, multi-family property known as Villa Del Mar Apartments in Fresno, California. The Partnership consists of Better Opportunities Builder, Inc. (BOB) as the Managing General Partner, Villa del Mar, Inc. (VDM Inc.) as the Co-General Partner, and PNC Bank, as the Investment Limited Partners. Villa del Mar, Inc. is a wholly-owned subsidiary of the Fresno Housing Authority. See below for current organizational structure.



Collectively, the partners entered into the Limited Partnership Agreement on January 1, 2001 and the development was placed in service on February 1, 2002. The initial fifteen year compliance period ended on February 1, 2017, and as such, PNC Bank is exercising their right to exit the Limited Partnership.

Fresno Housing Authority staff, as a representative of both VDM Inc. and BOB, has been presented with an offer to purchase of the Limited Partners' interest for the amount of \$5,000. Because both Villa Del Mar, Inc. and Better Opportunities Builder, Inc. currently own equal shares of the partnership (at 0.005% each), staff is recommending that both entities purchase equal portions of the Investment/Special Limited Partners' interest, thus retaining equal interest and joint control over the Limited Partnership. See below for the proposed organizational structure.



Recommendation

It is recommended that the Boards of Commissioners of the Fresno Housing Authority approve the attached resolution for Villa Del Mar, Inc. to purchase fifty percent of the Investor/Special Limited Partners' interest, with Better Opportunities Builder, Inc. purchasing the remaining interest, and authorize Preston Prince, CEO/Executive Director, Tracewell Hanrahan, Deputy Executive Director, and/or their designee, to execute any agreements and ancillary document in connection therewith.

Fiscal Impact

PNC Bank will sell their interest in the Partnership for the purchase price of \$5,000, plus any associated real estate transfer taxes, which is currently estimated at \$2,000. In total, Villa del Mar, Inc. will pay approximately \$3,500 for their portion of the investor limited partners' interest.

Background Information

Villa del Mar Apartments are located at 3950 N. Del Mar Avenue in Fresno, Ca near Blackstone and Ashlan Avenues. Villa del Mar consists of a total of (48) 3-bedroom units, which include (38) affordable and (10) market rate units. The property is located on 2.24 acres with a playground, pool, basketball court, community room and computer lab. Villa del Mar Apartments is located within walking distance

to schools, churches, restaurants, a post office, and a variety of shopping. Three of the units are handicap accessible units.

Below is a summary of the properties' financial statements as of December 31, 2018. Overall, the property has sufficient operating cash and reserves, and has maintained positive net operating income for the past three years. As of April 2019, the property shows one vacant unit (98% occupied) and the 2019 Budget contemplates positive net cash flow of \$70,000. Overall, the property is stable and performing well.

Villa Del Mar, LP Balance Sheet as of 12/31/2018

| Assets | | |
|---------------------------------|------|----------|
| Cash | \$ | 39,053 |
| Restricted Cash/Reserves | | 292,988 |
| Fixed Assets, Net | 3 | ,384,639 |
| Total Assets | 3 | ,716,680 |
| Liabilities | | |
| Accounts Payable | \$ | 38,899 |
| Notes Payable, HCD | 1 | ,415,471 |
| Notes Payable, BOB | 1 | ,490,274 |
| Accrued Interest | | 671,898 |
| Other Payables | | 32,854 |
| Total Liabilities | 3 | ,649,396 |
| Total Net Equity | · | 67,284 |
| Total Liabilites and Net Equity | \$ 3 | ,716,680 |

Villa Del Mar, LP Financial Operating Results

| | 2018 | 2017 | 2016 |
|--------------------------------|-------------|--------------|--------------|
| Revenue | | | |
| Rental Revenue | 396,184 | 356,393 | 340,786 |
| Other Revenue | 3,780 | 1,955 | 2,599 |
| Total Revenue | 399,964 | 358,348 | 343,385 |
| Expenses | | | |
| Administrative Expenses | 45,258 | 51,368 | 49,619 |
| Payroll Expenses | 90,189 | 53,990 | 53,544 |
| Utilities | 54,468 | 53,603 | 51,370 |
| Taxes and Insurance | 12,090 | 11,611 | 13,288 |
| Management & Professional Fees | 35,319 | 35,100 | 32,442 |
| Repairs and Maintenance | 156,473 | 124,284 | 124,245 |
| Total Operating Expenses | 393,797 | 329,956 | 324,508 |
| Net Operating Income | \$ 6,167 | \$ 28,392 | \$ 18,877 |

RESOLUTION NO.____

BEFORE THE BOARDS OF COMMISSIONERS OF THE

HOUSING AUTHORITY OF THE CITY OF FRESNO

A RESOLUTION AUTHORIZING VILLA DEL MAR, INC. TO PURCHASE LIMITED PARTNERS' INTEREST IN THE FRESNO VILLA DEL MAR LIMITED PARTNERSHIP ("PARTNERSHIP")

WHEREAS, the Housing Authority of the City of Fresno, California (the "Authority) seeks to expand the development and availability of long-term housing for low income persons; and

WHEREAS, Better Opportunities Builder, Inc. (the "Managing General Partner") and Villa del Mar, Inc. (the "Co-General Partner"), together with Columbia Housing/PNC Institutional Fund VII Limited Partnership (the "Investment Limited Partner") and Columbia Housing SLP Corporation (the "Special Limited Partner") and together with the Investment Limited Partner, (collectively the "Limited Partners") entered into that certain Amended and Restated Agreement of Limited Partnership of Fresno Villa Del Mar Limited Partnership (the "Partnership") dated as of January 1, 2001, as may have been further amended (the "Partnership Agreement"); and

WHEREAS, the Partnership owns that certain multi-family residential project generally known as "Villa del Mar"; and

WHEREAS, Villa del Mar, Inc. (the "**Co-General Partner**"), is a joint venture and wholly-owned subsidiary of the Authority and the Housing Authority of Fresno County; and

WHEREAS, the Limited Partners are willing to sell their interests in the Partnership for the purchase price of Five Thousand and 00/100 Dollars (\$5,000.00), plus any real estate transfer tax under the California Revenue and Tax Code, the California Documentary Transfer Tax Act, or any and all other similar state, county city and/or any other local real estate transfer taxes, documentary transfer taxes, or other similar taxes (the "Purchase Price"); and

WHEREAS, the Managing General Partner and Co-General Partner wish to purchase the Limited Partners' interests in the Partnership for the Purchase Price and hold equal interest in the limited partnership;

NOW, THEREFORE, BE IT RESOLVED, the CEO/Executive Director, Preston Prince, the Deputy Director, Tracewell Hanrahan, the Chief of Staff, Angelina Nguyen, and/or their respective designees (each, an "Authorized Officer" and, collectively, the "Authorized Officers"), and each of them acting alone, are authorized and directed to take all actions and execute all documents necessary for Villa Del Mar, Inc. to purchase fifty percent of the Limited Partners' interest, including without limitation, the execution of the Assignment and Assumption Agreement and any amendment to the Partnership Agreement in furtherance of such admissions.

PASSED AND ADOPTED THIS 23RD DAY OF APRIL, 2019. 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 |

CERTIFICATE

| | inted CEO/Executive Director of the Housing (the "Authority"), as keeper of the records of the |
|---|---|
| copy of the resolution of the Board of Co | (the " Resolution ") is a true and correct emmissioners of the Authority, as adopted at a day of APRIL, 2019, and duly recorded in the |
| with law, and, to the extent required by lagiven; that a quorum was present through of the Board of Commissioners of the Authorizent for the adoption of the Resolution | convened and held in all respects in accordance aw, due and proper notice of such meeting was nout the meeting and a majority of the members nority present at the meeting voted in the proper n; that all other requirements and proceedings olution have been duly fulfilled, carried out and ized to execute this Certificate. |
| IN WITNESS WHEREOF, I have, 2019. | e hereunto set my hand this day of |
| | HOUSING AUTHORITY OF THE CITY OF FRESNO, CALIFORNIA |
| - T | Preston Prince, CEO/Executive Director |

RESOLUTION NO.____

BEFORE THE BOARDS OF COMMISSIONERS OF THE

HOUSING AUTHORITY OF FRESNO COUNTY

A RESOLUTION AUTHORIZING VILLA DEL MAR, INC. TO PURCHASE LIMITED PARTNERS' INTEREST IN THE FRESNO VILLA DEL MAR LIMITED PARTNERSHIP ("PARTNERSHIP")

WHEREAS, the Housing Authority of Fresno County, California (the "Authority) seeks to expand the development and availability of long-term housing for low income persons; and

WHEREAS, Better Opportunities Builder, Inc. (the "Managing General Partner") and Villa del Mar, Inc. (the "Co-General Partner"), together with Columbia Housing/PNC Institutional Fund VII Limited Partnership (the "Investment Limited Partner") and Columbia Housing SLP Corporation (the "Special Limited Partner") and together with the Investment Limited Partner, (collectively the "Limited Partners") entered into that certain Amended and Restated Agreement of Limited Partnership of Fresno Villa Del Mar Limited Partnership (the "Partnership") dated as of January 1, 2001, as may have been further amended (the "Partnership Agreement"); and

WHEREAS, the Partnership owns that certain multi-family residential project generally known as "Villa del Mar"; and

WHEREAS, Villa del Mar, Inc. (the "**Co-General Partner**"), is a joint venture and wholly-owned subsidiary of the Authority and the Housing Authority of the City of Fresno; and

WHEREAS, the Limited Partners are willing to sell their interests in the Partnership for the purchase price of Five Thousand and 00/100 Dollars (\$5,000.00), plus any real estate transfer tax under the California Revenue and Tax Code, the California Documentary Transfer Tax Act, or any and all other similar state, county city and/or any other local real estate transfer taxes, documentary transfer taxes, or other similar taxes (the "Purchase Price"); and

WHEREAS, the Managing General Partner and Co-General Partner wish to purchase the Limited Partners' interests in the Partnership for the Purchase Price and hold equal interest in the limited partnership;

NOW, THEREFORE, BE IT RESOLVED, the CEO/Executive Director, Preston Prince, the Deputy Director, Tracewell Hanrahan, the Chief of Staff, Angelina Nguyen, and/or their respective designees (each, an "Authorized Officer" and, collectively, the "Authorized Officers"), and each of them acting alone, are authorized and directed to take all actions and execute all documents necessary for Villa Del Mar, Inc. to purchase fifty percent of the Limited Partners' interest, including without limitation, the execution of the Assignment and Assumption Agreement and any amendment to the Partnership Agreement in furtherance of such admissions.

PASSED AND ADOPTED THIS 23RD DAY OF APRIL, 2019. 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 |

CERTIFICATE

| | ppointed CEO/Executive Director of the Housing a (the " Authority "), as keeper of the records of the |
|---|--|
| copy of the resolution of the Board of | tion (the " Resolution ") is a true and correct Commissioners of the Authority, as adopted at a 23 RD day of APRIL, 2019, and duly recorded in the |
| with law, and, to the extent required be given; that a quorum was present thro- of the Board of Commissioners of the A manner for the adoption of the Resolu | uly convened and held in all respects in accordance by law, due and proper notice of such meeting was ughout the meeting and a majority of the members authority present at the meeting voted in the proper ution; that all other requirements and proceedings Resolution have been duly fulfilled, carried out and horized to execute this Certificate. |
| IN WITNESS WHEREOF, I I | have hereunto set my hand this day of |
| | HOUSING AUTHORITY OF FRESNO COUNTY, CALIFORNIA |
| | Preston Prince, CEO/Executive Director |



BOARD MEMO

O (559) 443-8400 F (559) 445-8981

1331 Fulton Street Fresno, California 93721 TTY (800) 735-2929

www.fresnohousing.org

TO: Boards of Commissioners **DATE:** April 18, 2019

Fresno Housing Authority **BOARD MEETING:** April 23, 2019

FROM: Preston Prince AGENDA ITEM: 8d

CEO/Executive Director AUTHOR: Dave Brenner

SUBJECT: Award of General Contractor/Construction Manager (GCCM)

Contract - Willow & Alluvial Development

Executive Summary

This item was continued during the March 26, 2019 Board Meeting. Staff will provide additional information on this item during their presentation at the April 23rd Meeting.

On December 21st, 2018 staff issued a Request for Proposals (RFP) for General Contractor/Construction Management (GCCM) Services, including preconstruction consulting for the Willow & Alluvial development project. On March 4, 2019, staff submitted a 9% low-income housing tax credit application. If not successful, Staff is anticipating a re-submission in July 2019. An award of GCCM contract would allow time for the substantial review of architectural drawings and a more thorough cost estimation.

A total of 6 proposals were received for the subject site in response to the solicitation. The review panel was comprised of Fresno Housing (FH) staff, along with three external panel members. Upon evaluation of the initial scoring, the 3 top ranked proposals were invited to participate in a panel interview.

After a comprehensive review, staff is recommending Brown Construction, Inc. for the Willow & Alluvial project. The proposals were ranked based on firm history, capability, track record and relevant experience, project team, project schedule, fee structure and economic opportunities outreach. The final ranking of the top 3 proposals is as follows:

Proposer's Ranking Comparison

| Name of Proposer | Average Ranking | Firm Location |
|----------------------------|-----------------|-----------------------------------|
| Johnston Contracting, Inc. | 299.53 | Clovis, CA |
| ProWest Constructors | 296.35 | Wildomar, CA Santa Barbara, CA |

| Name of Proposer | Average Ranking | Firm Location | |
|--------------------------|-----------------|----------------|--|
| Brown Construction, Inc. | 283.14 | Sacramento, CA | |

During the interview process, staff inquired how each firm would work to use local subcontractors and firms to best serve the needs of the project and greater Fresno community. Brown Construction, Inc. is a local firm which has completed several construction projects for Fresno Housing.

Recommendation

It is recommended that the Boards of Commissioners award the General Contractor/Construction Management Services Contracts to:

 Brown Construction for the Willow & Alluvial project, at \$10,000.00 for pre-construction consultancy services and for an amount not to exceed 13.96% of construction costs for General Contracting services

It is further recommended to authorize Preston Prince, CEO/Executive Director, Tracewell Hanrahan, Deputy Executive Director, and/or their designee to negotiate and execute the contracts subject to satisfactory review and approval by legal counsel.

Fiscal Impact

The contract will be worth 13.96% of the total construction costs in the project budget, or approximately \$2,094,000.00 based on preliminary construction estimates, and will be paid from the project budget. Preconstruction consultancy services will be provided at a cost of \$10,000.00.

Background Information

The Willow & Alluvial site consists of 4.175 acres on the Northeast corner of N. Willow Avenue and W. Alluvial Avenue in Clovis, California (addressed 725 W. Alluvial Avenue, Clovis, California). The project has received entitlement approvals for a 60 unit large family complex, which includes ample public space and 2,473 square feet of interior community and office space. The project is located within easy access of many amenities and several high-performing schools. The census tract is considered "Highest Resource" under the California Tax Credit Allocation Committee's (CTCAC) opportunity ranking methodology.

RESOLUTION NO.

BEFORE THE BOARD OF COMMISSIONERS OF THE

HOUSING AUTHORITY OF FRESNO COUNTY, CALIFORNIA

RESOLUTION APPROVING AWARD OF GENERAL CONTRACTOR/CONSTRUCTION MANAGEMENT SERVICES TO BROWN CONSTRUCTION FOR THE WILLOW & ALLUVIAL DEVELOPMENT PROJECT IN CLOVIS, CALIFORNIA

WHEREAS, the Housing Authority of Fresno County, California (the "Authority") seeks to expand the development and availability of low-income housing to residents in Fresno County (the "County"); and,

WHEREAS, the Authority is working to secure funding for the project at 725 W Alluvial Avenue, Clovis, California (the "Project"); and

WHEREAS, the Authority released a request for proposals for General Contractor/ Construction Management ("GC/CM") Services for the Project; and,

WHERAS, Brown Construction was the highest rated firm with the capacity to accept an award; and

WHEREAS, the Authority desires to enter into a contract with Brown Construction for the services specified in their proposal, at a cost of \$10,000.00 for pre-construction consultancy services and for a fee not to exceed 13.96% of the construction budget for the work to be completed between the Project closing and the completion of construction;

NOW THEREFORE, BE IT RESOLVED that the Board of Commissioners of the Housing Authority of Fresno County, California, hereby authorizes Preston Prince, CEO/Executive Director, Tracewell Hanrahan, Deputy Executive Director, and/or their designee, to negotiate and execute a GC/CM contract with Brown Construction for the Willow & Alluvial project.

PASSED AND ADOPTED THIS 23rd Day of APRIL, 2019. I, the undersigned, hereby certify that the foregoing Resolution was duly adopted by the governing body with the following vote, to-wit:

| NOES: | |
|----------|--|
| ABSENT: | |
| ABSTAIN: | |
| | |
| | Preston Prince, Secretary of the Boards of Commissioners |



BOARD MEMO

O (559) 443-8400 F (559) 445-8981

1331 Fulton Street Fresno, California 93721 TTY (800) 735-2929

www.fresnohousing.org

TO: Boards of Commissioners **DATE:** April 18, 2019

Fresno Housing Authority **BOARD MEETING:** April 23, 2019

FROM: Preston Prince AGENDA ITEM: 8e

CEO/Executive Director AUTHOR: Lela Schwartz

SUBJECT: Award of General Contractor/Construction Manager (GCCM)

Contract: Huron Family Housing Development

Executive Summary

This item was continued during the March 26, 2019 Board Meeting. Staff will provide additional information on this item during their presentation at the April 23rd Meeting.

On December 21st, 2018 staff issued a Request for Proposals (RFP) for General Contractor/Construction Management (GCCM) Services, including preconstruction consulting for the Huron Family Housing Deelopment. Staff is anticipating the future submission of a low-income housing tax credit application in July 2019 or 2020; therefore, staff is recommending award of the GCCM contract at this time to allow for a substantial review of construction design drawings in order to obtain the most cost effective methods of construction.

A total of 6 proposals were received for the subject site in response to the solicitation. The review panel was comprised of Fresno Housing (FH) staff, along with three external panel members. Upon evaluation of the initial scoring, the 3 top ranked proposals were invited to participate in a panel interview.

After a comprehensive review, staff is recommending ProWest Constructors for the Huron Family Housing Development project. The proposals were ranked based on firm history, capability, track record and relevant experience, project team, project schedule, fee structure and economic opportunities outreach. The final ranking of the top 3 proposals is as follows:

Proposer's Ranking Comparison

| Name of Proposer | Average Ranking | Firm Location |
|----------------------------|-----------------|-----------------------------------|
| Johnston Contracting, Inc. | 299.79 | Clovis, CA |
| ProWest Constructors | 297.48 | Wildomar, CA Santa Barbara, CA |

| Name of Proposer | Average Ranking | Firm Location |
|--------------------------|-----------------|----------------|
| Brown Construction, Inc. | 284.18 | Sacramento, CA |

During the interview process, staff inquired how each firm would work to use local subcontractors and firms to best serve the needs of the project and greater Fresno community. Prowest Contractors is based out of southern California and this would be their second construction project for Fresno Housing.

Recommendation

It is recommended that the Boards of Commissioners award the General Contractor/Construction Management Services Contracts to:

 ProWest Constructors for the Huron Family Housing Development, at no cost for pre-construction consultancy services and for an amount not to exceed 13.33% of construction costs for General Contracting services

It is further recommended to authorize Preston Prince, CEO/Executive Director, Tracewell Hanrahan, Deputy Executive Director, and/or their designee to negotiate and execute the contracts subject to satisfactory review and approval by legal counsel.

Fiscal Impact

The contract will be worth 13.33% of the total construction costs in the project budget, or approximately \$1,999,500.00 based on preliminary construction estimates, and will be paid from the project budget. Preconstruction consultancy services will be provided at no cost.

Background Information

The Huron Family Housing Development site consists of two vacant parcels located on the Southwest and Southeast corners of 12th and Fresno Streets on approximately 6.60 acres in Huron, CA (APNS: 075-330-02T, 07T). Staff envisions a mixed-use project with up to eighty (80) multifamily units and up to 3,500 sq. ft. of commercial space.

RESOLUTION NO.

BEFORE THE BOARD OF COMMISSIONERS OF THE

HOUSING AUTHORITY OF FRESNO COUNTY, CALIFORNIA

RESOLUTION APPROVING AWARD OF GENERAL CONTRACTOR/CONSTRUCTION MANAGEMENT SERVICES TO PROWEST CONSTRUCTORS FOR THE HURON FAMILY HOUSING DEVELOPMENT PROJECT IN HURON, CALIFORNIA

WHEREAS, the Housing Authority of Fresno County, CA (the "Authority") seeks to expand the development and availability of low-income housing to residents in Fresno County (the "County"); and,

WHEREAS, the Authority is working to secure funding for the project at the southwest corner of 12th and Fresno Streets in Huron, California (the "Project"); and

WHEREAS, the Authority released a request for proposals for General Contractor/ Construction Management ("GC/CM") Services for the Project; and,

WHERAS, ProWest Constructors was the highest rated firm with the capacity to accept an award; and

WHEREAS, the Authority desires to enter into a contract with ProWest Constructors for the services specified in their proposal, at no cost for pre-construction consultancy services and for a fee not to exceed 13.33% of the construction budget for the work to be completed between the Project closing and the completion of construction;

NOW THEREFORE, BE IT RESOLVED that the Board of Commissioners of the Housing Authority of Fresno County, California, hereby authorizes Preston Prince, CEO/Executive Director, Tracewell Hanrahan, Deputy Executive Director, and/or their designee, to negotiate and execute a GC/CM contract with ProWest Constructors for the Huron Family Housing Development project.

PASSED AND ADOPTED THIS 23rd Day of APRIL, 2019. I, the undersigned, hereby certify that the foregoing Resolution was duly adopted by the governing body with the following vote, to-wit:

| ABSENT: |
|---------|
| |
| NOES: |
| |



BOARD MEMO

O (559) 443-8400 F (559) 445-8981

1331 Fulton Street Fresno, California 93721 TTY (800) 735-2929

www.fresnohousing.org

TO: Boards of Commissioners

Fresno Housing Authority

FROM: Preston Prince

CEO/Executive Director

DATE: April 18, 2019

BOARD MEETING: April 23, 2019

AGENDA ITEM: 8f

AUTHOR: Christina Husbands

SUBJECT: Consideration of General Services Administration Supplemental

Lease Agreement – U.S. Department of Veterans Affairs

Executive Summary

At the July 24, 2018 Board Meeting, Staff presented information regarding the parking shortages of the VA Central California Health Care System ("VA Hospital") located at 2615 E. Clinton Avenue in Central Fresno due to the creation of a Residential Permit Parking District by the City of Fresno in response to continued complaints from residents living in the area. As a result, signs were posted in the neighborhood prohibiting parking on the streets between the hours of 7 a.m. and 7 p.m. The VA Hospital continues to be in great need of addressing their short and long term parking demands in order to appropriately continue to serve their vetaran clients, staff and other stakeholders.

In an attempt to temporarily mitigate some of the parking shortage, Staff had initially presented a Revocable License Agreement ("RLA") with the VA Hospital for a term of two (2) years for the potential use of approximately 2.91 acres of vacant land owned by the Housing Authority of the City of Fresno (FH). The subject property is located across the street from the VA Hospital at the southwest corner of Clinton Avenue and Angus Street (APN 446-020-42T) adjacent to Parc Grove Commons. In obtaining cost estimates for the required improvements, the VA Hospital determined that a General Services Administration ("GSA") Supplemental Lease Agreement would be required due to the dollar amount proposed, for a term of thirty-five (35) months, and would include improvements to the current dirt lot to allow for an approximate 285 parking spaces. FH and VA Staff, with agency counsel, have negotiated the terms of the GSA Supplemental Lease Agreement and have met with the City of Fresno to confirm the requirements for the proposed parking lot improvements.

Under the terms of the GSA Supplemental Lease Agreement, FH would facilitate the parking and related improvements to be built and provide financing on an interim basis. The VA Hospital will in turn reimburse the FH to cover the full parking related improvement costs and operational costs, as well as a construction oversight fee and funds to demolish the pavement and bring the

property to its original unimproved condition at the conclusion of the GSA Supplemental Lease term.

As part of the next steps in the process, Staff must submit a request to the U.S. Department of Housing and Urban Development ("HUD") for an interim demolition/disposition amendment to allow for the proposed temporary parking.

Recommendation

It is recommended that the Boards of Commissioners adopt the attached resolution approving the necessary actions:

 Approve entering into a General Services Administration Supplemental Lease Agreement with the U.S. Department of Veterans Affairs for the use of 2.91 acres of vacant land at the Southwest corner of Clinton Avenue and Angus Street (APN 446-020-42T) and further authorize Preston Prince, CEO/Executive Director, Tracewell Hanrahan, Deputy Executive Director, and/or their designee, to negotiate and execute documents in connection with the approved action.

Fiscal Impact

The current estimated total for all parking related improvements, demolition and associated costs is approximately \$725,000. Once final HUD approvals have been obtained Staff will return to the Board with a request to provide interim financing pending a full reimbursement from the VA Hospital. It is anticipated that there will be no ultimate net fiscal impact to the agency.

Background Information

The 2.91 acres of vacant land owned by the Housing Authority of the City of Fresno, CA at the Southwest corner of Clinton Avenue and Angus Street (APN 446-020-42T) represent the final acreage associated with the development of 25 acres in four phases known as Parc Grove Commons. Plans for the remaining acreage include additional veterans housing and a potential early learning center.

RESOLUTION NO.____

BEFORE THE BOARD OF COMMISSIONERS OF THE

HOUSING AUTHORITY OF THE CITY OF FRESNO

RESOLUTION AUTHORIZING A GENERAL SERVICES ADMNISTRATION
SUPPLEMENTAL LEASE AGREEMENT WITH THE U.S. DEPARTMENT OF VETERANS
AFFAIRS FOR 2.91 ACRES OF VACANT LAND LOCATED AT THE SOUTHWEST
CORNER OF CLINTON AVENUE AND ANGUS STREET IN THE CITY OF FRESNO (APN:
446-020-42T)

WHEREAS, the Housing Authority of the City of Fresno, California (the "Agency") desires to support services for low and moderate income households and veterans within a variety of neighborhoods; and

WHEREAS, the VA Central California Health Care System (the "VA Hospital") is in need of space for parking for the veterans and other VA stakeholders that are served at their facility; and

WHEREAS, the Agency has sufficient vacant land directly across the street from the VA Hospital to provide approximately 285 additional parking spaces located at the southwest corner of Clinton Avenue and Angus Street (APN: 446-020-42T); and

WHEREAS, the Agency intends to enter into a General Services Administration Supplemental Lease Agreement with the VA Hospital to provide for parking in support of their facility clients and other stakeholders; and

WHEREAS, the subject property will need certain parking related improvements to be built which the Agency will facilitate; and

WHEREAS, the current estimated cost for the full scope and costs of said improvements is approximately \$725,000, and the VA Hospital has agreed to provide reimbursement thereof to the Agency as part of the proposed General Services Administration Supplemental Lease Agreement; and

NOW THEREFORE, BE IT RESOLVED that the Board of Commissioners of the Housing Authority of the City of Fresno, hereby authorize entering into a General Services Administration Supplemental Lease Agreement with the U.S. Department of Veterans Affairs for a term of thirty-

five (35) months for the use of approximately 2.91 acres of vacant land at the Southwest corner of Clinton Avenue and Angus Street (APN 446-020-42T) and further authorize Preston Prince, CEO/Executive Director, Tracewell Hanrahan, Deputy Executive Director, and/or their designee, to negotiate and execute documents in connection with the approved action.

PASSED AND ADOPTED THIS <u>23RD</u> DAY OF <u>APRIL</u>, 2019. 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 Boards of Commissioners |



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EXECUTIVE DIRECTOR'S REPORT

TO: Boards of Commissioners **DATE:** April 17, 2019

Fresno Housing Authority **BOARD MEETING:** April 23, 2019

FROM: Preston Prince AGENDA ITEM: 9

CEO/Executive Director AUTHOR: Staff

SUBJECT: Directors Report – April 2019

Executive Summary

The Boards of the Fresno Housing Authority have established the four strategic goals as: Place, People, Public, and Partnership. In addition, the following have been outlined as the management goals: Sustainability, Structure, and Strategic Outreach. The following report demonstrates the efforts of the Executive Leadership and Staff to progress towards the realization of these goals.

PLACE

Overview

Fresno Housing seeks to develop and expand the availability of quality affordable housing options throughout the City and County of Fresno by growing and preserving appropriate residential assets and increasing housing opportunities for low-income residents.

The matrix below outlines the Development Pipeline and status of each project.

Development Project Overview

| Name of Property | Status/Type | Address | Total Units | Percent Complete |
|------------------|-----------------------|----------------------------------|----------------|---------------------|
| | Under Construction | 401 Nelson Avenue, Fowler, CA | 60 | 96% |
| | | | | |

| Oak Grove | Under Construction | 595 Bigger Street, Parlier, CA | 56 | 87% |
|---------------------------------|---|--|----|-----|
| Mariposa Meadows | Pre-Development Closing April 2019 | 1011 W Atchison Avenue, Fresno, CA | 40 | N/A |
| Orchard Farm Labor Housing | Pre-Development Closing April 2019 | 295 S Newmark Avenue, Parlier, CA | 41 | N/A |
| Blackstone/Simpson Project | Pre- Development | 3039 N Blackstone Avenue, Fresno, CA | 45 | N/A |
| Chinatown | Pre-Development | 1101 F Street, Fresno, CA | 57 | N/A |
| Renaissance at Parc Grove IV | Pre-Development VHHP funds awarded | 2620 E Clinton Avenue, Fresno, CA | 40 | N/A |
| Kingsburg Seniors | Pre-Development Submitted to TCAC Submitted to AHP HOME funds awarded | Southwest Corner of Sierra St and Madsen Ave., Kingsburg, CA | 47 | N/A |
| Huron | Pre-Development | Southwest Corner of Fresno and 12 th Streets, Huron, CA | 61 | N/A |
| Clovis | Pre-Development Submitted to TCAC | Northeast Corner of Willow and Alluvial Avenues, Clovis, CA | 60 | N/A |
| Renaissance at Cincotta | Pre-Development Submitted to TCAC Submitted to AHP Submitted to NPLH | 4041 Plaza Drive West, Fresno, CA | 28 | N/A |
| Econo Inn | Pre-Development Submitted to AHP Submitted to NPLH | 1828 Broadway Street, Fresno, CA | 26 | N/A |
| Barstow Commons | Pre-Development Submitted to NPLH | 130 W Barstow Avenue, Fresno, CA | 42 | N/A |

Project Highlights

Renaissance at Cincotta, Barstow Commons, and the Econo Inn projects have received notice from HCD that the three submitted projects passed threshold and are currently under financial review for potential award of No Place Like Home (NPLH) funding.

HMD OPERATIONS

| FRESNO HOUSING PORTFOLIO - MANAGED ASSETS, 3/1 – 3/31/19 | | | | | |
|--|--------------------|--------------|-------------------|--|--|
| | | | | | |
| | Total No. of Units | Total Vacant | Current Occupancy | | |
| | CITY OF | FRESNO | | | |
| City of Fresno | 957 | 15 | 98.43% | | |
| COUNTY OF FRESNO | | | | | |
| County of Fresno 1172 19 98.38% | | | | | |
| COUNTY OF FRESNO - SEASONAL | | | | | |
| Seasonal Properties | 193 | 12 | 93.78% | | |

HMD OPERATIONS

Our Seasonal Properties officially opened on April 3, 2019. Staff and volunteers worked diligently through the weekend and holiday prior, preparing for Opening Day in both Parlier and Firebaugh.

Staff in Parlier met with families for two days and housed a total of 92 households during that time. Staff continues to meet with families daily, working to qualify them for the remaining seven units.

Staff at Maldonado Plaza in Firebaugh also spent April 3rd moving in families. They now have five units left to house. All five are reserved for returning families expected to arrive in early May.

After 40 years of service, Maintenance Technician, Chris Olague has chosen to retire from his post in County West. His most recent assignment was serving our families in Kerman and San Joaquin, but most of his time with the Agency was spent in Mendota. Chris takes with him a wealth of historical knowledge about our Agency, our properties and County West. Our greatest loss, however, is the exceptional customer service that he provided to our families. Chris was hardworking, dedicated and friendly and will be missed by all. We wish him and his family the best as they move into this next, exciting chapter of their lives.

PEOPLE

Overview

Fresno Housing works to respect community needs and knowledge – by listening, learning and researching – and respond to issues compassionately, intelligently, intentionally – by developing exceptional programs based on shared expectations.

Housing Choice Voucher (HCV) Leasing Update

During the month of March staff spent additional time analyzing leasing trends and HAP expenditure impacts on leasing decisions via HUD's Two-Year forecasting tool. In addition, staff took a deeper dive on lease-up success rates for applicants and movers. Based on staff's assessment, the decision was to issue fewer vouchers based on HAP expense projections. Below is a breakdown of leasing activities that took place for the HCV City and County programs in March.

HCV City

- 115 new applicants attended briefings to receive their vouchers.
- 154 HAP contracts were entered for families who leased up.

- 548 applicants and participants are searching for housing.

HCV County

- 148 new applicants attended briefings to receive their vouchers.
- 91 HAP contracts were entered for families who leased up.
- 833 applicants and participants are searching for housing.

Resident Services

Read Across America/Dr. Seuss Birthday Celebration-Resident Engagement

Site(s): Blossom Trail Commons (Sanger), Cedar Courts (Fresno), Rios Terrace (Mendota), Mendota Farm Labor (Mendota)

Read Across America (celebrated on March 1st) is an annual reading motivation and awareness program that calls for every child in every community to celebrate reading. This year, we were able to celebrate with youth and their parents at several sites. Each site had a guest reader who read a Dr. Seuss story. The reading was followed by activities, snacks and a Dr. Seuss book give away. Youth also celebrated by singing Happy Birthday to Dr. Seuss and enjoying a slice of birthday cake. About 200 youth attended this event.







Recycle, Reuse, Reduce-Tenant Responsibility

Site(s): Paseo 55 (Reedey)

A representative from Penas Recycling in Reedley, presented a workshop on the proper methods of recycling. Special disposal of certain items such as batteries, oil, medications, and medical needles were explained and residents were given referrals and information as to where to dispose of properly. The presenter also presented several arts and craft items that could be made of recycled items. About 10 residents participated in this workshop.

EOC Fresno LIHEAP Assistance-Financial Education

Sites: Fultonia West (Fresno), Villa Del Mar (Fresno), Viking Village (Fresno), and Cedar Courts (Fresno)

Representatives from Fresno Economic Opportunities Commission were invited to set up at several locations in Fresno to assist residents in applying for Low-Income Home Energy Assistance Program (LIHEAP). Staff assisted residents with completing and accepting documents on-site, alleviating any

transportation issues some residents may have. A total of nineteen residents received assistance for this program.

Cooking Matters – Fresno Metro Minisitries

Sites: Legacy Commons (Fresno),

Legacy Commons has partnered with Fresno Metro Ministries to offer the residents an 8-week class titled "Cooking Matters". Residents learned how to prepare and eat healthy meals with hands-on instruction. During class, they were also given tools to shop for healthier meal alternatives by learning how to read labels to find nutritional value in foods, cook with fresh fruits and vegetables and a host of other things. During each class, participants prep and cook the meals in which they were able to enjoy for lunch at the end of class. All residents who attended the class weekly were given a bag of groceries at the end of the class with ingredients to make a healthy meal at home. About 7 residents attended this class.

Saturday Sports-Community Engagement

Site(s): Parc Grove Commons (Fresno)

Fresno Housing Authority collaborated with Every Neighborhood Partnership, Fresno State and Fresno City College to offer a Saturday Sports Program to youth and adults in the community. Free activities such as arts, crafts, and recreation activities made fit for all residents to be able to participate. Lunch is provided for all participants following the activities. Saturday Sports Program is a weekly event occurring every Saturday, beginning March 2, 2019 starting at 12pm to 2pm.

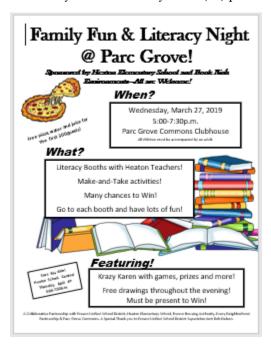


Family Literacy Night-Parent Engagement

Sites: Parc Grove Commons (Fresno)

Fresno Housing Authority, in collaboration with Heaton Elementary School, Book Rich Environments, Every Neighborhood Partnership hosted a *Family Fun & Literacy Night* at Parc Grove Commons on March 27, 2019. Attendees participated in a multitude of fun and educational activities that focused on literacy, while enjoying pizza from Me & Eds for dinner. Families completed "make and take" activities at different stations that related to a variety of grade level books. The event was also joined by Crazy Karen with Fun

Works, who served as the DJ as well as engaged all the attendees in fun activities like relays, Jeopardy, "Wild & Crazy Olympics", dancing contests and more. Both students and parents joined in on all the fun and games. Gift baskets and prizes were raffled to families during the event, including a basket worth over \$100 from GW School Supply. At the end of the event, Fresno Housing Authority staff gave out over four hundred (400) books to students and over two hundred (200) books were donated to Heaton Elementary School. In total, the Family Fun & Literacy Night was attended by one hundred ninety six (196) students/youth and ninety three (93) parents/adults.



PUBLIC

Overview

Fresno Housing seeks to build support for housing as a key component of vibrant, sustainable communities through public information, engagement, and advocacy that promotes affordable housing and supports the advancement of Fresno's low-income residents.

Effort in this area are ongoing and will be reported as outcomes are achieved.

PARTNERSHIP

Overview

Fresno Housing seeks to collaborate to strengthen its ability to address the challenges facing Fresno communities.

Fresno Housing is exploring several partnerships in the course of pre-development activities.

| Project | Organization | Role |
|---------|--------------|------|
|---------|--------------|------|

| 844 S. Chance Avenue | Habitat for Humanity Fresno City College | Partner in the rehabilitation of a former Neighborhood Stabilization Program (NSP) property to provide a homeownership opportunity for a low-income family |
|-------------------------|---|--|
| Renaissance at Cincotta | Fresno County Department of Behavioral Health | Partner in application to the No Place Like Home program to provide housing and services to homeless populations |
| Econo Inn | Fresno County Department of Behavioral Health | Partner in application to the No Place Like Home program to provide housing and services to homeless populations |
| Barstow Commons | Fresno County Department of Behavioral Health | Partner in application to the No Place Like Home program to provide housing and services to homeless populations |

MANAGEMENT GOALS

The goals of management include our efforts to stabilize, focus, and extend activities to meet the mandate of our mission through good decisionmaking related to Sustainability (staffing, finances, effectiveness, evaluation, technology, facilities); Structure (governance); and Strategic Outreach (communications, image, visibility, public affairs, policy).

Sustainability

Build and maintain an innovative, engaged, visible, and sustainable organization, committed to its mission of providing housing for low-income populations.

Human Resources

On March 20, 2019 Aysha Hills, Senior Analyst – Human Resources, was invited by Fresno Pacific University to participate on the panel for mock interviews. This was a great opportunity for the HR department to assist a local school from which many of our employees have graduated, and at which some are currently enrolled in graduate programs.

On March 26, 2019 Aysha was invited to present at a Fresno Housing Market Forum hosted by BLOC (Black Leaders Organizing Change) in Fresno. She presented about the state of housing in Fresno City and County, and in general about services provided by the Fresno Housing Authority and the Agency's mission.

In April, 2019 Aysha also attended two conferences, the first being the Society of Human Resource Management (SHRM)'s Annual Talent Conference and Exposition in Nashville in the beginning of April. This conference covered a wide range of topics including sessions on talent acquisition, data-driven talent management strategies, and succession planning. The second conference was the 2019 Housing California Annual Conference. The conference this year celebrated Housing California's 40 years of work and advocacy in affordable housing and homelessness. Over 61 exhibitors were in attendance during this three-day event alongside great workshops like affordable housing finance and asset management;

advocacy, communications and community organizing; and diversity, equity and inclusion. Fresno Housing also had a great opportunity to host its own booth at the conference—facilitated by Aysha. The focus for Housing California's 40th anniversary was to promote the end to homelessness and a future in California where everyone can afford a safe, stable place to call home in a healthy, vibrant and prosperous community.

On Thursday, April 11th Summer Nunes, Senior Manager – Human Resources and Alicia Jones, HCV Housing Programs Manager, attended the Central Valley Business Diversity Expo hosted by the Fresno Metro Black Chamber of Commerce. This is an event that promotes diversity through the advertising and marketing of career and contracting opportunities, and connects businesses with vendors and job seekers.

Summer Nunes, Senior Manager - Human Resources, attended a Liebert Cassidy Whitmore training on Wednesday, April 17, 2019. The afternoon training covered public sector employment law updates and discussion on trending legal issues. This workshop was valuable in informing the HR department of new and upcoming changes HR administration must be aware of.

The Human Resources Department is currently recruiting for positions within the Housing Choice and Housing Management Departments.

New Hires

- Kody Kenshalo-Fino, Human Resources Intern

Promotions

Candace Baker, Market Specialist

Structure

Maintain a committed, active, community-based Boards of Commissioners.

Effort in this area are ongoing and will be reported as outcomes are achieved.

Strategic Outreach

Heighten agency visibility, facilitate community dialogue about housing solutions; and build support for the agency and quality affordable housing.

Effort in this area are ongoing and will be reported as outcomes are achieved.

Addendums April 23, 2019





Item 4: Discussion on Willow/Alluvial Project

Boards of Commissioners Meeting Fresno Housing Authority April 23, 2019



Overview of Previous Discussions

- Discussions around finding sites in Opportunity Area
 - Since 2016
- Discussions of the specific site started in March of 2018
 - Real Estate/Price and Terms: Closed Session
- Additional Discussions occurred at the following Board Meetings (Either Open/Informational or Action; Closed/Price and Terms):
 - April 2018 Closed Session
 - August 2018 Closed Session
 - September 2018 Discussion during retreat
 - October 2018 Acquisition Approval County (after closed)
 - November 2018 Acquisition Ratification by City (consent)
 - January 2019 Informational
 - February 2019 Approval to apply for funding and HRFC
 - March 2019 GCCM Contract Continued to April 2019



Key Topics Discussed in Open Sessions

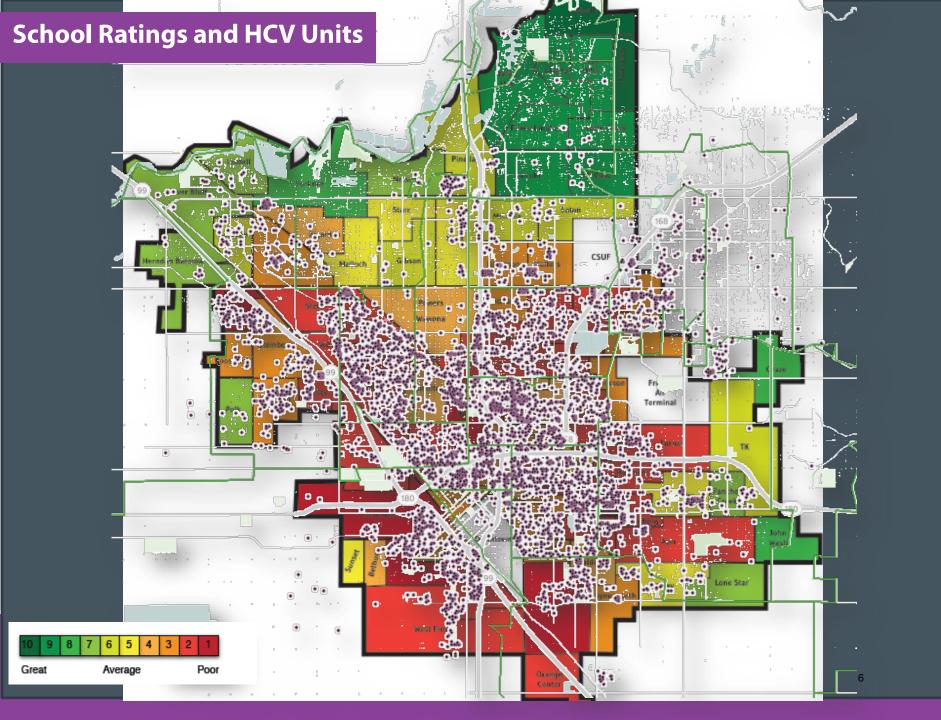
- Opportunity Areas and Maps
- Pipeline
- Location
- Site Selection
- Site Plan
- Development Life Cycle
- Sources and Uses

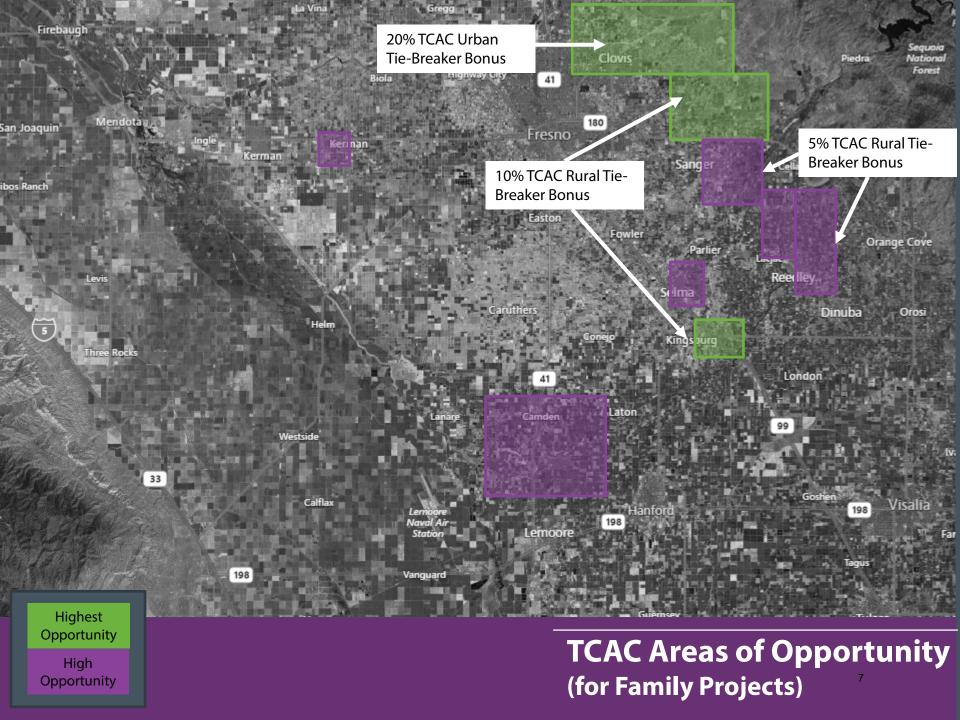


Areas of Opportunity

- Affirmatively Furthering Fair Housing (1968 Fair Housing Act
 2015 AFFH Rule)
- Different ways of measuring priority development areas:
 - HUD's Areas of Minority Concentration (Site & Neighborhood Standards review)
 - HCD's CalEnviroScreen Scoring (prioritization factor for Cap & Trade funding)
 - TCAC's Areas of Opportunity (bonus points on 9% tie-breaker for family projects)
- TCAC's Areas of Opportunity Index evaluates economic health, educational quality, and environmental factors.







Upcoming Pipeline Projects - County

- Current and Immediate Future Requests
 - Kingsburg Seniors 47 units
 - 1st Round 2019 9% Tax Credit application
 - AHP/CalHFA Applications
 - Request from HRFC: up to \$1,950,000
 - Clovis 60 Units
 - 1st Round 2019 9% Tax Credit application
 - CalHFA Application
 - Request from HRFC: up to \$4,250,000
 - Huron 61 units
 - Potential 2nd Round 2019 9% Tax Credit
 - CDBG Application with City of Huron
 - Estimated Request from HRFC: \$2m \$3m







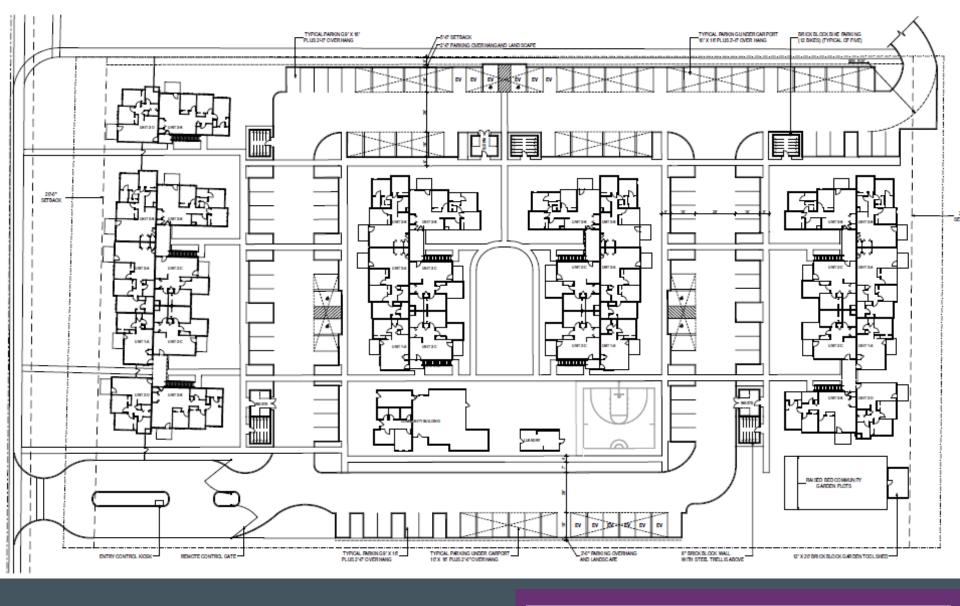
Willow & Alluvial Elevations (Clovis)





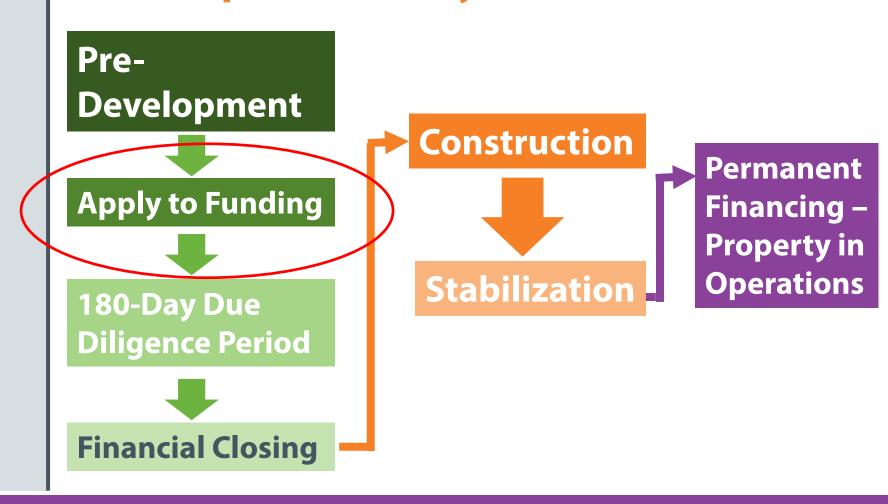






Willow & Alluvial Site Plan (Clovis) 12

Development Life Cycle





Willow and Alluvial Sources & Uses

EXHIBIT B Willow/Alluvial Pro Forma

| Development Sources and Uses | | | | | |
|---------------------------------|----|------------|--|--|--|
| | | Permanent | | | |
| Sources of Funds | | Sources | | | |
| Conventional Perm Loan | | 1,070,000 | | | |
| HRFC Loan | \$ | 4,250,000 | | | |
| Investor Equity | \$ | 21,746,281 | | | |
| Total Sources of Funds | | 27,066,281 | | | |
| | | | | | |
| Uses of Funds | | Amount | | | |
| Land/Building Acquisition Costs | \$ | 1,600,000 | | | |
| Construction Costs | \$ | 16,176,840 | | | |
| Contingencies | \$ | 1,867,684 | | | |
| Permits/Impact Fees/etc. | | 1,798,120 | | | |
| Professional Fees | | 1,369,300 | | | |
| Loan Fees and other Soft Costs | | 1,982,415 | | | |
| Reserves | \$ | 235,216 | | | |
| Developer Fee | \$ | 2,036,706 | | | |
| Total Uses of Funds | | 27,066,281 | | | |

^{*}Draft budget as of 2/25/2019





Interest List Housing Choice Voucher Update

Board of Commissioners Meeting April 23, 2019

By Angie Nguyen, Chief of Staff



Background

- HCV interest lists last opened on May 1, 2018 and closed on May 15, 2018
- On Day 1, we received 14,059 pre-applications
- By closing 38,058 pre-applications were received
- 21,011 unduplicated pre-applications
- 1,600 Visitors to our Boardroom
- Final draw in December 2018



The Plan

- Re-open online registration/pre-applications for the HCV program interest lists in Spring 2019 (May/June)
- Remain open for specified time frame
- A Public Notice will officially announce dates/time and detailed information on the process
- Communication push through various media outlets
- Continue use of lottery system in accordance with Administrative Plan
- Final Draw for waiting list placement at a later date
 TBD



Coordinated Effort

- Explore strategies on educating applicants on preferences
- Resident Advisory Board's (RAB) review of the online application and process
- On-site assistance for walk-ins during the opening period; additional access points
- Get information out to community partners
- Landlord outreach and education





Real Estate Development Update

Boards of Commissioners Meeting April 23, 2019



Development Activities

- Chinatown Sub-Agreement
 - Staff and General Counsel are working to finalize the Sub-Agreement with the City of Fresno
- No Place Like Home (NPLH)
 - The Renaissance at Cincotta, Barstow
 Commons, and Econo Inn projects have
 received notice from HCD that they have
 passed threshold and are currently under
 financial review for a potential funding award



Development Action Items

Boards of Commissioners Meeting April 23, 2019





Presentation Overview

Agenda Item 8: Action

- a. Mariposa Meadows
- b. Orchard Apartments
- c. Villa Del Mar
- d. Willow & Alluvial
- e. Huron
- f. VA Parking Lot



Mariposa Meadows – Item 8.a.

- Proposed rehabilitation of 40 existing multifamily housing units, community building improvements and upgrade of onsite laundry facilities and common areas
- Site is located on 5.82 acres at 1101 W. Atchison in Southwest Fresno
- Low-Income Housing Tax Credit (LIHTC) award was accepted at the September 2018 Board meeting
- Closing expected in May 2019
- Staff is requesting approval to execute loan & partnership documents related to the Project

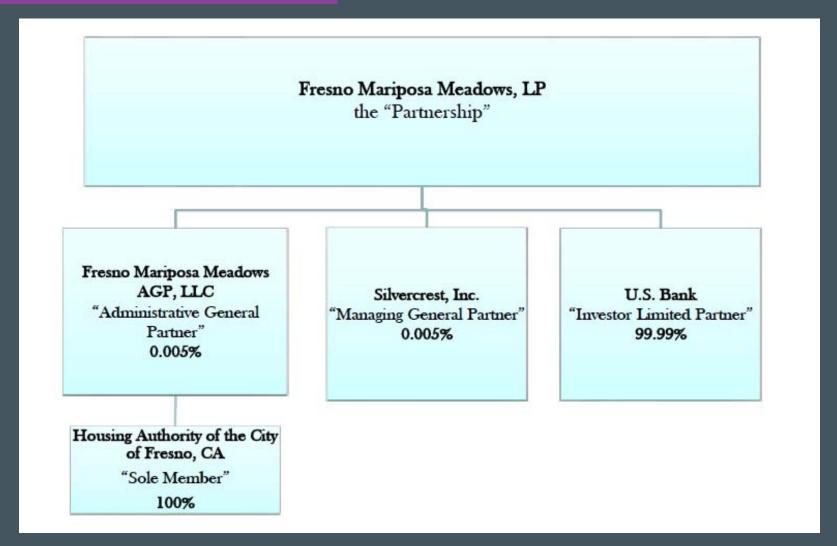


Mariposa Meadows **Sources & Uses**

| Development Sources and Uses | | | | |
|--|----------------|--|--|--|
| | Amount | | | |
| Sources of Funds | 4/15/2019 | | | |
| US Bank Conventional Perm Loan | \$ | 1,358,000 | | |
| Income from Operations for Relocation Cost | \$ | 199,560 | | |
| Deferred Developer Fee | \$ | 89,791 | | |
| GP Contribution | \$ | 100 | | |
| LIHTC Equity | \$ | 8,020,458 | | |
| Total Sources of Funds | \$ | 9,667,909 | | |
| | | | | |
| Uses of Funds | Amount | | | |
| Construction Costs | \$ | 4,710,946 | | |
| Constitution of the consti | \$ | 679,928 | | |
| Contingencies | 7 | | | |
| Permits/Impact Fees/etc. | \$ | 100,000 | | |
| _ | \$ | - | | |
| Permits/Impact Fees/etc. | \$ | 100,000 | | |
| Permits/Impact Fees/etc. Professional Fees | \$ \$ \$ | 100,000 881,500 | | |
| Permits/Impact Fees/etc. Professional Fees Relocation | \$ \$ \$ | 100,000 881,500 759,560 | | |
| Permits/Impact Fees/etc. Professional Fees Relocation Loan Fees and other Soft Costs | \$ \$ \$ | 100,000 881,500 759,560 1,052,282 | | |

| Acquisition Sources and Uses | | |
|------------------------------------|--------------|--|
| Sources of Funds | Amount | |
| USDA Perm Loan | \$ 210,535 | |
| Fresno HA Land & Building Donation | \$3,139,465 | |
| Total Uses of Funds | \$ 3,350,000 | |
| | | |
| Uses of Funds | Amount | |
| Reamortize USDA Perm Loan | \$ 210,535 | |
| Land & Building Acquisition Costs | \$3,139,465 | |
| Total Uses of Funds | \$ 3,350,000 | |
| *Draft as of 4/15/2019 | | |

Mariposa Meadows Org Chart



Action Item 8.a.

- 1. Authorize execution of documents in the name of the Administrative General Partner
- 2. Authorize an HACF Land/Building Donation to Silvercrest, Inc. of \$3,139,465
- 3. Authorize HACF to re-amortize the existing USDA 514 loan of \$210,535 for a new 33-year maximum term
- 4. Authorize Deferral of a portion of Developer Fee payable to HACF
- 5. Authorize Construction Loan in an amount not to exceed \$8,500,000
- 6. Authorize Permanent Loan in an amount not to exceed \$1,500,000
- 7. Authorize HACF as the management agent of the Development
- 8. Authorize actions for the financing, development, and operations of the Project

Orchard Apartments – Item 8.b.

- Proposed rehabilitation of 40 existing multifamily housing units with a newly constructed community room, onsite management office, computer lab, and onsite laundry facilities
- Site is located on 3.29 acres at 295 S Newmark in Parlier, CA
- Low-Income Housing Tax Credit (LIHTC) award was accepted at the September 2018 Board meeting
- Closing expected in May 2019
- Staff is requesting approval to execute loan & partnership documents related to the Project

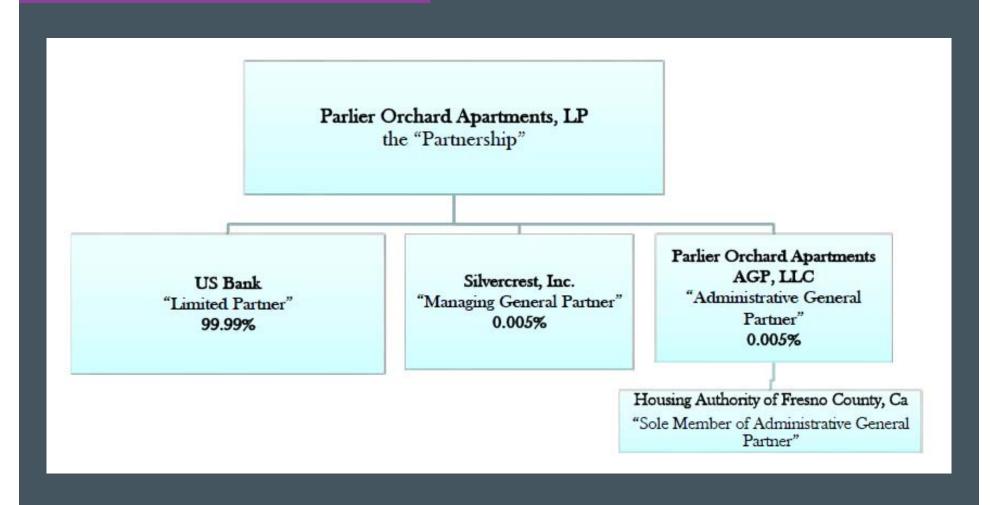


Orchard Apartments Sources & Uses

| Pro Forma Sources and Uses | | |
|---|-----------|------------|
| | Amount | |
| Sources of Funds | 4/15/2019 | |
| Permanent Loan - Tranche B | \$ | 2,833,100 |
| Income from Ops for Relo Costs | \$ | 294,732 |
| Deferred Developer Fee | \$ | 18,009 |
| General Partner Contribution | \$ | 100 |
| Certificated State Credits Sales Proceeds | \$ | 2,011,605 |
| Limited Partner Contribution | \$ | 6,637,633 |
| Total Sources of Funds | \$ | 11,795,179 |
| | | |
| Uses of Funds | Amount | |
| Construction Costs | \$ | 5,074,443 |
| Contingencies | \$ | 637,444 |
| Permits/Impact Fees/etc. | \$ | 65,000 |
| Professional Fees | \$ | 946,110 |
| Relocation | \$ | 569,732 |
| Loan Fees and Other Soft Costs | \$ | 2,836,050 |
| Reserves | \$ | 694,610 |
| Developer Fee | \$ | 971,790 |
| Total Uses of Funds | \$ | 11,795,179 |

| Acquisition Sources and Uses | | |
|------------------------------------|-----------------|--|
| Sources of Funds | Amount | |
| USDA Perm Loan | \$ 16,990 | |
| Fresno HA Land & Building Donation | \$1,683,010 | |
| Total Uses of Funds | \$ 1,700,000 | |
| | | |
| Uses of Funds | Amount | |
| Reamortize USDA Perm Loan | \$ 16,990 | |
| Land & Building Acquisition Costs | \$1,683,010 | |
| Total Uses of Funds | \$ 1,700,000 | |
| *Draft as of 4/15/2019 | | |

Orchard Apartments Org Chart



Action Item 8.b.

- 1. Authorize execution of documents in the name of the Administrative General Partner
- 2. Authorize an HAFC Land/Building Donation to Silvercrest, Inc. of \$1,683,010
- 3. Authorize a permanent loan from Silvercrest, Inc. in an amount not to exceed \$2,235,117, which will be funded by the sale of State certificated tax credits
- 4. Authorize HAFC to re-amortize the existing USDA 514 loan for \$16,990 for a new 33-year maximum term
- 5. Authorize a construction loan in an amount not to exceed \$10,500,000, which will convert to a permanent loan in an amount not to exceed \$3,500,000
- 6. Authorize Deferral of a portion of Developer Fee payable to HAFC
- 7. Authorize HAFC as the management agent of the Development
- 8. Authorize actions for the financing, development, and operations of the Project

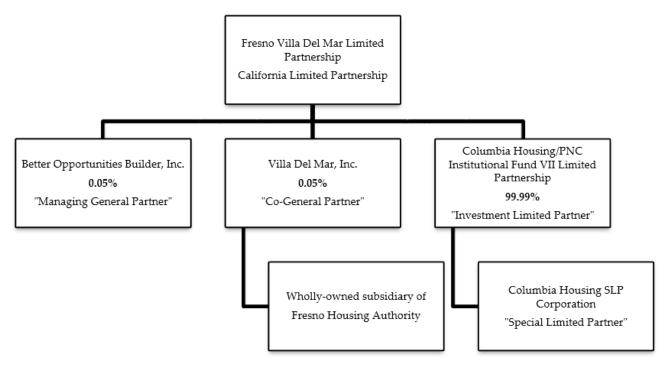


8.c. Consideration of the Purchase of the Limited Partnership Interest in Villa Del Mar, LP

Fresno Housing Authority
Boards of Commissioners Meeting
April 23, 2019



Current Organizational Structure



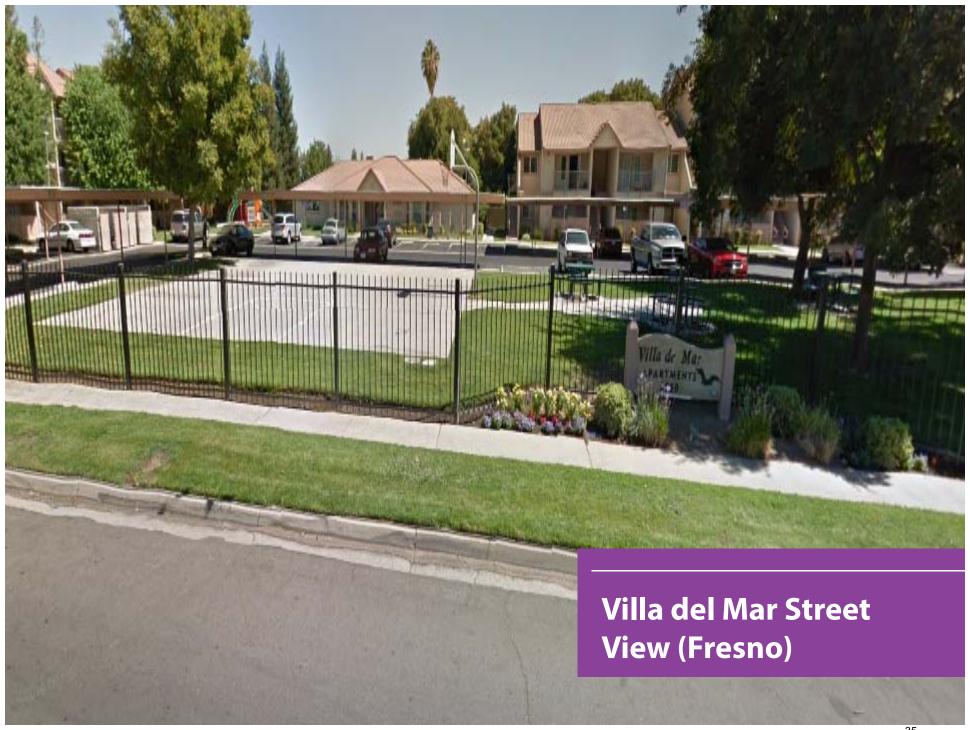
- Villa Del Mar, LP
 - California limited partnership formed in 2001
 - Partnership was established to own and manage a 48unit multi-family property, known as Villa Del Mar Apartments in Fresno, CA



Villa Del Mar Apartments

- Villa Del Mar Apartments are located at 3950 N.
 Del Mar Ave. near Blackstone and Ashlan Avenues
- Property was opened in 2002
- Consists of (48) 3-Bed units, which includes 38 affordable and 10 market-rate units
- Property is located on 2.24 acres with a playground, pool, basketball court, community room, computer lab and is within walking distance to schools, churches, restaurants, a post office, and a variety of shopping.





Villa del Mar Apartments

- Current occupancy is at 98%, with one unit vacant
- Property has sufficient operating cash and reserves, and has maintained positive net operating income for the past three years
- 2019 Budget shows \$70,000 of net cash flow
- Overall, the property is stable and performing well

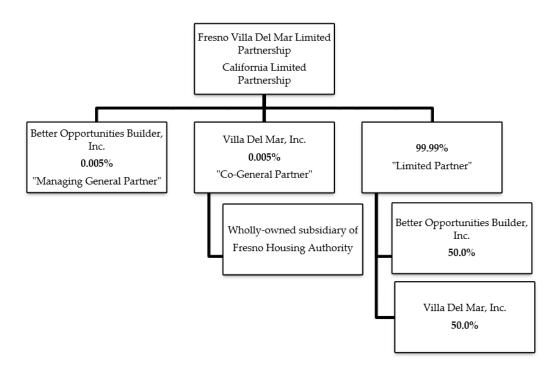


Option to Purchase

- The tax credit compliance period ended on February 1, 2017
- PNC Bank, as the Investment Limited Partner, would like to exit the Partnership
- An offer to purchase the Limited Partners' interest has been made for \$5,000, plus exit taxes
 - Exit taxes are currently estimated at approximately \$2,000
- Staff is recommending that both Villa Del Mar, Inc. (Co-General Partner) and Better Opportunities Builder, Inc. (Managing General Partner) each purchase half of the Limited Partners' 99.99% interest, thus retaining the same equal interest and joint control of the Partnership
 - Each entity would pay approximately \$3,500 for the Limited Partners' interest



Proposed Organizational Structure



• Staff recommends that the Boards of Commissioners authorize Villa Del Mar, Inc. to purchase half of the Limited Partners' interest in Villa Del Mar, LP



Willow & Alluvial GC/CM - Item 8.d.

- Project is a proposed 60-unit development on a 4.175 acre parcel located on the Northeast corner of Willow and Alluvial Avenues in Clovis, CA
- Staff submitted a Low-Income Housing Tax Credit (LIHTC) application for Willow & Alluvial on March 4, 2019
- Tax Credit awards will be announced June 12, 2019
- Start of construction will be approx. 180 days from LIHTC award
- Staff needs to finalize construction scope of work, designs, budgets
- GC/CM partner selection is a key member of our projects
- Staff recommends awarding the GC/CM Contract to Brown Construction



Huron GC/CM – Item 8.e.

- Staff plans to submit a future Low-Income Housing Tax Credit (LIHTC) application for the Huron Family development
- Project is planned to be 61 units of family housing on 6.6 acres at the Southwest corner of Fresno and 12th streets in Huron, CA
- Staff needs to finalize construction scope of work, designs, budgets
- GC/CM partner selection is a key member of our projects
- Staff recommends awarding the GC/CM Contract to ProWest Constructors



VA Parking Lot – Item 8.f.

- Staff has been working with the VA Hospital to address concerns about a lack of parking for their clients
- Staff, the VA, and general counsel have negotiated a General Services Administration (GSA) Supplemental Lease Agreement of 35 months to allow for approx. 285 parking spaces
- The temporary parking lot would be located on 2.91 acres of vacant land adjacent to Parc Grove Commons
- Staff is requesting approval to enter into a General Services Administration Supplemental Lease Agreement with the US Department of Veterans Affairs for the use of 2.91 acres of vacant land at the Southwest corner of Clinton Ave. and Angus St.

