



Boards of Commissioners Meeting

November 28, 2017

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 - November 28, 2017

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

PAGE #

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. 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 not 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.

4. 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)

5. Commissioners' Report**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.

- a. Consideration of the Minutes of October 11, 2017 and October 24, 2017 5
- b. Consideration of the Investment Policy 16

7. Informational

- a. Resident Services Presentation – Boys and Girls Clubs of Fresno County 25
- b. Update on the Development of the Agency Budget 38
- c. Real Estate Development Update 51

8. Action

- a. Consideration of the Omnibus Resolution and Funding Commitments – Magill Terrace (Fowler) 52
- b. Consideration of Funding Commitments – Trailside (Paseo 55 – Reedley) 103
- c. Consideration of Transformative Climate Communities (TCC) Application Submission – Chinatown 109
- d. Consideration of Application Submission – Southwest Fresno Developments 113

9. Executive Director's Report 120**10. Closed Session**

- a. CONFERENCE WITH LABOR NEGOTIATORS (§54957.6)
Agency designated representatives: Preston Prince, Tammy Townsend, Emily De La Guerra, Scott Fetterhoff, Summer Nunes, Michael Duarte
- b. CONFERENCE WITH REAL PROPERTY NEGOTIATORS
(Pursuant to Government Code § 54954.5(b))
Property: 555 W. California Ave., Fresno, CA
(APN: 477-040-73)
Agency negotiator: Preston Prince
Negotiating parties: Fresno Housing Authority and Frank Kozlowski, Capitol Rivers, Inc.
Under negotiation: Price and Terms of Sale
- c. CONFERENCE WITH REAL PROPERTY NEGOTIATORS
(Pursuant to Government Code § 54954.5(b))
Property: 2550 W. Clinton Ave., Fresno, CA
(APN: 442-081-26)
Agency negotiator: Preston Prince

Negotiating parties: Fresno Housing Authority and Jim
Callaghan, Mental Health Systems

Under negotiation: Price and Terms of Sale

d. CONFERENCE WITH REAL PROPERTY NEGOTIATORS
(Pursuant to Government Code § 54954.5(b))

Property: 3726 N. Pleasant Avenue, Fresno, CA

(APN: 433-220-39T)

Agency negotiator: Preston Prince

Negotiating parties: Fresno Housing Authority and Ernest
M. Reyes, Lincoln Consulting Group, LLC

Under negotiation: Price and Terms of Sale

e. CONFERENCE WITH REAL PROPERTY NEGOTIATORS
(Pursuant to Government Code § 54954.5(b))

Property: 555 W. California Ave., Fresno, CA

(APN: 477-040-73)

Agency negotiator: Preston Prince

Negotiating parties: Fresno Housing Authority and Kiel
Schmidt, Food Commons Fresno

Under negotiation: Price and Terms of Sale

f. CONFERENCE WITH REAL PROPERTY NEGOTIATORS
(Pursuant to Government Code § 54954.5(b))

Property: 731 California Ave., Fresno, CA

(APN: 467-246-01T)

Agency negotiator: Preston Prince

Negotiating parties: Fresno Housing Authority and
Oversight Board of the Successor Agency to the
Redevelopment Agency of the City of Fresno

Under negotiation: Price and Terms of Sale

11. Open session

Action

- a. Consideration of the Tentative Agreement – SEIU
- b. Consideration of Purchase Option – 555 W. California Ave.
- c. Consideration of Purchase Option – 731 California Ave.

12. Adjournment

Minutes of the Special Joint Meeting
Of the Boards of Commissioners of the
HOUSING AUTHORITIES OF THE CITY AND COUNTY OF FRESNO

Wednesday, October 11, 2017

12:00p.m.

5:00 P.M.

The Boards of Commissioners of the Housing Authorities of the City and County of Fresno met in a special session on Wednesday, October 11, 2017, at the offices of HACCF, located at 1331 Fulton Street, Fresno, California.

1. The meeting was called to order at 12:02 p.m. by Board Chair, Commissioner Jones of the Board of Commissioners of the Housing Authority of the City of Fresno. Roll call was taken and the Commissioners present and absent were as follows:

PRESENT: Adrian Jones, Chair
 Rueben Scott, Vice Chair
 Steven Bedrosian
 Karl Johnson
 Virna Santos

ABSENT: Caine Christensen
 Stacy Vaillancourt

The meeting was called to order at 12:02 p.m. by Board Vice Chair, Commissioner Petty 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: Jim Petty, Chair
 Stacy Sablan, Vice Chair
 Mary G. Castro
 Venilde Miller
 Nikki Newsome
 Cary Catalano

ABSENT: Joey Fuentes

Also in attendance: Preston Prince, CEO, and Kenneth Price, Baker Manock and Jensen - General Counsel.

2. APPROVAL OF AGENDA AS POSTED (OR AMENDED)

There were no public comments.

CITY MOTION: Commissioner Bedrosian moved, seconded by Commissioner Johnson to approve the agenda as posted.

MOTION PASSED: 5-0

COUNTY MOTION: Commissioner Sablan moved, seconded by Commissioner Miller to approve the agenda as posted.

MOTION PASSED: 6-0.

3. PUBLIC COMMENT

Mr. Yonas Paulos resident of 2115 Inyo Street Apartment 206 Fresno CA. advocate for Disabled Homeless Veterans. Mr. Paulos stated he is a Fresno Pacific University alumni, unfortunately due to his illness he was not able to move forward with his career, the illness drove him to homelessness. Mr. Paulos spoke on behalf of homeless Veterans requesting more assistance for housing, soliciting funding for homeless veterans.

4. POTENTIAL CONFLICTS OF INTEREST

There were no conflicts of interest stated.

5. INFORMATIONAL

Mr. Michael Duarte presented on this topic.

a. Update on Concept Transformative Climate Communities (TCC) Proposals

b. Real Estate Development Update

Mr. Preston Prince presented the Real Estate Development Update. Mr. Prince discussed about the Hacienda property located at Clinton and 99, the property is currently sale and there are 320 units. The Hacienda is 40% occupied, he expressed he would like to explore the purchase. Mr. Prince stated he will come back to the Board of Commissioners for their approval.

Mr. Prince stated owners interested parties for DBH, CoC, City of Fresno. In addition, there are few non local proposal MHS will issue a long term lease. Good location for bridge housing not PSH.

6. ACTION

Consideration of Housing Relinquished Fund Corporation Funding – Chinatown Housing Development

Mr. Michael Duarte presented on this item.

CITY MOTION: *Commissioner Scott moved, seconded by Commissioner Bedrosian to approve the Consideration of Housing Relinquished Fund Corporation Funding – Chinatown Housing Development.*

MOTION PASSED: 5-0

COUNTY MOTION: *Commissioner Newsome moved, seconded by Commissioner Catalano approve the Consideration of Housing Relinquished Fund Corporation Funding – Chinatown Housing Development.*

MOTION PASSED: 6-0

7. ADJOURNMENT

There are no further businesses to be considered by the Executive Committee, the meeting was adjourned at approximately 12:45 p.m.

Preston Prince, Secretary

Minutes of the Joint Meeting
Of the Boards of Commissioners of the
HOUSING AUTHORITIES OF THE CITY AND COUNTY OF FRESNO

Tuesday, October 24, 2017

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, October 24, 2017 at the offices of HACCF, 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 the City of Fresno. Roll call was taken and the Commissioners present and absent were as follows:

PRESENT: Adrian Jones, Chair
 Rueben Scott, Vice Chair
 Steven Bedrosian
 Caine Christensen
 Virna Santos

ABSENT: Karl Johnson
 Stacy Vaillancourt

The meeting was called to order at 5:10 p.m. by Board Vice 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, Vice Chair
 Venilde Miller
 Mary G. Castro
 Nikki Newsome
 Cary Catalano

ABSENT: Jim Petty, Chair
 Joey Fuentes

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

2. APPROVAL OF AGENDA AS POSTED (OR AMENDED)

Item number 4 Close Session “Public Employment Pursuant to Government Code §54597” on the agenda was moved to item number 13 on the agenda. The “Public Employment Pursuant to Government Code §54597” will be the first item on discussion.

CITY MOTION: Commissioner Bedrosian moved, seconded by Commissioner Santos to approve the agenda as amended.

MOTION PASSED: 4-0

COUNTY MOTION: Commissioner Newsome moved, seconded by Commissioner Miller to approve the agenda as amended.

MOTION PASSED: 5-0.

3. PUBLIC COMMENT

There were no public comments.

4. CLOSED SESSION

- a. PUBLIC EMPLOYMENT
Pursuant to Government Code §54597

This item was moved to item number 13 on the agenda.

5. REPORT ON CLOSED SESSION ITEMS

This item was moved to item number 13 on the agenda.

6. COMMISSIONERS’ REPORT

- a. General Report(s)

Commissioner Castro briefly reported on October 23, 2017 meeting at the Mayor’s office. Mr. Prince briefly discussed the Meeting. He stated it was an introduction to the Mayor of the Housing Authority’s work. The Mayor discussed working with the City Board. The City Board talked about their vision on work force development, Downtown revitalization, homelessness, community revitalization and job creation. Also, Commissioner Castro discussed how the Housing Authority can be involved with future projects in the community.

Commissioner Sablan thanked Commissioner Castro for representing the County Board.

Commissioner Sablan talked about her participation at the CLAPHA meeting.

Commissioner Santos reported on her meeting with Girl Scouts Board President Keith Pretzer and Fresno Housing Authority Chief of Staff, Angie Nguyen.

In addition, they discussed the article she wrote for the New York Times, “Expanding Girl Scouts troops to the Housing Authorities and shelters.”

b. Report of the Ad-Hoc Committee on Bylaw Revisions

Commissioner Sablan reported on the Ad-Hoc Committee on Bylaw meeting. She stated for the County Board the attendees were Commissioner Sablan and Commissioner Catalano. For the City Board the attendees were Commissioner Virna Santos and Commissioner Caine Christensen. Other attendees included, Ms. Tammy Townsend, Ms. Tiffany Mangum, and the Legal Counsel.

The recommendation of the Committee was that there is no need to revise the bylaws, specifically the provision outlining the duties of for the Executive Committee.

c. Amending the November 2017 Meeting Date

Reverent Scott arrived the Board Meeting at 5:19pm.

Mr. Prince recommended that the Boards move the November Board meeting from November 14th to November 28th.

Ms. Tracewell Hanrahan stated the possibility of Special Board Meeting for the month of November 2017 for TCC. In addition, it is expected a closing for Magill the first part of December 2017.

Mr. Preston Prince announced the following:

- Commissioner Newsome is getting married, he congratulated Commissioner Newsome.
- Holiday Dinner- Mr. Prince stated the Fresno Housing Authority will be sending tentative date for the Holiday Dinner.

7. CITY NOMINATION FOR BOARD CHAIR AND VICE CHAIR FOR 2018-2019

This item was moved before close session item number 12.

8. POTENTIAL CONFLICTS OF INTEREST

There were no conflicts of interest stated.

9. 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 September 21, September 22, and September 26, 2017
- b. Consideration of the 2018 Agency Calendar
- c. City: Charge-off Uncollectible Accounts to Collection Losses for the 3rd Quarter 2017
- d. County: Charge-off Uncollectible Accounts to Collection Losses for the 3rd Quarter 2017
- e. Consideration of the Time Away From Work Policy
- f. Consideration to Approve the Application Submission the HUD – Veterans Affairs Supportive Housing Program
- g. Consideration of Contract Renewal for Associated Entity Audits – Novogradac
- h. Consideration of Contract Renewal for Housing Authority Audits – Davis Farr
- i. Consideration of Assigned Designee(s) on behalf of the CEO/Executive Director

CITY MOTION: Commissioner Scott moved, seconded by Commissioner Bedrosian to approve the consent agenda.

MOTION PASSED: 5-0

COUNTY MOTION: Commissioner Catalano moved, seconded by Commissioner Newsome to approve the consent agenda.

MOTION PASSED: 5-0

10. INFORMATIONAL

- a. Resident Services Presentation – Centro La Familia

Margarita Rocha Executive Director and Vanessa Sandoval Health and Wellness Manager: Behavioral Health provided a brief presentation about Centro La Familia Advocacy Services.

- b. Update on the 2018 Agency Budget Process

Ms. Tammy Townsend presented on this topic.

- c. Blackstone-Simpson Development Update

Ms. Christina Husbands presented on this topic.

- d. Real Estate Development Update

Joint Meeting
Action Minutes: 10-24-2017
Adopted:

Ms. Christina Husbands presented the Real Estate Development Update.

11. ACTION

a. Consideration of Mortgage Portfolio Sale – Sierra Pointe

Mr. Michael Duarte presented on this item.

Commissioner Sablan informed that Fresno Housing Authority deals with Deeds of Trust not “Mortgage,” per our General Counsel recommendation it was recommended to change “Mortgage” language on the resolution to “Deeds of Trust.”

CITY MOTION: *Commissioner Scott moved, seconded by Commissioner Christensen to approve Deeds of Trust Portfolio Sale – Sierra Pointe and to amend the resolutions with the correct language.*

MOTION PASSED: 5-0

COUNTY MOTION: *Commissioner Newsome moved, seconded by Commissioner Catalano to approve Deeds of Trust Portfolio Sale – Sierra Pointe and to amend the resolutions with the correct language.*

MOTION PASSED: 5-0

b. Consideration of the Cross-Use Agreement – Magill Terrace

Mr. Michael Duarte presented on this item.

CITY MOTION: *Commissioner Christensen moved, seconded by Commissioner Scott to approve the Cross-Use Agreement – Magill Terrace.*

MOTION PASSED: 5-0

COUNTY MOTION: *Commissioner Catalano moved, seconded by Commissioner Newsome to approve the Cross-Use Agreement – Magill Terrace.*

MOTION PASSED: 5-0

c. Consideration of Amended Funding Commitment – Trailside Terrace (Paseo 55 – Reedley, CA)

Mr. Michael Duarte presented on this item.

CITY MOTION: *Commissioner Scott moved, seconded by Commissioner Santos to approve the Amended Funding Commitment – Trailside Terrace (Paseo 55 – Reedley, CA).*

MOTION PASSED: 5-0

COUNTY MOTION: *Commissioner Catalano moved, seconded by Commissioner Castro to approve the Amended Funding Commitment – Trailside Terrace (Paseo 55 – Reedley, CA).*

MOTION PASSED: 5-0

12. CITY NOMINATION FOR BOARD CHAIR AND VICE CHAIR FOR 2018-2019

Commissioner Jones would like to be considered as City Chair for 2018-2019.

Commissioner Christensen would like to be considered as City Vice Chair for 2018-2019.

13. EXECUTIVE DIRECTOR'S REPORT

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

- Mr. Prince thanked everyone who joined the Fresno Housing Authority at the "All Staff Event" at the Fresno State homecoming game and festivities.
- Mr. Prince briefly talked about the Purpose Built Event Communities Briefing.
- Mr. Prince advised the Boards of Commissioners that Ms. Barbara Poppe, the former Executive Director of the United States Interagency Council on Homelessness, will be visiting the Fresno Housing Authority on 11/7-11/9/2017. There will be special meeting of the Boards of Commissioners at noon on 11/8/2017. This will give the Boards the opportunity to meet Barbara Poppe and talk about the Housing Authority's continued role and work in homelessness.
- The CA Apartment Association had their annual Mark of Distinction awards. Mr. Prince acknowledge those nominees and their hard work to ensure the Fresno Housing Authority is well represented. Mr. Prince announced the Fresno Housing Authority won for new development of the year for the Fenix @ Calaveras development.
- Mr. Prince congratulated the City Board Chair Adrian Jones for 10 years of service on the Board of Commissioners. In addition, next month the County Board Chair Jim Petty makes 25 years on the Board.

Also, Mr. Prince presented the new hires and promotion.

- New hires: Mathew Falcon, HR Intern; Samuel Zamora, Maintenance Technician; Cesar Morales, Maintenance Technician; Brigido Deleon, Maintenance Technician and Jesse McIntyre, Property Specialist II.
- Promotions: Tiffany Chavarria, Assistant Manager-Homeless Initiatives and Mary Helen Caggianelli, Assistant Manager – Resident Services.

14. CLOSE SESSION

The Board went into closed session at approximately 6:50pm.

a. PUBLIC EMPLOYMENT

Pursuant to Government Code §54597

b. CONFERENCE WITH REAL PROPERTY NEGOTIATORS

(Pursuant to Government Code § 54954.5(b))

Property: 2550 W Clinton Ave, Fresno, CA 93705 (APNs: 442-081-026)

Agency negotiator: Preston Prince

Negotiating parties: Fresno Housing Authority and Mental Health Systems, Inc.

Under negotiation: Price and Terms

c. CONFERENCE WITH REAL PROPERTY NEGOTIATORS

(Pursuant to Government Code § 54954.5(b))

Property: 555 W. California Ave., Fresno, CA

(APN: 477-040-73)

Agency negotiator: Preston Prince

Negotiating parties: Fresno Housing Authority and Capitol Rivers, Inc.

Under negotiation: Price and Terms

d. CONFERENCE WITH REAL PROPERTY NEGOTIATORS

(Pursuant to Government Code § 54954.5(b))

Property: 555 W. California Ave., Fresno, CA

(APN: 477-040-73)

Agency negotiator: Preston Prince

Negotiating parties: Fresno Housing Authority and Food Commons Fresno

Under negotiation: Price and Terms

e. CONFERENCE WITH REAL PROPERTY NEGOTIATORS

(Pursuant to Government Code § 54954.5(b))

Property: 1505 Santa Clara Street, 1553 Santa Clara Street, F Street and G Street, Fresno, CA

(APNs: 467-082-32, 467-082-31, 467-082-26T and 467-082-24T)

Agency negotiator: Preston Prince

Negotiating parties: Fresno Housing Authority and Lance-Kashian & Co. on behalf of the Fresno Rescue Mission

Under negotiation: Price and Terms

f. CONFERENCE WITH REAL PROPERTY NEGOTIATORS

(Pursuant to Government Code § 54954.5(b))

Property: 731 California Ave., Fresno, CA

(APN: 467-246-01T)

Joint Meeting

Action Minutes: 10-24-2017

Adopted:

Agency negotiator: Preston Prince

Negotiating parties: Fresno Housing Authority and Oversight Board of the Successor Agency to the Redevelopment Agency of the City of Fresno

Under negotiation: Price and Terms of Sale

g. CONFERENCE WITH LABOR NEGOTIATORS (§54957.6)

Agency designated representatives: Preston Prince, Tammy Townsend, Emily De La Guerra, Scott Fetterhoff, Summer Nunes, Michael Duarte

The Boards returned to open session at approximately 8:40p.m. There was no action to report at this time.

15. REPORT ON CLOSED SESSION ITEMS

Mr. Kiel Schmidt briefly presented on item 13c on the agenda. Mr. Schmidt stated he represents the Food Commons Fresno Community Corporation. In addition, he discussed his participation in the TCC meeting process.

He briefly presented the background on his company. He stated his desire to build and expand a distribution center with a front grocery store in South East Fresno that has a production Kitchen.

Mr. Schmidt is looking forward to the opportunity of partnering with the Fresno Housing Authority property located on Fruit and California.

There was no other closed session business to report.

16. ADJOURNMENT

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 8:41 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
Fresno Housing Authority

FROM: Preston Prince 
CEO/Executive Director

DATE: November 20, 2017

BOARD MEETING: 11/28/2017

AGENDA ITEM: 6b

AUTHOR: Emily De La Guerra

SUBJECT: Annual Adoption of the Investment Policy

Executive Summary

The Board of Commissioners adopted the current Investment Policy at the Board Meeting on November 15, 2016. The purpose of the Investment Policy is to provide a clear understanding of the investment options available, as authorized by 24 CFR Part 85 Subpart C, the Annual Contribution Contract (ACC), the General Depository Agreement (FORM HUD-51999), HUD Notice 96-33 as extended by HUD Notice 02-13, and as authorized by California Government Code. The Board of Commissioners may elect to further minimize investment risk by only authorizing specific investments found in the Investment Policy. The current Investment Policy elections represent a conservative investment strategy.

No change has been made to this policy since last adopted. This policy has been brought to the Board of Commissioners for annual review and approval as required by California Government Code Section 53601.

Fiscal Impact

There is no fiscal impact.

Recommendation

It is recommended that the Board of Commissioners of the Housing Authorities of the City and County of Fresno adopt the Investment Policy.

RESOLUTION NO. _____
BEFORE THE BOARD OF COMMISSIONERS OF THE
HOUSING AUTHORITY OF THE CITY OF FRESNO
RESOLUTION TO ADOPT THE INVESTMENT POLICY
HOUSING AUTHORITY OF THE CITY OF FRESNO

WHEREAS, the Housing Authority of the City of Fresno adopted the current Investment Policy on November 15, 2016, and

WHEREAS, the Investment Policy references “the specific requirements for the investment of HUD funds are found in 24 CFR Part 85 Subpart C, the Annual Contribution Contract (ACC), the General Depository Agreement (FORM HUD-51999) and HUD Notice 96-33 as extended by HUD Notice 02-13.” and

WHEREAS, the Investment Policy has been brought before the Board for an annual review as required by the aforementioned regulations,

NOW, THEREFORE, BE IT RESOLVED that the Board of Commissioners of the Housing Authority of the City of Fresno adopt the Investment Policy as presented.

PASSED AND ADOPTED THIS 28th day of November, 2017. 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

RESOLUTION NO. _____
BEFORE THE BOARD OF COMMISSIONERS OF THE
HOUSING AUTHORITY OF FRESNO COUNTY
RESOLUTION TO ADOPT THE INVESTMENT POLICY
HOUSING AUTHORITY OF FRESNO COUNTY

WHEREAS, the Housing Authority of Fresno County adopted the current Investment Policy on November 15, 2016, and

WHEREAS, the Investment Policy references “The specific requirements for the investment of HUD funds are found in 24 CFR Part 85 Subpart C, the Annual Contribution Contract (ACC), the General Depository Agreement (FORM HUD-51999) and HUD Notice 96-33 as extended by HUD Notice 02-13.” and

WHEREAS, the Investment Policy has been brought before the Board for an annual review as required by the aforementioned regulations,

NOW, THEREFORE, BE IT RESOLVED that the Board of Commissioners of the Housing Authority of Fresno County adopt the Investment Policy as presented.

PASSED AND ADOPTED THIS 28th day of November 2017. 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

INVESTMENT POLICY AND GUIDELINES

It is the purpose of this policy to establish procedures and guidelines for the investment of funds not needed for immediate day-to-day operations as they pertain to the Housing Authority of the City of Fresno and the Housing Authority of Fresno County (the "Agency"). This policy is intended to comply with the California Government Code Sections 53600-53609 and 53630-53686 as currently written. The specific requirements for the investment of HUD funds are found in 24 CFR Part 85 Subpart C, the Annual Contribution Contract (ACC), the General Depository Agreement (FORM HUD-51999) and HUD Notice 96-33 as extended by HUD Notice 02-13. It recognizes that Federal grant and loan programs may have specific requirements that are different from those set forth here. For situations where the California Government Code investment requirements differ from those of the Federal Government, the requirements that are more restrictive will be followed.

I. Investment Objectives

Section 53600.5 of the California Government Code outlines the primary objectives of a trustee investing public money. The primary objectives, in order of priority of the Agency investment activities shall be:

- A. **Safety:** Safety of principal is the foremost objective of this investment policy. Investments of the Agency shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio.
- B. **Liquidity:** The investment portfolio will remain sufficiently liquid to enable the Agency to meet all operating requirements, which might be reasonably anticipated.
- C. **Return on Investment:** Investment return becomes a consideration only after the basic requirements for safety and liquidity have been met. The investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles consistent with the investment policy of the Agency, taking into consideration investment risk constraints and cash flow characteristics of the portfolio.

II. Investment Securities and Diversification

- A. **Maximum Term of Investments:** No investment shall be made in any security that at the time of the investment has a term remaining to maturity in excess of five years.
- B. **Authorized and Suitable Investments:** The Agency is empowered by the HUD Notice 02-13 (See Attachment A to the HUD PIH Notice 96-33) to invest HUD funds in the following:

1. United States Treasury Bills, Notes & Bonds.
2. Obligations issued by Agencies or Instrumentalities of the U.S. Government.
3. Insured Demand and Savings Deposits, provided that deposits in excess of the insured amounts must be 100 percent collateralized by securities listed in A & B above.
4. Insured Money Market Deposit Accounts, provided that deposits in excess of the insured amount must be 100 percent collateralized by securities listed in A & B above.
5. Certificates of Deposits provided they are insured by an agency of the Federal Government. Deposits in excess of the insurance limit should be limited to terms of no longer than 30-90 days with amounts in excess of the limit 100% collateralized by U.S. Government securities.
6. Sweep Accounts that are 100 percent collateralized by securities listed in 1) & 2) above.
7. Any other investment security authorized under the provisions of HUD Notice PIH 02-13.

Investment Types <u>Authorized by HUD Notice PIH 02-13</u>	Authorized By Investment <u>Policy</u>	*Maximum *Maximum <u>Maturity</u>	*Maximum Percentage <u>Of Portfolio</u>	*Maximum Investment <u>In One Issuer</u>
Local Agency Bonds	No	Not Specified	None	None
U.S. Treasury Obligations	Yes	Not Specified	None	None
U.S. Agency Securities, Including GNMA				
Mortgage-Backed Securities	Yes	Not Specified	None	None
Securities of Gov-Sponsored Agencies	Yes	Not Specified	None	None
Demand & Savings Deposits	Yes	Not Specified	None	None
Money Market Deposit Accounts	Yes	N/A	None	None
Local Government Investment Pool (with a perfected security interest)	No	N/A	None	None
Super NOW Accounts	No	N/A	None	None
Certificates of Deposit	Yes	Not Specified	None	None
Certificates of Deposit (in excess of \$250,000)	Yes	90 days	None	None
Repurchase Agreements	No	Not Specified	None	None
Reverse Repurchase Agreements	No	Not Specified	None	None
Separate Trading of Registered Interest and Principal of Securities (STRIPS)	No	Not Specified	None	None
Mutual Funds	No	Not Specified	None	None

* Based on the requirements set forth in HUD Notice PIH 96-33 extended by Notice PIH 02-13 or investment policy requirements, whichever is more restrictive. For situations where Federal Government investment requirements differ from those of the California Government Code, the requirements that are more restrictive will be followed.

The Agency is empowered by California Government Code Sections 5922 and 53601 to invest non-HUD funds in the following:

1. Bonds issued by local government agencies with a maximum maturity of five years (See Attachment B to the HUD PIH Notice 96-33).
2. United States Treasury Bills, Notes & Bonds.
3. Registered warrants, treasury notes or bonds issued by the State of California.
4. Bonds, notes, warrants or other evidence of debt issued by a local agency within the State of California, including pooled investment accounts sponsored by the State of California, County Treasurer, other local agencies or Joint Powers Agencies.
5. Obligations issued by Agencies or Instrumentality of the U.S. Government.
6. Funds held under the terms of a Trust Indenture or other contract or agreement may be invested according to the provisions of those indentures or agreements.
7. Collateralized bank deposits with a perfected security interest in accordance with the Uniform Commercial Code (UCC) or applicable federal security regulations.
8. Any other investment security authorized under the provisions of Government Code 5922 and 53601.

Attachment A, HUD Approved Investment Instruments, and Attachment B, Government Code Section 53601, also provide a detailed summary of the limitations and special conditions that apply to each of the above listed investment securities. These attachments are included by reference in this investment policy.

Investment Types <u>Authorized by State Law</u>	Authorized By Investment <u>Policy</u>	*Maximum <u>Maturity</u>	*Maximum Percentage <u>Of Portfolio</u>	*Maximum Investment <u>In One Issuer</u>
Local Agency Bonds	Yes	5 years	None	None
U.S. Treasury Obligations	Yes	5 years	None	None
U.S. Agency Securities	Yes	5 years	None	None
Banker's Acceptances	No	180 days	40%	30%
Commercial Paper	No	270 days	25%	10%
Negotiable Certificates of Deposit	Yes	5 years	30%	None
Repurchase Agreements	No	1 year	None	None
Reverse Repurchase Agreements	No	92 days	20%	None
Medium-Term Notes	No	5 years	30%	None
Mutual Funds	No	N/A	20%	10%
Time Certificates of Deposit	Yes	5 years	30%	None
Money Market Mutual Funds	No	N/A	20%	10%
Mortgage Pass-Through Securities	No	5 years	20%	None
County Pooled Investment Funds	Yes	N/A	None	None
Local Agency Investment Fund	Yes	N/A	None	None
JPA Pools (other investment pools)	Yes	N/A	None	None

* Based on state law requirements or investment policy requirements, whichever is more restrictive. For situations where the California Government Code investment requirements differ from those of the Federal Government, the requirements that are more restrictive will be followed.

III. Prohibited Investments

Under the provisions of Government Code Section 53631.5, the Agency shall not invest any funds covered by this Investment Policy in inverse floaters, range notes, interest-only STRIPS derived from mortgage pools or any investment that may result in a zero interest accrual if held to maturity. In addition, the provisions of Government Code Section 53601 et. seq. applies.

IV. Collateralization

All certificates of deposits must be collateralized by U.S. Treasury Obligations. Collateral must be held by a third party and valued on a monthly basis. The percentage of collateralization on repurchase agreements will conform to the amount required under Government Code 53601(I)(2).

V. Safekeeping and Custody

All securities purchased or acquired shall be delivered to the Agency by book entry, physical delivery or by third party custodial agreement, including electronic delivery (Government Code 53601). A timely and complete confirmation and/or safekeeping receipt is required for each securities transaction. When a confirmation is accepted for book entry securities, such

confirmation must indicate the location if different from the bank or dealer issuing the confirmation. Book entry securities must be held in insured accounts.

VI. Diversification

It is the policy of the Agency to diversify its investment portfolio. The Agency will diversify its investments by security type and, within each type, by institution. To support the stated investment objectives, the portfolio must be constructed so as to minimize risk and maintain marketability. However, a portfolio consisting exclusively of LAIF and/or U.S. Treasury securities is acceptable. Assets shall be diversified to eliminate the risk of loss resulting from over concentration of assets in a specific maturity, a specific issuer or a specific class of securities. Diversification strategies shall be determined and revised periodically. In establishing specific diversification strategies, the following guidelines shall apply:

- A. The anticipated cash flow needs of the Agency should be considered when selecting investments. Portfolio maturities shall be matched against projected liabilities to avoid an over-concentration in a specific series of maturities.
- B. Maturities selected shall provide for stability and liquidity.
- C. Disbursement and payroll dates shall be covered by the scheduled maturity of specific investments, marketable U.S. Treasury Bills or notes or other cash equivalent instruments, such as money market mutual funds.

VII. Investment and Reporting Practices

Investment Authority: the investment authority will be vested in the Executive Director/CEO who may delegate such authority to duly capable personnel such as the Chief Administrative Officer, Chief Financial Officer, or Director of Finance.

Acceptable Dealers of Securities: Negotiable securities should be purchased or sold through a national bank; a California State chartered bank, or a brokerage firm having a national presence.

Exceptions to this policy may be approved by the Boards of Commissioners provided that the investment remains in compliance with the requirements of the Federal and/or State regulations as stated above.

The Investment Policy shall be reviewed and adopted by the Boards of Commissioners annually.

VIII. Supplementary Materials for Staff Review

- California Government Code Section 53601
- HUD Notice PIH 02-13
- HUD Notice PIH 96-33

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
Fresno Housing Authority

FROM: Preston Prince
CEO



DATE: November 21, 2017

BOARD MEETING: November 28, 2017

AGENDA ITEM: 7a

AUTHOR: Angelina Nguyen

SUBJECT: Boys and Girls Club – Outcome Measurement Framework

Executive Summary

Diane Carbray, President/CEO for the Boys and Girls Club of Fresno County will present on the newly developed Outcome Measurement Framework for the 2017 agreements.

Recommendation

No action is necessary. This item is informational only.

Making A Difference For The Youth Of Fresno County



FRESNO VIBRANT
COMMUNITIES
QUALITY HOUSING
AUTHORITY ENGAGED
RESIDENTS



BOYS & GIRLS CLUBS
OF FRESNO COUNTY

Clubs Update, October, 2017

Outcome Measurement Framework

The Boys & Girls Clubs will demonstrate their impact by identifying and tracking indicators within three key impact Sections. The following framework presents outlines Boys & Girls Clubs approach that starts with a foundation of tracking individual member attendance and individual member program participation. It extends through the changes in knowledge and attitudes resulting from their participation and, ultimately, changes in longer-term behaviors.

Overall Strategy	Key Elements of Impact: <ul style="list-style-type: none">• Creating a safe, positive environment• Having fun• Developing supportive relationships with caring adults• Offering opportunities for and having high expectations of members• Recognizing members for who they are and their achievements
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SECTION 1: WAGE PROGRESSION	SECTION 2a: EDUCATIONAL GOALS	SECTION 2b: EDUCATIONAL GOALS (Parent Participation)	SECTION 3a: HEALTH & WELLNESS GOALS	SECTION 3b: HEALTH & WELLNESS GOALS (Special Events)
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SECTION 1: WAGE PROGRESSION

Partner Goals	High school graduation with career ready graduates Engaged and connect to youth <ul style="list-style-type: none"> • Youth prepared for life
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ACTIVITY 1: ACADEMIC SUCCESS – EMPLOYMENT READINESS / JOB PLACEMENT

Program Metrics	Key Indicators	Changes in Knowledge	Changes in Behavior or Attitudes	Outcome
Academic Success	<ul style="list-style-type: none"> • At-risk youth participate in job ready programs • # of At-risk youth complete the job ready program • On-time grade progression • Successful graduation from high school 	<ul style="list-style-type: none"> • Youth acquired knowledge to prepare them for the work force • Recognized help and resources are available through Boys & Girls Clubs 	<ul style="list-style-type: none"> • Youth developed self-determination and have a positive self-image • Gained confidence to seek a job on their own • Avoided contact with juvenile justice 	<ul style="list-style-type: none"> • Youth increase employability skills • Long term goal is youth have higher career aspirations
Key Strategies to drive results	Diplomas to Degrees – Money Matters – Career Launch – Computer Skills – Digital Arts – College Tours – Special Educational Events			



Wage Progression Goals Section 1

Career Skills Development

CLUBS	GOALS # of Youth	Spring	Summer	Fall	% of Goal
City	18 youth	9	5	5	105%
County	45 youth	19	14	12	100%
Southeast	10 youth	11	1	2	118%
Mendota	9 youth	11	1	1	144%
Orange Cove	9 youth	5	2	2	100%
Viking Village	2 youth	2	1	1	133%



SECTION 2a: EDUCATIONAL GOALS

Partner Goals

- Nurturing Parents and Caregivers
Communities and Families Ready for Children
- Helping Children 6-8 and Families Succeed



ACTIVITY 2a: ACADEMIC SUCCESS - EDUCATION

Program Metrics	Key Indicators	Changes in Knowledge	Changes in Behavior or Attitudes	Outcome
Academic Success	<ul style="list-style-type: none"> • At-risk youth participate in homework help and tutoring • # of youth tracked during school year and summer reading session • # of missed school days • GPA/course grade improvement • On-time grade progression 	<ul style="list-style-type: none"> • Youth developed study habits to increased their learning skills • Youth completed homework and Improve grades • Learned to find support from caring staff for youth's academic success • Improved reading skills 	<ul style="list-style-type: none"> • Youth had consistent school attendance • Improved attitude aspirations for the future • Avoided contact with juvenile justice 	<ul style="list-style-type: none"> • Youth improve their academic performance • Long term goal is youth have a better attitudes towards school
Key Strategies	Power Hour – Project Learn - Diplomas to Degrees - Be Great Graduate – Computer Skills – Digital Arts - Fine Arts – Summer Brain Gain – Summer Books for Bikes Reading – STEM			



Educational Goals Section 2a

CLUBS	GOALS Youth/hrs	Spring	Summer	Fall	% of Goal
City	18/1008	18/350	16/324	18/339	101%
County	54 /3024	58/1142	58/1130	61/1006	111%
Southeast	9/504	9/233	9/179	9/123	106%
Mendota	8/448	8/216	8/106	8/178	117%
Orange Cove	8/448	8/242	8/99	8/123	104%
Viking Village	5/30	5/25	5/56	5/68	115%



SECTION 2b: EDUCATIONAL GOALS

Partner Goals

Nurturing Parents and Caregivers

Communities and Families Ready for Children

- Helping Children 0-8 and Families Succeed



BOYS & GIRLS CLUBS
OF FRESNO COUNTY

ACTIVITY 2b: EDUCATION – PARENT ENGAGEMENT

Program Metrics	Key Indicators	Changes in Knowledge	Changes in Behavior or Attitudes	Outcome
Academic Success	<ul style="list-style-type: none"> • Parents use Boys & Girls Clubs to help their at-risk children succeed in school • # of parents who place their child in the Club for services • Parents participate in Special Events at the Club 	<ul style="list-style-type: none"> • Parents learn the Club is a resource for their child's academic success 	<ul style="list-style-type: none"> • Parents are more interested in their child's schooling 	<ul style="list-style-type: none"> • Parents volunteer hours and take an active role in their child's academic success • Long term goal is a positive school connection with families and help parents overcome cultural and Language barriers.
Key Strategies to drive results	Program Services for: Parent Access to Schools Through Club Computer Access – Child's Homework Assistance – Child's Summer Reading – Parent Engagement in Child's Time Afterschool – Program Graduation Ceremonies – Family Special Events – Family Trips			



BOYS & GIRLS CLUBS
OF FRESNO COUNTY

Parent Participation Goals Section 2b

CLUBS	GOALS parent Hours	Spring	Summer	Fall	% of Goal
City	180	23/622	27/514	20/268	780%
County	450	96/1618	69/474	70/390	551%
Southeast	90	11/127	10/67	15/110	338%
Mendota	75	17/35	20/35	10/31	135%
Orange Cove	75	13/123	11/61	11/59	324%
Viking Village	15	7/53	4/14	5/22	593%



SECTION 3a: HEALTH & WELLNESS GOALS

Partner Goals

- Health, Safe and Secure Youth



ACTIVITY 3a:HEALTHY15 LIFESTYLES – SUBSTANCE ABUSE / PREGNANCY PREVENTION

Program Metrics	Key Indicators	Changes in Knowledge	Changes in Behavior or Attitudes	Outcome
Healthy Lifestyles	<ul style="list-style-type: none"> • At-risk youth participate in substance abuse, pregnancy and gang prevention classes • # of at-risk youth who complete the course 	<ul style="list-style-type: none"> • Youth gained knowledge of Alcohol, Tobacco and other drugs • Learned to build resistance skills • Understood transmission of sexual diseases and infections • Understood the consequences of gang involvement • Learned how to access health care 	<ul style="list-style-type: none"> • Youth drug abuse, tobacco use, alcohol use and sexual activity • Youth made better choices to avoid violent behaviors and gang involvement 	<ul style="list-style-type: none"> • 108 Youth are trained to avoid risky behaviors and live a healthy lifestyle • Long term goal is youth are healthy at every stage of life
Key Strategies to drive results	SMART Moves Programs – Meth SMART Program – SMART Girls – Passport to Manhood – Phoenix Curriculum – Street SMART – Safer Choices			



Health & Wellness Goals Section 3a

Prevention Programs

CLUBS	Goals # of Youth	Spring	Summer	Fall	% of Goal
City	36	14	12	10	100%
County	108	39	35	36	102%
Southeast	18	8	2	9	105%
Mendota	18	11	4	5	111%
Orange Cove	18	7	4	7	100%
Viking Village	6	5	1	1	140%



SECTION 3b: HEALTH & WELLNESS GOALS

Partner Goals • Health, Safe and Secure Youth



ACTIVITY 3b: HEALTHY LIFESTYLES – RECREATION & HEALTHY HABITS

Program Metrics	Key Indicators	Changes in Knowledge	Changes in Behavior or Attitudes	Outcome
Healthy Lifestyles	<ul style="list-style-type: none"> • At-risk youth engage in fun activities • Participate in competitive and non-competitive activities • Active in physical activities • Participate in Healthy Habits classes • # of participants in nutrition, sports, recreational activities and special events 	<ul style="list-style-type: none"> • Youth gained knowledge of good nutrition • Displayed sportsmanship • Developed good use of leisure time • Learned about healthy foods 	<ul style="list-style-type: none"> • Youth showed positive behavior in diverse settings • Avoided risky situations 	<ul style="list-style-type: none"> • Site hours of health and wellbeing programs and activities for positive youth development • Long term goal is youth lead a successful healthy lifestyle at every stage of life
Key Strategies to drive results	Sports , Fitness & Recreation – Triple Play – Healthy Habits – Sports Leagues – Sports Leadership Clubs - Special Events - Trips			

Health & Wellness Section 3b

Special Events

CLUBS	GOALS Hours Of Service	Spring	Summer	Fall	% of Goal
City	1200	466	311	282	88%
County	3600	1,472	1,134	746	93%
Southeast	600	284	125	120	88%
Mendota	600	322	147	141	101%
Orange Cove	600	292	213	94	99%
Viking Village	72	136	61	40	329%



BOARD UPDATE

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

Fresno Housing Authority

FROM: Preston Prince 
CEO/Executive Director

DATE: November 21, 2017

BOARD MEETING: 11/28/17

AGENDA ITEM: 7b

AUTHOR: Emily De La Guerra

SUBJECT: Update on the Agency's 2018 Operations Budget

Executive Summary

As part of the Agency's 2018 budgeting process, staff will be presenting the Boards of Commissioners with information pertaining to the Federal budget, and the financial implications for the Housing Authority. Discussion will begin with information on the general budgetary context within which HUD operates. Staff will also be presenting a high-level 2018 budget for Agency Operations, including supporting information on federal funding levels and other factors that have influenced budgeting decisions and priorities.

Recommendation

This item is informational only. No action is necessary.



2018 Budget Update

*Fresno Housing Authority
Boards of Commissioners Meeting
November 28, 2017*



2018 Federal Budget Updates

- A continuing resolution (CR) is in place until 12/08/17
- Progress on full-year Appropriations for 2018
 - 09/14/17: House voted to pass a 2018 omnibus spending bill
 - 10/17/17: Senate began a debate on the 2018 proposed budget
 - Discussions have begun on possible two-year appropriations for 2018-2019 FY
 - Congress must pass another CR or a full-year appropriations bill by 12/8/17

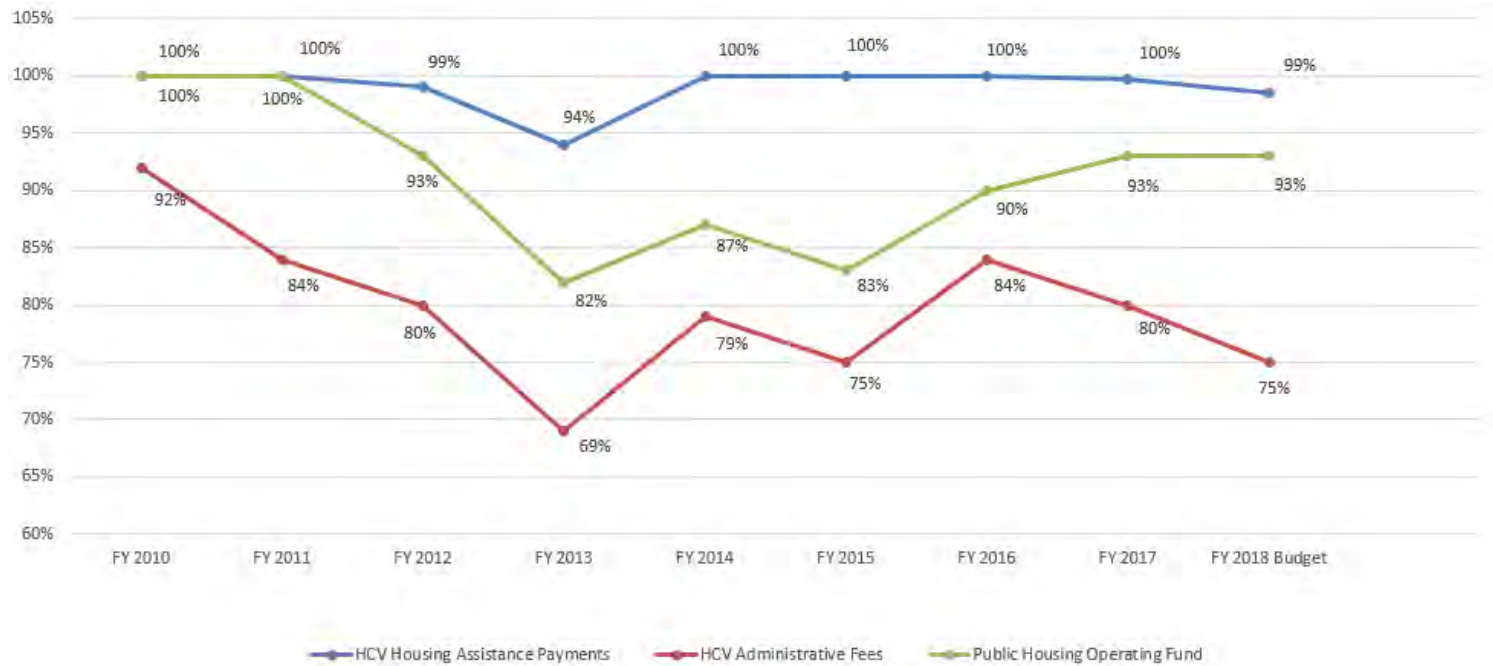
2017 & 2018 Operating Expectations

	2017 Budget	2017 Projected	2018 Draft Budget
Total Revenue	41.69	37.80	40.38
Total Expenses	37.88	33.51	35.82
Net Operating Income	3.81	4.30	4.56
Non-Operating Expenses	1.76	1.99	1.21
Total Net Income	2.05	2.30	3.36
Unrestricted Net Income	(0.32)	0.82	(0.36)

2018 Draft Operations Budget

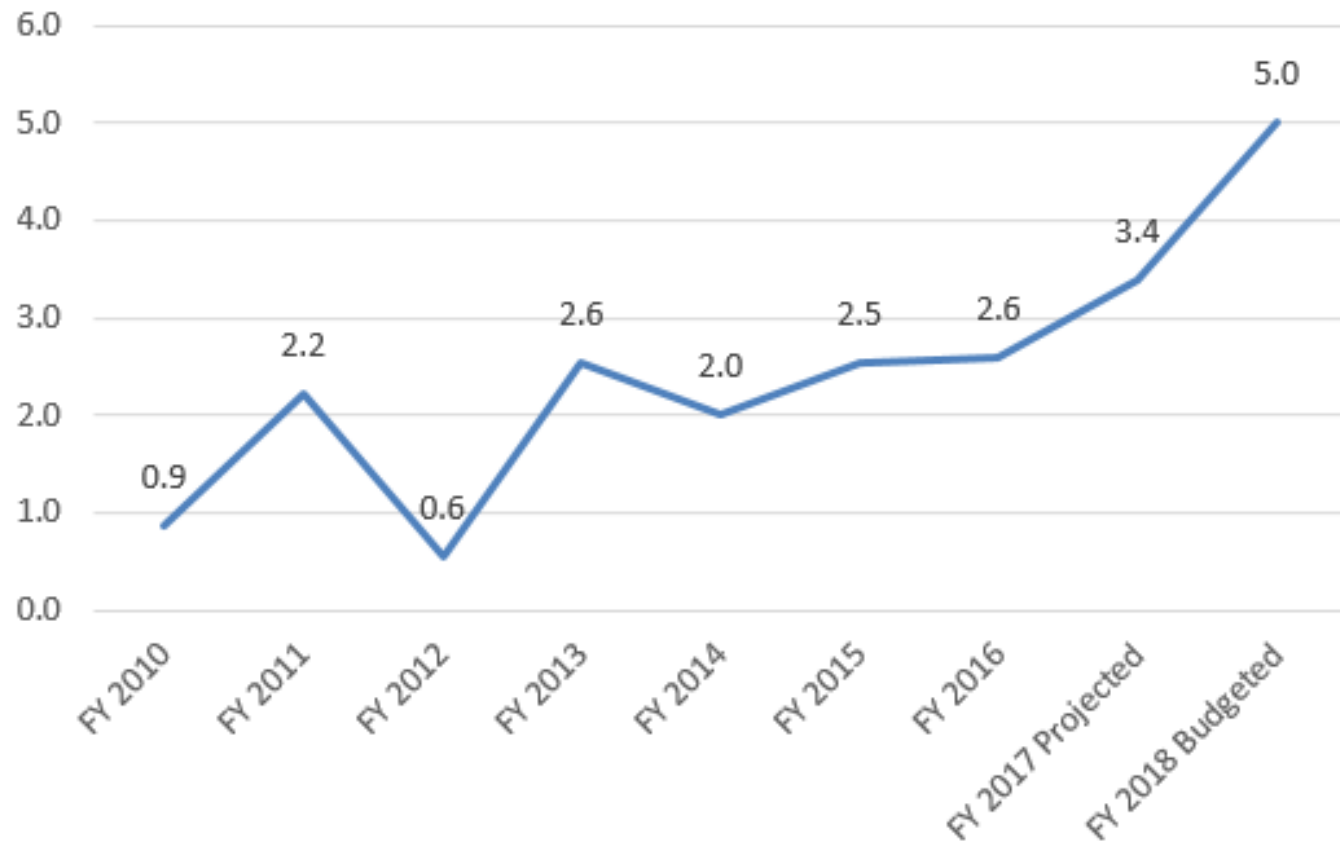
	Core	Instrumentalities	Planning & Development	Assisted Housing	Housing Management	Unrestricted Properties	Total 2018 Budget
NET TENANT INCOME	-	-	-	-	5,935,766	2,050,390	7,986,156
TOTAL INTEREST INCOME	7,000	866,667	-	-	17	-	873,684
TOTAL OTHER INCOME	768,000	177,299	20,000	743,700	78,300	43,000	1,830,299
TOTAL ADMIN & MANAGEMENT FEE INC	8,389,898	300,000	-	-	-	-	8,689,898
TOTAL DEVELOPER FEE INCOME	-	-	4,979,660	-	-	-	4,979,660
TOTAL HUD GRANT INCOME	-	-	-	10,225,704	4,916,293	-	15,141,997
TOTAL OTHER GRANT INCOME	-	-	-	456,374	425,077	-	881,451
TOTAL INCOME	9,164,898	1,343,966	4,999,660	11,425,778	11,355,453	2,093,390	40,383,144
TOTAL PAYROLL EXPENSES	7,146,004	-	1,284,817	6,823,044	2,883,481	309,185	18,446,531
TOTAL ADMINISTRATIVE EXPENSES	3,133,038	237,825	1,512,354	4,476,489	1,292,145	190,111	10,841,961
TOTAL TENANT SERVICES EXPENSES	50,000	-	-	1,284,239	275,451	5,250	1,614,940
TOTAL UTILITY EXPENSES	173,427	-	-	-	1,717,631	222,358	2,113,416
TOTAL MAINTENANCE EXPENSES	404,862	25,000	3,000	41,304	1,837,243	317,112	2,628,521
TOTAL TAXES & INSURANCE EXPENSES	23,720	8,900	1,000	3,100	110,594	28,530	175,844
TOTAL EXPENSES	10,931,051	271,725	2,801,171	12,628,176	8,116,545	1,072,546	35,821,214
NET OPERATING INCOME	(1,766,153)	1,072,241	2,198,489	(1,202,398)	3,238,908	1,020,844	4,561,930
TOTAL NON-OPERATING EXPENSES	-	500	-	-	596,408	609,634	1,206,542
NET INCOME	(1,766,153)	1,071,741	2,198,489	(1,202,398)	2,642,500	411,210	3,355,388
UNRESTRICTED NET INCOME	(1,766,153)	-	2,198,489	(1,202,398)	-	411,210	(358,852)

Historic Funding Levels

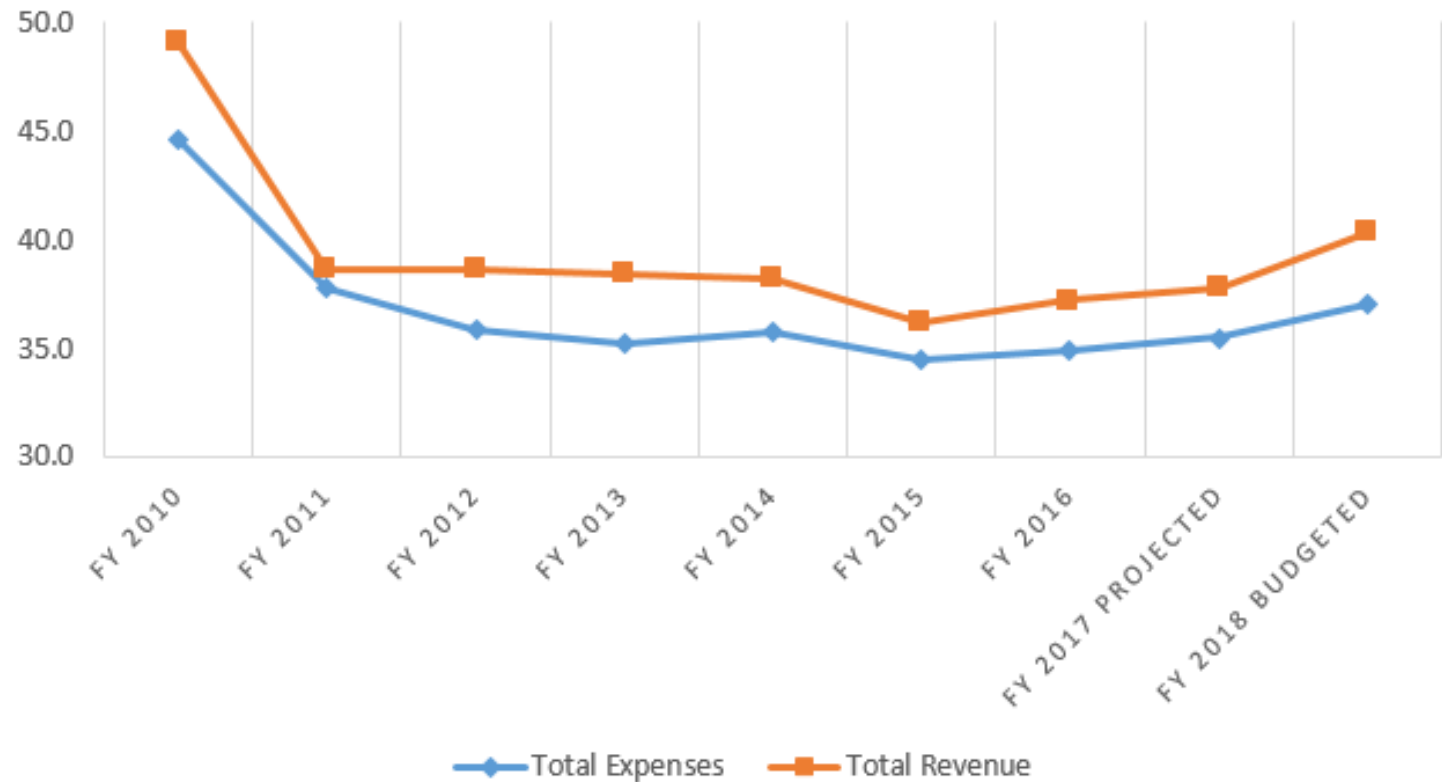


- 2018 Draft Budget
 - HAP: 98.5%
 - Public Housing Subsidy: 93%
 - HCV Admin Fees: 75%

2018 Budgeted Developer Fees



Historic Revenue & Expenses



Developing a Budget to Support Board Goals

<u>Priority</u>	<u>2018 Budget</u> <u>Amount</u>
Resident Services	
- Workforce Development	50,000
- Resident Safety	75,000
- Resident Scholarships	50,000
- Community Sponsorships	150,000
	<u>325,000</u>
Employee Attraction & Retention	
Become Employer of Choice	
- Tuition Reimbursement	75,000
- All-Staff Events	45,000
- Employee Appreciation Event	40,000
- Agency Training Resources	75,000
- Travel & Training for Staff	350,000
- Travel & Training for Board	50,000
	<u>635,000</u>
Leveraging Assets	
Asset Management	275,000
	<u>275,000</u>
Policy & Initiatives Impact Analysis	
Data Analysis	60,000
Policy Analysis	60,000
	<u>120,000</u>
Total Fiscal Impact	<u><u>1,355,000</u></u>

- Amounts listed are included in the 2018 Draft Budget
- Items are based on Board-established priorities for the Agency, and can be modified based on 2018 goal planning

Budget Timeline

- December 12th: Adoption of 2018 Budget

	2017 Approved Budget						
	Core	Instrumentalities	Planning & Development	Assisted Housing	Housing Management	Affordable Housing	Total 2017 Budget
NET TENANT INCOME	-	-	-	-	5,537,820	2,031,872	7,569,692
TOTAL INTEREST INCOME	-	850,800	-	(141)	77,017	-	927,676
TOTAL OTHER INCOME	940,298	430,400	25,752	919,954	133,866	27,555	2,477,825
TOTAL ADMIN & MANAGEMENT FEE INCOME	8,225,798	150,000	-	10,900	78	-	8,386,776
TOTAL DEVELOPER FEE INCOME	-	-	5,185,792	-	-	-	5,185,792
TOTAL HUD GRANT INCOME	-	-	-	9,066,938	4,969,291	-	14,036,229
TOTAL OTHER GRANT INCOME	-	-	-	2,251,613	827,645	30,420	3,109,678
TOTAL INCOME	9,166,096	1,431,200	5,211,544	12,249,264	11,545,717	2,089,847	41,693,668
TOTAL PAYROLL EXPENSES	5,941,548	-	1,194,986	6,668,740	2,847,970	273,951	16,927,195
TOTAL ADMINISTRATIVE EXPENSES	3,414,896	609,800	1,804,394	5,408,146	2,387,791	156,774	13,781,801
TOTAL TENANT SERVICES EXPENSES	53,000	-	-	1,697,019	16,880	4,835	1,771,734
TOTAL UTILITY EXPENSES	176,850	-	-	62,000	1,870,791	196,355	2,305,996
TOTAL MAINTENANCE EXPENSES	532,456	35,000	6,690	46,783	1,495,430	544,350	2,660,709
TOTAL TAXES & INSURANCE EXPENSES	29,890	18,300	2,583	3,493	353,356	27,554	435,176
TOTAL EXPENSES	10,148,640	663,100	3,008,653	13,886,181	8,972,218	1,203,819	37,882,611
NET OPERATING INCOME	(982,544)	768,100	2,202,891	(1,636,917)	2,573,499	886,028	3,811,057
TOTAL NON-OPERATING EXPENSES	195,000	-	-	222,737	969,849	373,484	1,761,070
NET INCOME	(1,177,544)	768,100	2,202,891	(1,859,654)	1,603,650	512,544	2,049,987
UNRESTRICTED NET INCOME	(1,177,544)	-	2,202,891	(1,859,654)	-	512,544	(321,763)

	2017 Projected Results						
	Core	Instrumentalities	Planning & Development	Assisted Housing	Housing Management	Affordable Housing	2017 Projected Results
NET TENANT INCOME	-	-	-	-	5,787,037	2,230,362	8,017,400
TOTAL INTEREST INCOME	5,889	701,885	-	48,042	56,611	5	812,432
TOTAL OTHER INCOME	418,643	1,017,963	104,794	1,073,153	253,697	51,123	2,919,374
TOTAL ADMIN & MANAGEMENT FEE INCOME	7,068,304	73,563	-	36,962	1,039	-	7,179,868
TOTAL DEVELOPER FEE INCOME	-	-	3,387,218	-	-	-	3,387,218
TOTAL HUD GRANT INCOME	-	-	-	9,372,050	4,770,431	-	14,142,481
TOTAL OTHER GRANT INCOME	-	-	-	829,112	498,216	18,420	1,345,749
TOTAL INCOME	7,492,836	1,793,411	3,492,012	11,359,319	11,367,032	2,299,911	37,804,520
TOTAL PAYROLL EXPENSES	5,536,859	-	1,268,719	5,757,154	2,644,004	327,794	15,534,530
TOTAL ADMINISTRATIVE EXPENSES	2,500,312	942,201	411,164	5,101,194	2,360,454	226,383	11,541,709
TOTAL TENANT SERVICES EXPENSES	13	-	-	504,718	97,973	327	603,031
TOTAL UTILITY EXPENSES	152,830	-	-	175,616	1,760,569	239,974	2,328,988
TOTAL MAINTENANCE EXPENSES	409,116	13,221	5,459	57,384	1,903,161	538,263	2,926,604
TOTAL TAXES & INSURANCE EXPENSES	22,837	7,233	14,196	6,712	474,818	48,527	574,322
TOTAL EXPENSES	8,621,967	962,655	1,699,538	11,602,779	9,240,977	1,381,268	33,509,184
NET OPERATING INCOME	(1,129,131)	830,756	1,792,473	(243,461)	2,126,055	918,643	4,295,336
TOTAL NON-OPERATING EXPENSES	140,000	333	3,182	143,030	1,472,340	233,790	1,992,675
NET INCOME	(1,269,131)	830,423	1,789,292	(386,490)	653,715	684,853	2,302,661
UNRESTRICTED NET INCOME	(1,269,131)	-	1,789,292	(386,490)	-	684,853	818,523

	2018 Operating Budget - Draft						
	Core	Instrumentalities	Planning & Development	Assisted Housing	Housing Management	Unrestricted Properties	Total Budget
NET TENANT INCOME	-	-	-	-	5,935,766	2,050,390	7,986,156
TOTAL INTEREST INCOME	7,000	866,667	-	-	17	-	873,684
TOTAL OTHER INCOME	768,000	177,299	20,000	743,700	78,300	43,000	1,830,299
TOTAL ADMIN & MANAGEMENT FEE INCOME	8,389,898	300,000	-	-	-	-	8,689,898
TOTAL DEVELOPER FEE INCOME	-	-	4,979,660	-	-	-	4,979,660
TOTAL HUD GRANT INCOME	-	-	-	10,225,704	4,916,293	-	15,141,997
TOTAL OTHER GRANT INCOME	-	-	-	456,374	425,077	-	881,451
TOTAL INCOME	9,164,898	1,343,966	4,999,660	11,425,778	11,355,453	2,093,390	40,383,144
TOTAL PAYROLL EXPENSES	7,146,004	-	1,284,817	6,823,044	2,883,481	309,185	18,446,531
TOTAL ADMINISTRATIVE EXPENSES	3,133,038	237,825	1,512,354	4,476,489	1,292,145	190,111	10,841,961
TOTAL TENANT SERVICES EXPENSES	50,000	-	-	1,284,239	275,451	5,250	1,614,940
TOTAL UTILITY EXPENSES	173,427	-	-	-	1,717,631	222,358	2,113,416
TOTAL MAINTENANCE EXPENSES	404,862	25,000	3,000	41,304	1,837,243	317,112	2,628,521
TOTAL TAXES & INSURANCE EXPENSES	23,720	8,900	1,000	3,100	110,594	28,530	175,844
TOTAL EXPENSES	10,931,051	271,725	2,801,171	12,628,176	8,116,545	1,072,546	35,821,214
NET OPERATING INCOME	(1,766,153)	1,072,241	2,198,489	(1,202,398)	3,238,908	1,020,844	4,561,930
TOTAL NON-OPERATING EXPENSES	-	500	-	-	596,408	609,634	1,206,542
NET INCOME	(1,766,153)	1,071,741	2,198,489	(1,202,398)	2,642,500	411,210	3,355,388
UNRESTRICTED NET INCOME	(1,766,153)	-	2,198,489	(1,202,398)	-	411,210	(358,852)

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

Fresno Housing Authority

FROM: Preston Prince 
CEO/Executive Director

DATE: November 21, 2017

BOARD MEETING: November 28, 2017

AGENDA ITEM: 7c

AUTHOR: Christina Husbands

SUBJECT: Real Estate Development Update

Executive Summary

Staff will present an overview of current real estate activities.

Recommendation


None at this time. Informational only.

BOARD MEMO

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TO: Board of Commissioners
Fresno Housing Authority
FROM: Preston Prince 
CEO/Executive Director

DATE: November 21, 2017

BOARD MEETING: November 28, 2017

AGENDA ITEM: 8a

AUTHOR: Quincy Boren

Sr. Community Development Analyst

SUBJECT: Magill Terrace – Closing Omnibus Development & Financing Resolution

Executive Summary

On or about December 18th, 2017, Magill Terrace, LP, a California limited partnership (the “Partnership”) will close on the financing of a 60-unit low-income multifamily residential project (the “Project”), to be located at 401 Nelson Ave, Fowler, CA 93625. The Project represents the re-development of Magill Terrace, 20 existing public housing units in Fowler, CA.

The Housing Authority of Fresno County, California (the “Authority”), is the sole member of Magill Terrace 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 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 sale of a portion of Sunset Terrace II (14 units) to Silvercrest, Inc.
3. Authorize a loan from the Housing Relinquished Fund Corporation (HRFC) to Silvercrest, Inc. for the Sunset Terrace II acquisition, in the amount of \$900,000.
4. Authorize a Housing Authority of Fresno County, CA sales proceeds loan of \$900,000 from the Sunset Terrace II sale to the Project.
5. Authorize a Housing Authority of Fresno County, CA Seller Financing loan in the amount of \$1,240,000.
6. Authorize a Housing Authority of Fresno County, CA Capital Funds loan in the amount of \$1,100,000.

7. Authorize a request for a Housing Relinquished Fund Corporation (HRFC) loan to the project in the amount of \$200,000.
8. Authorize a request for a Housing Relinquished Fund Corporation (HRFC) Tranche B construction/permanent loan in the amount of \$165,000.
9. Authorize actions for the financing, development and operation of the Project, and
10. 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 December 18th, 2017:

A resolution authorizing the execution and delivery of documents, the admission of certain partners to Magill Terrace, 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 Magill Terrace AGP, LLC, the Administrative General Partner of the partnership, in connection with the financing, development and operation of the Magill Terrace 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. Total construction financing will be \$26,513,361 from the sources listed in Table 1.

Table 1: Construction Sources of Finance

Source	Amount	Description
Construction Loan	\$17,412,827	The Partnership has received a commitment for a construction loan from Wells Fargo Bank. The term is projected to be 20 months.
HRFC Tranche B Loan	\$ 165,000	This loan has a 24 month term at 4% interest rate
HRFC Loan	\$ 200,000	This loan has a 24 month term at 4% interest rate
Costs Deferred until perm financing	\$ 1,773,608	These costs are not due until construction is complete, and loan converts to a permanent loan structure
Equity Contribution	\$ 2,131,826	Equity contribution at financial closing and construction start
Fresno HA Seller Loan	\$ 1,240,000	This loan has a 24 month term at 4% interest rate
Sales Proceeds Loan	\$ 900,000	This loan has a 24 month term at 4% interest rate
Fresno HA- Capital	\$ 1,100,000	This loan has a 24 month term at 4% interest rate

Source	Amount	Description
Funds Loan		
HOME Loan	\$ 1,000,000	This loan has a 24 month term and 0% interest rate
AHP Loan	\$ 590,000	This loan has a 24 month term and 0% interest rate
GP Contribution	\$ 100	Equity contribution from the Housing AuthorityAffiliate(s) at closing

Total permanent financing will be \$26,513,361, from the sources listed in Table 2.

Table 2: Permanent Sources of Finance

Source	Amount	Description
Investor Equity	\$21,318,261	Wells Fargo Bank has comitted to providing equity to the project.
HRFC Loan	\$ 200,000	This loan has a 55-year term at 4% interest rate
Fresno HA- Capital Funds Loan	\$ 1,100,000	This loan has a 55 year term at 4% interest rate
Fresno HA Sales Proceeds Loan	\$ 900,000	This loan has a 55 year term at 4% interest rate
Fresno HA Seller Financing Loan	\$ 1,240,000	This loan has a 55 year term at 4% interest rate
HOME Loan	\$ 1,000,000	This loan has a 30 year term at 0% interest rate
AHP Loan	\$ 590,000	This loan has a 55 year term at 0% interest rate
HRFC Tranche B Loan	\$ 165,000	This loan has a 15 year term at 6% interest rate
Equity contribution	\$ 100	Equity contribution

Background Information

The Magill Terrace project currently has occupied housing units on approximately 50% of the project area. The existing units are on Fresno Housing Authority owned land. At the May 2015 Board Meeting, Staff were authorized to enter into a Purchase and Sale agreement for an additional 2 acres of adjacent land. The land is vacant except for a warehouse storage building that will be demolished. The purchase and change in ownership to the Agency took place in November 2016. The site is located in a quiet residential neighborhood directly across the street from John Sutter Middle School. The site plan re-envision the site with two-story structures around a central community space, playground equipment and large open green space. The 40 additional units and new community building will increase density and provide for onsite services.

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 BOARD OF COMMISSIONERS OF THE
HOUSING AUTHORITY OF THE CITY OF FRESNO, CALIFORNIA

A RESOLUTION AUTHORIZING THE EXECUTION AND DELIVERY OF DOCUMENTS, THE ADMISSION OF CERTAIN PARTNERS TO MAGILL TERRACE, 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 MAGILL TERRACE AGP, LLC, THE ADMINISTRATIVE GENERAL PARTNER OF THE PARTNERSHIP, IN CONNECTION WITH THE FINANCING, DEVELOPMENT AND OPERATION OF THE MAGILL TERRACE 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 Fowler, 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 demolition and construction of approximately 4.69 acres located at 401 Nelson Street, Fowler, California, APN Numbers 368-253-02, 343-030-02, 343-030-08-T and 343-253-03-T (the “**Property**”), for the purposes of the development and construction of a 60-unit low income multifamily residential project to be generally known as “Magill Terrace”, comprised of fifty-nine (59) low-income housing tax credit units and one (1) manager’s unit (collectively, the “**Project**”); and

WHEREAS, the U.S. Department of Housing and Urban Development (“**HUD**”) has authorized the Authority’s participation in its Rental Assistance Demonstration Program (“**RAD**”) program and the conversion of certain developments from public housing to Section 8 project-based rental assistance. In accordance with the RAD program requirements, the Project will be subject to certain long-term affordability restrictions imposed by HUD which shall be superior to all other financing documents; and

WHEREAS, the Authority will sell property located at 806 E. Lingo, 1039-1041 “B” Street, and 804-814 Duff Avenue each situated in the City of Reedley, County of Fresno, California (“**Sunset Terrace II**”) at fair market value as established by an independent third-party appraisal to Silvercrest, Inc. The Authority will continue to manage and operate Sunset Terrace II on behalf of Silvercrest, Inc.; and

WHEREAS, the Authority has entered into an Operating Agreement dated as of July 5, 2017, pursuant to which the Authority is the manager and sole member of Magill Terrace 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 July 5, 2017; and

WHEREAS, the Administrative General Partner, together with Silvercrest, Inc., entered into an Agreement of Limited Partnership dated as of July 5, 2017, 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 Magill Terrace, LP, a California limited partnership (the “**Partnership**”), and also filed a Certificate of Limited Partnership with the California Secretary of State on July 5, 2017; and

WHEREAS, the Administrative General Partner, Silvercrest, Inc., as managing general partner (the “**Managing General Partner**”) and withdrawing limited partner, and Wells Fargo Affordable Housing Community Development Corporation, a North Carolina corporation (the “**Investor Limited Partner**”) will enter into an Amended and Restated Agreement of Limited Partnership of Magill Terrace, LP; and

WHEREAS, the Authority intends to sell the Property to the Partnership, and the Partnership intends to acquire the Property and develop the Project; and

WHEREAS, the Partnership has requested the Authority take a seller financing note from the Partnership in the approximate amount of \$1,240,000 (the “**HAFC Loan**”), representing a portion of the purchase price of the Property; and

WHEREAS, the Partnership has requested the Authority make a loan in the approximate amount of \$2,000,000 funded from \$900,000 in proceeds the Authority anticipates realizing from the sale of Sunset Terrace II and from \$1,100,000 of capital funds (the “**HAFC Omnibus Loan**, together with the HAFC Loan, the “**HAFC Loans**”) to finance the Project; 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 \$21,318,261 from the Investor Limited Partner eligible to benefit from State of California low-income housing tax credits and federal low-income housing tax credits allocated to the Project under Section 42 of the Internal Revenue Code; a construction loan from Wells Fargo Bank, National Association, a national banking association (“**Wells Fargo**”) in an amount not to exceed \$20,000,000 (the “**Wells Fargo Loan**”); construction and permanent financings from the Housing Relinquished Fund Corporation (“**HRFC**”) in the approximate amount of \$165,000 (the “**HRFC Loan**”); construction and permanent financing in the form of a second loan from HRFC in the approximate amount of \$200,000 (the “**HRFC Second Loan**”); construction and permanent HOME loan proceeds from the County of Fresno, California (“**County**”) in an estimated amount of \$1,000,000 (the “**HOME Loan**”); and construction and permanent loan proceeds in an estimated amount of \$590,000 (the “**AHP Loan**”) from Wells Fargo Financial National Bank (the “**AHP Lender**”) (collectively with the HAFC Loans, the “**Project Financing**”); and

WHEREAS, as a condition to making the Wells Fargo Loan to the Partnership, Wells Fargo has required that the Authority execute (i) that certain Repayment Guaranty, (ii) that certain Completion Guaranty, and (iii) that certain Hazardous Material Indemnity Agreement (collectively, the “**Wells**

Fargo Guaranty Documents”).

WHEREAS, the Authority intends to act as a lender of the HAFC Loans, 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. **Development Services.** The CEO/Executive Director, Preston Prince, the Deputy Executive 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 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. **Disposition of the Sunset Terrace II.** The Authority has been presented with drafts of the documents listed in Exhibit A under the heading “Sunset Terrace II Documents” (the “**Sunset Terrace II Documents**”) in connection with the sale of Sunset Terrace II to Silvercrest, Inc. and the continued management and operation of Sunset Terrace II by the Authority on behalf of Silvercrest, Inc., which documents are on file with the Authority’s Secretary. The Authorized Officers, and each of them acting alone, are authorized and directed to cause the Authority, in its capacity as owner of the Sunset Terrace II, to sell and transfer ownership of Sunset Terrace II to Silvercrest, Inc. at the fair market value of \$900,000 and use the proceeds from the disposition of Sunset Terrace II to fund a construction and permanent financing loan to the Partnership for construction and development of the Project. The Authorized Officers, and each of them acting alone, are authorized and directed to execute and deliver, on behalf of the Authority, the Sunset Terrace II 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 Sunset Terrace II Documents, including material

changes, and such Authorized Officer's signature on the final Sunset Terrace II 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, any other documents reasonably required to be executed by the Authority to carry out the transactions contemplated by the Sunset Terrace II 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 HUD Documents.** The Authority has been presented with drafts of the documents listed in Exhibit A under the heading "HUD Documents" (the "**HUD 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 on behalf of the Authority acting on its own behalf or as manager of the Administrative General Partner to execute and deliver the HUD Documents and all documents deemed necessary to appropriate to obtain HUD approval related to the Project, including without limitation, a use agreement in order to maintain and operate the Project in accordance with the RAD program for which the Partnership will be provided a subsidy funded with money received from HUD pursuant to a Project-Based Section 8 Housing Assistance Payments Contract; *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 HUD Documents, including material changes, and such Authorized Officer's signature on the final HUD 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 HUD Documents.

6. **Approval of the Making of the HAFC Loan.** The Authority has been presented with drafts of the documents listed in Exhibit A under the heading "HAFC Loan Documents" (the "**HAFC Loan Documents**") to be executed by the Partnership and the Authority to effectuate the HAFC Loan, which Loan Documents are on file with the Authority's Secretary, and pursuant to which the Partnership will borrow the HAFC Loan from the Authority. The making of the HAFC Loan in the approximate amount of \$1,240,000 in lieu of receiving proceeds from the sale of the Property is

hereby authorized and the Authorized Officers, and each of them acting alone, are authorized and directed to execute and deliver, on behalf of the Authority, the HAFC Loan 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 HAFC Loan Documents, including material changes, and the final amount to be loaned, and such Authorized Officer's signature on the final HAFC 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, any other documents reasonably required to be executed by the Authority, to carry out the transactions contemplated by the HAFC Loan Documents. Each Authorized Officer, and each of them acting alone, is authorized to decrease the principal amount of the HAFC Loan by any amount, or to increase the principal amount of the HAFC Loan by an amount up to 10% more than the principal amount stated in this resolution. The source of funds for any such increase shall be any funds available to the Authority.

7. **Approval of the Making of the HAFC Omnibus Loan.** The Authority has been presented with drafts of the documents listed in Exhibit A under the heading "HAFC Omnibus Loan Documents" (the "**HAFC Omnibus Loan Documents**") to be executed by the Partnership and the Authority to effectuate the HAFC Omnibus Loan, which Loan Documents are on file with the Authority's Secretary, and pursuant to which the Partnership will borrow the HAFC Omnibus Loan from the Authority. The making of the HAFC Omnibus Loan in the approximate amount of \$2,000,000 from available disposition proceeds and capital funds is hereby authorized and the Authorized Officers, and each of them acting alone, are authorized and directed to execute and deliver, on behalf of the Authority, the HAFC Omnibus Loan 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 HAFC Omnibus Loan Documents, including material changes, and the final amount to be loaned, and such Authorized Officer's signature on the final HAFC Omnibus 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, any other documents reasonably required to be executed by the Authority, to carry out the transactions contemplated by the HAFC Omnibus Loan Documents. Each Authorized Officer, and each of them acting alone, is authorized to decrease the principal amount of the HAFC Omnibus Loan by any amount, or to increase the principal amount of the HAFC Omnibus Loan by an amount up to 10% more than the principal amount stated in this resolution. The source of funds for any such increase shall be any funds available to the Authority.

8. **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.

9. **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 Wells Fargo, the Authority, HRFC, the County and the AHP Lender in an aggregate approximate amount of up to \$27,000,000. 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.

10. **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 (described below) and the Wells Fargo Guaranty Documents.

11. **Approval of Wells Fargo Loan Documents.** The Authority has been presented with drafts of the documents listed in Exhibit A under the heading “Wells Fargo Loan Documents” (the “**Wells Fargo 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 the approximate amount not to exceed \$20,000,000. 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 Wells Fargo 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 Wells Fargo 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 Wells Fargo Loan Documents, including material changes, and the final amount to be borrowed, and such Authorized Officer’s signature on the final Wells Fargo 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 Wells Fargo Loan Documents.

12. **Approval of Wells Fargo Resolutions.** The Authority has been presented with draft resolutions attached hereto in Exhibit B (the “**Wells Fargo Resolutions**”), which resolutions are required by Wells Fargo in connection with the Wells Fargo Loan and Wells Fargo Guaranty Documents. The Authority hereby duly passes and adopts the Wells Fargo Resolutions in substantially the form as attached hereto in Exhibit B and authorizes Preston Prince to certify the Wells Fargo Resolutions as duly passed and adopted; *provided however*, any Authorized Officer may approve on the Authority’s behalf, any further changes to the draft Wells Fargo Resolutions,

including the final amount to be borrowed subject to the limitations stated herein, and Preston Prince's certification of the final Wells Fargo Resolutions shall be construed as the Corporation's approval of such completion.

13. **Approval of HRFC Loan Documents.** The Authority has been presented with drafts of the documents listed in Exhibit A under the heading "HRFC Loan Documents" (the "**HRFC 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 an approximate aggregate total amount of \$365,000 from HRFC as follows: (i) the HRFC Loan for construction and permanent financing in the approximate amount of \$165,000, and (ii) the HRFC Second Loan for construction and permanent financing in the approximate amount of \$200,000. 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 HRFC 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 HRFC 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 HRFC Loan Documents, including material changes, and the final amount to be borrowed and such Authorized Officer's signature on the final HRFC 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 HRFC Loan Documents.

14. **Approval of HAFC Loan Documents.** The Authority has been presented with drafts of the documents listed in Exhibit A under the heading "HAFC Loan Documents" (the "**HAFC 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 an approximate aggregate total amount of \$3,240,000 from the Authority as follows: (i) the HAFC Loan for construction and permanent financing in the approximate amount of \$1,240,000, and (ii) the HAFC Omnibus Loan for construction and permanent financing in the approximate amount of \$2,000,000. 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 HAFC 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 HAFC 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 HAFC Loan Documents, including material changes, and the final amount to be borrowed, and such Authorized Officer's signature on the final HAFC

Loan Documents shall be construed as the Authority's approval of such changes and final loan amounts. 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 HAFC Loan Documents.

15. **Approval of County HOME Loan Documents.** The Authority has been presented with drafts of the documents listed in Exhibit A under the heading "County HOME Loan Documents" (the "**County HOME 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 borrower a construction and permanent loan of HOME Investment Partnership funds in the approximate amount of \$1,000,000 from the County of Fresno, California. 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 County HOME 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 County HOME 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 County HOME Loan Documents, including material changes, and the final amount to be borrowed, and such Authorized Officer's signature on the final County HOME 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 County HOME Loan Documents.

16. **Approval of AHP Loan Documents.** The Authority has been presented with drafts of the documents listed in Exhibit A under the heading "AHP Loan Documents" (the "**AHP 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 and permanent loan from AHP Lender in the approximate amount of \$590,000 from AHP Lender. 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 AHP 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 AHP 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 AHP Loan Documents, including material changes, and the final amount to be borrowed, and such Authorized Officer's signature on the final AHP 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 AHP Loan Documents.

17. **Approval of the Supportive Services Agreement.** The Authority has been presented with a draft of the Amended and Restated Supportive Services Contract between the Authority and the Partnership (the "**Supportive Services Contract**") in connection with the Authority providing supportive services to residents of the Project, which Supportive Service Contract is on file with the Authority's Secretary. 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 Supportive Services Contract; *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 Supportive Services Contract, including material changes, and such Authorized Officer's signature on the final Supportive Services Contract 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 Supportive Services Contract.

18. **Approval of the Project Transfer and 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 and development of certain land owned by the Authority which will be conveyed to the Partnership on which the Project is to be built, which documents are on file with the Authority's Secretary, and pursuant to which the Partnership will acquire the Property for a purchase price not to exceed \$1,571,000 at closing (less any previous deposits into escrow), payable in the form of the HAFC Loan and a cash payment of the approximate amount of \$330,000. 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 Property; *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.

19. **Approval of the Project Transfer and 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 and development of certain land owned by the Authority which will be conveyed to the Partnership on which the Project is to be built, which documents are on file with the Authority’s Secretary, and pursuant to which the Partnership will acquire the Property for a purchase price not to exceed \$1,571,000 at closing (less any previous deposits into escrow), payable in the form of the HAFC Loan and a cash payment in the approximate amount of \$330,000. 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 Property; *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.

20. **Approval of the Management Agent and Management Documents.** The Authority, as the management agent, and GSF Properties, Inc., as the sub-management agent, are approved to manage the Project (collectively, the “**Management Agent**”). 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, a management agreement, subcontract management agreement, management plan and ancillary documents with the Management Agent.

21. **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, Wells Fargo Loan Documents, HRFC Loan Documents, HAFC Loan Documents, County HOME Loan Documents and AHP Loan Documents.

22. **Execution of Documents.** 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) 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; (iii) to further the acquisition, rehabilitation,

development, financing, construction, and leasing of the Project; and/or (iv) to further the sale and management of Sunset Terrace II. 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.

23. **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.

24. **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.

25. **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.

26. **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.

27. **Effective Date.** This resolution shall be in full force and effect from and after its adoption and approval.

PASSED AND ADOPTED THIS _____ DAY OF NOVEMBER, 2017. 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

I, the undersigned, the duly appointed CEO/Executive Director of the Housing Authority of the City of Fresno, California (the “**Authority**”), as keeper of the records of the Authority, CERTIFY:

1. That the attached Resolution _____ (the “**Resolution**”) is a true and correct copy of the resolution of the Board of Commissioners of the Authority, as adopted at a meeting of the Authority held on the ____ day of November, 2017, and duly recorded in the minute books of the Authority.

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

IN WITNESS WHEREOF, I have hereunto set my hand this ____ day of November, 2017.

**HOUSING AUTHORITY OF THE CITY OF
FRESNO, CALIFORNIA**

Preston Prince, CEO/Executive Director

EXHIBIT A PROJECT DOCUMENTS

Sunset Terrace II Documents

- (a) Purchase and Sale Agreement between the Authority and Silvercrest, Inc.;
- (b) Grant Deed by the Authority in favor of Silvercrest, Inc.; and
- (c) Property Management Agreement between the Authority and Silvercrest, Inc.

Partnership Documents

- (d) Amended and Restated Agreement of Limited Partnership of Magill Terrace, LP and all exhibits attached thereto which require execution;
- (e) Guaranty by the Authority in favor of Investor Limited Partner and the Partnership;
- (f) LP Asset Management Fee Agreement between Investor Limited Partner and the Partnership;
- (g) GP Asset Management Fee Agreement between the Managing General Partner, the Administrative General Partner and the Partnership;
- (h) Development Agreement between the Authority and the Partnership;
- (i) Security Agreement by the Investor Limited Partner in favor of the Partnership;
- (j) Reimbursement and Assignment Agreement by and among the Partnership, the Managing General Partner, the Administrative General Partner, the Authority, and the general contractor;
- (k) Right of First Refusal, Purchase Option, and Put Right Agreement by and among the Partnership, the Corporation and the Investor Limited Partner;
- (l) Rider to Construction Contract by and among the Partnership, Johnston Contracting, Inc., the Managing General Partner and the Administrative General Partner; and
- (m) Tax Certificate executed by the Administrative General Partner and the Managing General Partner.

HUD Documents

- (n) RAD Conversion Commitment by the Authority and the Partnership;
- (o) RAD Use Agreement by the Partnership;
- (p) Housing Assistance Payments Contract – RAD for the Conversion of Public Housing to Project-Based Section 8 by the Partnership; and

- (q) HUD-required certifications and forms by the Authority and the Partnership.

Wells Fargo Loan Documents

- (r) Promissory Note executed by the Partnership in favor of Wells Fargo;
- (s) Construction Deed of Trust with Absolute Assignment of Leases and Rents, Security Agreement and Fixture Filing, executed by the Partnership as trustor, to American Securities Company for the benefit of Wells Fargo;
- (t) Construction Loan Agreement executed by the Partnership and Wells Fargo;
- (u) Completion Guaranty (Secured Loan) executed by the Authority, in its capacity as guarantor, in favor of Wells Fargo;
- (v) Repayment Guaranty (Secured Loan) executed by the Authority, in its capacity as guarantor, in favor of Wells Fargo;
- (w) Security Agreement executed by the Partnership, the Administrative General Partner, the Managing General Partner in favor of Wells Fargo;
- (x) Security Agreement Rights to Payment executed by the Partnership and Wells Fargo;
- (y) Copartnership, Joint Venture or Association Borrowing Certificate executed by the Managing Partner and Administrative General Partner;
- (z) Hazardous Materials Indemnity Agreement (Unsecured-Guarantor) executed by the Authority, in its capacity as guarantor, and Wells Fargo;
- (aa) Hazardous Materials Indemnity Agreement (Unsecured-Borrower) executed by the Partnership and Wells Fargo;
- (bb) Assignment of Housing Assistance Payments Contract and Housing Assistance Payments executed by the Partnership and Wells Fargo;
- (cc) Assignment of Architectural Agreements and Plans and Specifications executed by the Partnership in favor of Wells Fargo;
- (dd) Assignment of Construction Contracts executed by the Partnership in favor of Wells Fargo;
- (ee) Assignment of Management Agreement executed by the Partnership and the Authority;
- (ff) Agreement to Subordinate to Rental Assistance Demonstration Use Agreement executed by Wells Fargo and the Partnership;
- (gg) Subordination Agreement (HRFC Loans) executed by HRFC, the Partnership and Wells Fargo;

- (hh) Subordination Agreement (HAFC Loans) executed by the Authority, the Partnership and Wells Fargo; and
- (ii) Subordination Agreement (HOME Loan) executed by the Partnership, the County and Wells Fargo.

HRFC Loan Documents

- (jj) HRFC Mortgage Note (HRFC Loan) by the Partnership in favor of HRFC;
- (kk) HRFC Deed of Trust, Security Agreement and Financing Statement (HRFC Loan) by the Partnership in favor of HRFC;
- (ll) HRFC Loan-Assignment of Leases and Rents (HRFC Loan) by the Partnership in favor of HRFC;
- (mm) HRFC Loan Agreement (HRFC Loan) the Partnership and HRFC;
- (nn) Agreement to Subordinate to Rental Assistance Demonstration Use Agreement (HRFC Loan) between HRFC and the Partnership;
- (oo) HRFC Mortgage Note (HRFC Second Loan) by the Partnership in favor of HRFC;
- (pp) HRFC Deed of Trust, Security Agreement and Financing Statement (HRFC Second Loan) by the Partnership in favor of HRFC;
- (qq) HRFC Loan Assignment of Leases and Rents (HRFC Second Loan) by the Partnership in favor of HRFC;
- (rr) HRFC Loan Agreement (HRFC Second Loan) the Partnership and HRFC; and
- (ss) Agreement to Subordinate to Rental Assistance Demonstration Use Agreement (HRFC Second Loan) executed by HRFC and the Partnership;
- (tt) Subordination Agreement (HAFC Loans) executed by the Partnership, the Authority and HRFC; and
- (uu) Subordination Agreement (HOME Loan) executed by the Partnership, the County and HRFC.

HAFC Loan Documents

- (vv) HAFC Construction Deed of Trust, Security Agreement and Financing Statement (HAFC Loan) by the Partnership in favor of the Authority;
- (ww) HAFC Loan Agreement (HAFC Loan) between the Partnership and the Authority;
- (xx) HAFC Assignment of Leases and Rents (HAFC Loan) by the Partnership in favor of the Authority;

- (yy) HAFC Mortgage Note (HAFC Loan) by the Partnership in favor of the Authority;
- (zz) Agreement to Subordinate to Rental Assistance Demonstration Use Agreement (HAFC Loan) between HAFC and the Partnership;
- (aaa) HAFC Construction Deed of Trust, Security Agreement and Financing Statement (HAFC Omnibus Loan) by the Partnership in favor of the Authority;
- (bbb) HAFC Loan Agreement (HAFC Omnibus Loan) between the Partnership and the Authority;
- (ccc) HAFC Assignment of Leases and Rents (HAFC Omnibus Loan) by the Partnership in favor of the Authority;
- (ddd) HAFC Mortgage Note (HAFC Omnibus Loan) by the Partnership in favor of the Authority;
- (eee) Agreement to Subordinate to Rental Assistance Demonstration Use Agreement (HAFC Omnibus Loan) between HAFC and the Partnership; and
- (fff) Subordination Agreement executed by the Partnership, the County and the Authority.

HOME Loan Documents

- (ggg) HOME Agreement between the County and the Partnership;
- (hhh) Deed of Trust and Assignment of Rents and Financing Statement by the Partnership in favor of the County;
- (iii) Promissory Note by the Partnership in favor of the County;
- (jjj) HOME Regulatory Agreement and Declaration of Restrictive Covenants by the Partnership in favor of the County; and
- (kkk) Agreement to Subordinate to Rental Assistance Demonstration Use Agreement (HOME Omnibus Loan) between the County and the Partnership.

AHP Loan Documents

- (lll) Promissory Note (AHP Rental Project) by the Partnership to the order of the AHP Lender.
- (mmm) Deed of Trust, Assignment of Leases and Rents, Security Agreement and Fixture by the Partnership in favor of the AHP Lender (including the attached Rider to Deed of Trust – Affordable Housing Program Retention Agreement and Restrictive Covenants by the Partnership as trustor); and
- (nnn) Agreement to Subordinate to Rental Assistance Demonstration Use Agreement (AHP Loan) between AHP Lender and the Partnership.

Acquisition Documents

- (ooo) Purchase and Sale Agreement between the Authority and the Partnership; and
- (ppp) Grant Deed by the Authority in favor of Partnership.

Management Agent Documents

- (qqq) Magill Terrace Property Management Agreement between the Partnership and the Authority; and
- (rrr) Magill Terrace Property Subcontract Property Management Agreement between the Authority and GSF Properties, Inc.

EXHIBIT B
FORM OF WELLS FARGO REQUIRED RESOLUTIONS

**CORPORATE RESOLUTION AUTHORIZING EXECUTION OF LOAN DOCUMENTS,
GUARANTY AND
INDEMNITY AND ENDORSEMENT AND HYPOTHECATION OF PROPERTY**

(HOUSING AUTHORITY OF FRESNO COUNTY, CALIFORNIA)

**TO: Wells Fargo Bank, National Association, it successors and/or assigns (“Lender”)
Wells Fargo Affordable Housing Community Development Corporation
(“Investor”)**

WHEREAS, the HOUSING AUTHORITY OF FRESNO COUNTY, CALIFORNIA, a public body, corporate and politic (the “**Housing Authority**”), is the sole member and manager of MAGILL TERRACE AGP, LLC a California limited liability company (“**Administrative General Partner**”), which is the administrative general partner of MAGILL TERRACE, LP, a California limited partnership (“**Borrower**”).

WHEREAS, the Housing Authority will benefit by any credit now or hereafter extended by Lender (as hereinafter defined) to Borrower.

WHEREAS, Pursuant to that certain Construction Loan Agreement executed between Lender and Borrower dated as of _____, 2017 (the “**Loan Agreement**”). Lender has agreed to make a Loan to Borrower in the original principal amount of (\$_____.00) (the “**Loan**”). The obligations of Borrower to repay the Loan are evidenced by a promissory note made as of even date herewith by in favor of Lender, (the “**Note**”), and all modifications, extensions, renewals and replacements thereof. The obligations of Borrower under the Loan Agreement and the Note are secured by a Construction Deed of Trust with Absolute Assignment of Leases and Rents, Security Agreement and Fixture Filing (the “**Deed of Trust**”) covering certain real property described on Exhibit A thereto and certain personal property, each, as described in the Deed of Trust (all collectively, the “**Property**”). The obligations of Borrower under the Loan Agreement and the Note are also secured by other collateral, as more fully explained in the Loan Agreement.

NOW, THEREFORE, BE IT RESOLVED, that the CEO/Executive Director, the Deputy Director, the Chief of Staff, or their respective designees (an “**Authorized Officer**”), acting alone, be and is hereby authorized and empowered for and on behalf of and in the name of Housing Authority and as its corporate act and deed in his discretion:

28. to guaranty the performance by Borrower, under the Loan Agreement, the Note and the other Loan Documents;
29. to guaranty the repayment of any indebtedness of Borrower to Lender in an amount or amounts not to exceed at any one time the sum of \$_____ for principal, plus all interest accrued thereon, and costs and expenses pertaining thereto; and
30. to execute and deliver to Lender such guaranties, continuing guaranties (including that certain Completion Guaranty and that certain Repayment Guaranty (Secured Loan), both

to be executed by the Housing Authority in favor of Lender), indemnities (including that certain Hazardous Materials Indemnity Agreement (Unsecured - Guarantor), to be executed by the Housing Authority for the benefit of Lender), endorsements, consents to future modifications of Borrower's obligations and/or other related documents, all in form and substance satisfactory to Lender, as Lender may request, together with such other contracts or instruments as Lender deems necessary or convenient to accomplish the purposes of this resolution.

BE IT FURTHER RESOLVED, that any Authorized Officer, any one of them acting alone, is hereby authorized and empowered to (a) act for and on behalf of and in the name of the Housing Authority, in its capacity as the sole member and manager of Administrative General Partner, on its own behalf and in its capacity as the administrative general partner of Borrower, (b) execute any and all documents or instruments evidencing the formation, qualification to do business, or conducting of the business of Borrower; (c) enter into the transactions described above and to incur indebtedness and grant liens and security interests in connection with such transactions on behalf of Administrative General Partner, on its own behalf and in its capacity as the administrative general partner of Borrower; and (d) execute and deliver to the Lender, and Lender is requested to accept, any and all documents or instruments evidencing any transaction between Lender, on the one hand, and Borrower and/or Administrative General Partner, on the other hand, including, but not limited to the Loan Agreement, the Note, the Deed of Trust, the other Loan Documents (as defined in the Loan Agreement) and any modifications, renewals or extensions thereof.

BE IT FURTHER RESOLVED, that the authority hereby conferred is in addition to the authority conferred by any other resolution heretofore or hereafter delivered to Lender. This resolution shall continue in full force and effect until Lender shall have received notice in writing, certified by the Secretary of the Housing Authority, of the revocation hereof by a resolution duly adopted by the Board of Commissioners of the Housing Authority, and such revocation shall be effective only as to credit which was not extended or committed by Lender to Borrower prior to Lender's receipt of such notice. The authority hereby conferred shall be deemed to be retroactive and any and all acts authorized herein which were performed prior to the passage of this resolution are hereby approved and ratified.

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Loan No. _____

CERTIFICATION

I, Preston Prince, the CEO/Executive Director of the HOUSING AUTHORITY OF THE CITY OF FRESNO, CALIFORNIA, a public body, corporate and politic, do hereby certify and declare (a) that the foregoing is a full, true and correct copy of the resolutions duly passed and adopted by the Board of Commissioners of the Housing Authority of the City of Fresno, California held on _____, 2017, (b) that said resolutions are now in full force and effect; (c) that there is no provision in the Bylaws of the Housing Authority limiting the power of the of the Housing Authority to pass the foregoing resolutions; and (d) that such resolutions are in conformity with the provisions of said Bylaws.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the corporate seal of said Housing Authority this _____, 2017.

By: _____
Preston Prince
CEO/Executive Director

RESOLUTION NO. _____
BEFORE THE BOARD OF COMMISSIONERS OF THE
HOUSING AUTHORITY OF FRESNO COUNTY, CALIFORNIA

A RESOLUTION AUTHORIZING THE EXECUTION AND DELIVERY OF DOCUMENTS, THE ADMISSION OF CERTAIN PARTNERS TO MAGILL TERRACE, 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 MAGILL TERRACE AGP, LLC, THE ADMINISTRATIVE GENERAL PARTNER OF THE PARTNERSHIP, IN CONNECTION WITH THE FINANCING, DEVELOPMENT AND OPERATION OF THE MAGILL TERRACE 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 Fowler, 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 demolition and construction of approximately 4.69 acres located at 401 Nelson Street, Fowler, California, APN Numbers 368-253-02, 343-030-02, 343-030-08-T and 343-253-03-T (the “**Property**”), for the purposes of the development and construction of a 60-unit low income multifamily residential project to be generally known as “Magill Terrace”, comprised of fifty-nine (59) low-income housing tax credit units and one (1) manager’s unit (collectively, the “**Project**”); and

WHEREAS, the U.S. Department of Housing and Urban Development (“**HUD**”) has authorized the Authority’s participation in its Rental Assistance Demonstration Program (“**RAD**”) program and the conversion of certain developments from public housing to Section 8 project-based rental assistance. In accordance with the RAD program requirements, the Project will be subject to certain long-term affordability restrictions imposed by HUD which shall be superior to all other financing documents; and

WHEREAS, the Authority will sell property located at 806 E. Lingo, 1039-1041 “B” Street, and 804-814 Duff Avenue each situated in the City of Reedley, County of Fresno, California (“**Sunset Terrace II**”) at fair market value as established by an independent third-party appraisal to Silvercrest, Inc. The Authority will continue to manage and operate Sunset Terrace II on behalf of Silvercrest, Inc.; and

WHEREAS, the Authority has entered into an Operating Agreement dated as of July 5, 2017, pursuant to which the Authority is the manager and sole member of Magill Terrace 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 July 5, 2017; and

WHEREAS, the Administrative General Partner, together with Silvercrest, Inc., entered into an Agreement of Limited Partnership dated as of July 5, 2017, 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 Magill Terrace, LP, a California limited partnership (the “**Partnership**”), and also filed a Certificate of Limited Partnership with the California Secretary of State on July 5, 2017; and

WHEREAS, the Administrative General Partner, Silvercrest, Inc., as managing general partner (the “**Managing General Partner**”) and withdrawing limited partner, and Wells Fargo Affordable Housing Community Development Corporation, a North Carolina corporation (the “**Investor Limited Partner**”) will enter into an Amended and Restated Agreement of Limited Partnership of Magill Terrace, LP; and

WHEREAS, the Authority intends to sell the Property to the Partnership, and the Partnership intends to acquire the Property and develop the Project; and

WHEREAS, the Partnership has requested the Authority take a seller financing note from the Partnership in the approximate amount of \$1,240,000 (the “**HAFC Loan**”), representing a portion of the purchase price of the Property; and

WHEREAS, the Partnership has requested the Authority make a loan in the approximate amount of \$2,000,000 funded from \$900,000 in proceeds the Authority anticipates realizing from the sale of Sunset Terrace II and from \$1,100,000 of capital funds (the “**HAFC Omnibus Loan**, together with the HAFC Loan, the “**HAFC Loans**”) to finance the Project; 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 \$21,318,261 from the Investor Limited Partner eligible to benefit from State of California low-income housing tax credits and federal low-income housing tax credits allocated to the Project under Section 42 of the Internal Revenue Code; a construction loan from Wells Fargo Bank, National Association, a national banking association (“**Wells Fargo**”) in an amount not to exceed \$20,000,000 (the “**Wells Fargo Loan**”); construction and permanent financings from the Housing Relinquished Fund Corporation (“**HRFC**”) in the approximate amount of \$165,000 (the “**HRFC Loan**”); construction and permanent financing in the form of a second loan from HRFC in the approximate amount of \$200,000 (the “**HRFC Second Loan**”); construction and permanent HOME loan proceeds from the County of Fresno, California (“**County**”) in an estimated amount of \$1,000,000 (the “**HOME Loan**”); and construction and permanent loan proceeds in an estimated amount of \$590,000 (the “**AHP Loan**”) from Wells Fargo Financial National Bank (the “**AHP Lender**”) (collectively with the HAFC Loans, the “**Project Financing**”); and

WHEREAS, as a condition to making the Wells Fargo Loan to the Partnership, Wells Fargo has required that the Authority execute (i) that certain Repayment Guaranty, (ii) that certain Completion Guaranty, and (iii) that certain Hazardous Material Indemnity Agreement (collectively, the “**Wells**

Fargo Guaranty Documents”).

WHEREAS, the Authority intends to act as a lender of the HAFC Loans, 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. **Development Services.** The CEO/Executive Director, Preston Prince, the Deputy Executive 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 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. **Disposition of the Sunset Terrace II.** The Authority has been presented with drafts of the documents listed in Exhibit A under the heading “Sunset Terrace II Documents” (the “**Sunset Terrace II Documents**”) in connection with the sale of Sunset Terrace II to Silvercrest, Inc. and the continued management and operation of Sunset Terrace II by the Authority on behalf of Silvercrest, Inc., which documents are on file with the Authority’s Secretary. The Authorized Officers, and each of them acting alone, are authorized and directed to cause the Authority, in its capacity as owner of the Sunset Terrace II, to sell and transfer ownership of Sunset Terrace II to Silvercrest, Inc. at the fair market value of \$900,000 and use the proceeds from the disposition of Sunset Terrace II to fund a construction and permanent financing loan to the Partnership for construction and development of the Project. The Authorized Officers, and each of them acting alone, are authorized and directed to execute and deliver, on behalf of the Authority, the Sunset Terrace II 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 Sunset Terrace II Documents, including material

changes, and such Authorized Officer's signature on the final Sunset Terrace II 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, any other documents reasonably required to be executed by the Authority to carry out the transactions contemplated by the Sunset Terrace II 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 HUD Documents.** The Authority has been presented with drafts of the documents listed in Exhibit A under the heading "HUD Documents" (the "**HUD 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 on behalf of the Authority acting on its own behalf or as manager of the Administrative General Partner to execute and deliver the HUD Documents and all documents deemed necessary to appropriate to obtain HUD approval related to the Project, including without limitation, a use agreement in order to maintain and operate the Project in accordance with the RAD program for which the Partnership will be provided a subsidy funded with money received from HUD pursuant to a Project-Based Section 8 Housing Assistance Payments Contract; *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 HUD Documents, including material changes, and such Authorized Officer's signature on the final HUD 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 HUD Documents.

6. **Approval of the Making of the HAFC Loan.** The Authority has been presented with drafts of the documents listed in Exhibit A under the heading "HAFC Loan Documents" (the "**HAFC Loan Documents**") to be executed by the Partnership and the Authority to effectuate the HAFC Loan, which Loan Documents are on file with the Authority's Secretary, and pursuant to which the Partnership will borrow the HAFC Loan from the Authority. The making of the HAFC Loan in the approximate amount of \$1,240,000 in lieu of receiving proceeds from the sale of the Property is

hereby authorized and the Authorized Officers, and each of them acting alone, are authorized and directed to execute and deliver, on behalf of the Authority, the HAFC Loan 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 HAFC Loan Documents, including material changes, and the final amount to be loaned, and such Authorized Officer's signature on the final HAFC 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, any other documents reasonably required to be executed by the Authority, to carry out the transactions contemplated by the HAFC Loan Documents. Each Authorized Officer, and each of them acting alone, is authorized to decrease the principal amount of the HAFC Loan by any amount, or to increase the principal amount of the HAFC Loan by an amount up to 10% more than the principal amount stated in this resolution. The source of funds for any such increase shall be any funds available to the Authority.

7. **Approval of the Making of the HAFC Omnibus Loan.** The Authority has been presented with drafts of the documents listed in Exhibit A under the heading "HAFC Omnibus Loan Documents" (the "**HAFC Omnibus Loan Documents**") to be executed by the Partnership and the Authority to effectuate the HAFC Omnibus Loan, which Loan Documents are on file with the Authority's Secretary, and pursuant to which the Partnership will borrow the HAFC Omnibus Loan from the Authority. The making of the HAFC Omnibus Loan in the approximate amount of \$2,000,000 from available disposition proceeds and capital funds is hereby authorized and the Authorized Officers, and each of them acting alone, are authorized and directed to execute and deliver, on behalf of the Authority, the HAFC Omnibus Loan 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 HAFC Omnibus Loan Documents, including material changes, and the final amount to be loaned, and such Authorized Officer's signature on the final HAFC Omnibus 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, any other documents reasonably required to be executed by the Authority, to carry out the transactions contemplated by the HAFC Omnibus Loan Documents. Each Authorized Officer, and each of them acting alone, is authorized to decrease the principal amount of the HAFC Omnibus Loan by any amount, or to increase the principal amount of the HAFC Omnibus Loan by an amount up to 10% more than the principal amount stated in this resolution. The source of funds for any such increase shall be any funds available to the Authority.

8. **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.

9. **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 Wells Fargo, the Authority, HRFC, the County and the AHP Lender in an aggregate approximate amount of up to \$27,000,000. 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.

10. **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 (described below) and the Wells Fargo Guaranty Documents.

11. **Approval of Wells Fargo Loan Documents.** The Authority has been presented with drafts of the documents listed in Exhibit A under the heading “Wells Fargo Loan Documents” (the “**Wells Fargo 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 the approximate amount not to exceed \$20,000,000. 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 Wells Fargo 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 Wells Fargo 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 Wells Fargo Loan Documents, including material changes, and the final amount to be borrowed, and such Authorized Officer’s signature on the final Wells Fargo 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 Wells Fargo Loan Documents.

12. **Approval of Wells Fargo Resolutions.** The Authority has been presented with draft resolutions attached hereto in Exhibit B (the “**Wells Fargo Resolutions**”), which resolutions are required by Wells Fargo in connection with the Wells Fargo Loan and Wells Fargo Guaranty Documents. The Authority hereby duly passes and adopts the Wells Fargo Resolutions in substantially the form as attached hereto in Exhibit B and authorizes Preston Prince to certify the Wells Fargo Resolutions as duly passed and adopted; *provided however*, any Authorized Officer may approve on the Authority’s behalf, any further changes to the draft Wells Fargo Resolutions,

including the final amount to be borrowed subject to the limitations stated herein, and Preston Prince's certification of the final Wells Fargo Resolutions shall be construed as the Corporation's approval of such completion.

13. **Approval of HRFC Loan Documents.** The Authority has been presented with drafts of the documents listed in Exhibit A under the heading "HRFC Loan Documents" (the "**HRFC 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 an approximate aggregate total amount of \$365,000 from HRFC as follows: (i) the HRFC Loan for construction and permanent financing in the approximate amount of \$165,000, and (ii) the HRFC Second Loan for construction and permanent financing in the approximate amount of \$200,000. 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 HRFC 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 HRFC 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 HRFC Loan Documents, including material changes, and the final amount to be borrowed and such Authorized Officer's signature on the final HRFC 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 HRFC Loan Documents.

14. **Approval of HAFC Loan Documents.** The Authority has been presented with drafts of the documents listed in Exhibit A under the heading "HAFC Loan Documents" (the "**HAFC 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 an approximate aggregate total amount of \$3,240,000 from the Authority as follows: (i) the HAFC Loan for construction and permanent financing in the approximate amount of \$1,240,000, and (ii) the HAFC Omnibus Loan for construction and permanent financing in the approximate amount of \$2,000,000. 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 HAFC 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 HAFC 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 HAFC Loan Documents, including material changes, and the final amount to be borrowed, and such Authorized Officer's signature on the final HAFC

Loan Documents shall be construed as the Authority's approval of such changes and final loan amounts. 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 HAFC Loan Documents.

15. **Approval of County HOME Loan Documents.** The Authority has been presented with drafts of the documents listed in Exhibit A under the heading "County HOME Loan Documents" (the "**County HOME 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 borrower a construction and permanent loan of HOME Investment Partnership funds in the approximate amount of \$1,000,000 from the County of Fresno, California. 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 County HOME 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 County HOME 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 County HOME Loan Documents, including material changes, and the final amount to be borrowed, and such Authorized Officer's signature on the final County HOME 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 County HOME Loan Documents.

16. **Approval of AHP Loan Documents.** The Authority has been presented with drafts of the documents listed in Exhibit A under the heading "AHP Loan Documents" (the "**AHP 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 and permanent loan from AHP Lender in the approximate amount of \$590,000 from AHP Lender. 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 AHP 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 AHP 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 AHP Loan Documents, including material changes, and the final amount to be borrowed, and such Authorized Officer's signature on the final AHP 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 AHP Loan Documents.

17. **Approval of the Supportive Services Agreement.** The Authority has been presented with a draft of the Amended and Restated Supportive Services Contract between the Authority and the Partnership (the "**Supportive Services Contract**") in connection with the Authority providing supportive services to residents of the Project, which Supportive Service Contract is on file with the Authority's Secretary. 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 Supportive Services Contract; *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 Supportive Services Contract, including material changes, and such Authorized Officer's signature on the final Supportive Services Contract 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 Supportive Services Contract.

18. **Approval of the Project Transfer and 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 and development of certain land owned by the Authority which will be conveyed to the Partnership on which the Project is to be built, which documents are on file with the Authority's Secretary, and pursuant to which the Partnership will acquire the Property for a purchase price not to exceed \$1,571,000 at closing (less any previous deposits into escrow), payable in the form of the HAFC Loan and a cash payment of the approximate amount of \$330,000. 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 Property; *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.

19. **Approval of the Project Transfer and 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 and development of certain land owned by the Authority which will be conveyed to the Partnership on which the Project is to be built, which documents are on file with the Authority’s Secretary, and pursuant to which the Partnership will acquire the Property for a purchase price not to exceed \$1,571,000 at closing (less any previous deposits into escrow), payable in the form of the HAFC Loan and a cash payment in the approximate amount of \$330,000. 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 Property; *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.

20. **Approval of the Management Agent and Management Documents.** The Authority, as the management agent, and GSF Properties, Inc., as the sub-management agent, are approved to manage the Project (collectively, the “**Management Agent**”). 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, a management agreement, subcontract management agreement, management plan and ancillary documents with the Management Agent.

21. **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, Wells Fargo Loan Documents, HRFC Loan Documents, HAFC Loan Documents, County HOME Loan Documents and AHP Loan Documents.

22. **Execution of Documents.** 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) 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; (iii) to further the acquisition, rehabilitation,

development, financing, construction, and leasing of the Project; and/or (iv) to further the sale and management of Sunset Terrace II. 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.

23. **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.

24. **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.

25. **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.

26. **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.

27. **Effective Date.** This resolution shall be in full force and effect from and after its adoption and approval.

PASSED AND ADOPTED THIS _____ DAY OF NOVEMBER, 2017. 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

I, the undersigned, the duly appointed CEO/Executive Director of the Housing Authority of Fresno County, California (the “**Authority**”), as keeper of the records of the Authority, CERTIFY:

1. That the attached Resolution _____ (the “**Resolution**”) is a true and correct copy of the resolution of the Board of Commissioners of the Authority, as adopted at a meeting of the Authority held on the ____ day of November, 2017, and duly recorded in the minute books of the Authority.

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

IN WITNESS WHEREOF, I have hereunto set my hand this ____ day of November, 2017.

**HOUSING AUTHORITY OF FRESNO
COUNTY, CALIFORNIA**

Preston Prince, CEO/Executive Director

EXHIBIT A PROJECT DOCUMENTS

Sunset Terrace II Documents

- (a) Purchase and Sale Agreement between the Authority and Silvercrest, Inc.;
- (b) Grant Deed by the Authority in favor of Silvercrest, Inc.; and
- (c) Property Management Agreement between the Authority and Silvercrest, Inc.

Partnership Documents

- (d) Amended and Restated Agreement of Limited Partnership of Magill Terrace, LP and all exhibits attached thereto which require execution;
- (e) Guaranty by the Authority in favor of Investor Limited Partner and the Partnership;
- (f) LP Asset Management Fee Agreement between Investor Limited Partner and the Partnership;
- (g) GP Asset Management Fee Agreement between the Managing General Partner, the Administrative General Partner and the Partnership;
- (h) Development Agreement between the Authority and the Partnership;
- (i) Security Agreement by the Investor Limited Partner in favor of the Partnership;
- (j) Reimbursement and Assignment Agreement by and among the Partnership, the Managing General Partner, the Administrative General Partner, the Authority, and the general contractor;
- (k) Right of First Refusal, Purchase Option, and Put Right Agreement by and among the Partnership, the Corporation and the Investor Limited Partner;
- (l) Rider to Construction Contract by and among the Partnership, Johnston Contracting, Inc., the Managing General Partner and the Administrative General Partner; and
- (m) Tax Certificate executed by the Administrative General Partner and the Managing General Partner.

HUD Documents

- (n) RAD Conversion Commitment by the Authority and the Partnership;
- (o) RAD Use Agreement by the Partnership;
- (p) Housing Assistance Payments Contract – RAD for the Conversion of Public Housing to Project-Based Section 8 by the Partnership; and

- (q) HUD-required certifications and forms by the Authority and the Partnership.

Wells Fargo Loan Documents

- (r) Promissory Note executed by the Partnership in favor of Wells Fargo;
- (s) Construction Deed of Trust with Absolute Assignment of Leases and Rents, Security Agreement and Fixture Filing, executed by the Partnership as trustor, to American Securities Company for the benefit of Wells Fargo;
- (t) Construction Loan Agreement executed by the Partnership and Wells Fargo;
- (u) Completion Guaranty (Secured Loan) executed by the Authority, in its capacity as guarantor, in favor of Wells Fargo;
- (v) Repayment Guaranty (Secured Loan) executed by the Authority, in its capacity as guarantor, in favor of Wells Fargo;
- (w) Security Agreement executed by the Partnership, the Administrative General Partner, the Managing General Partner in favor of Wells Fargo;
- (x) Security Agreement Rights to Payment executed by the Partnership and Wells Fargo;
- (y) Copartnership, Joint Venture or Association Borrowing Certificate executed by the Managing Partner and Administrative General Partner;
- (z) Hazardous Materials Indemnity Agreement (Unsecured-Guarantor) executed by the Authority, in its capacity as guarantor, and Wells Fargo;
- (aa) Hazardous Materials Indemnity Agreement (Unsecured-Borrower) executed by the Partnership and Wells Fargo;
- (bb) Assignment of Housing Assistance Payments Contract and Housing Assistance Payments executed by the Partnership and Wells Fargo;
- (cc) Assignment of Architectural Agreements and Plans and Specifications executed by the Partnership in favor of Wells Fargo;
- (dd) Assignment of Construction Contracts executed by the Partnership in favor of Wells Fargo;
- (ee) Assignment of Management Agreement executed by the Partnership and the Authority;
- (ff) Agreement to Subordinate to Rental Assistance Demonstration Use Agreement executed by Wells Fargo and the Partnership;
- (gg) Subordination Agreement (HRFC Loans) executed by HRFC, the Partnership and Wells Fargo;

- (hh) Subordination Agreement (HAFC Loans) executed by the Authority, the Partnership and Wells Fargo; and
- (ii) Subordination Agreement (HOME Loan) executed by the Partnership, the County and Wells Fargo.

HRFC Loan Documents

- (jj) HRFC Mortgage Note (HRFC Loan) by the Partnership in favor of HRFC;
- (kk) HRFC Deed of Trust, Security Agreement and Financing Statement (HRFC Loan) by the Partnership in favor of HRFC;
- (ll) HRFC Loan-Assignment of Leases and Rents (HRFC Loan) by the Partnership in favor of HRFC;
- (mm) HRFC Loan Agreement (HRFC Loan) the Partnership and HRFC;
- (nn) Agreement to Subordinate to Rental Assistance Demonstration Use Agreement (HRFC Loan) between HRFC and the Partnership;
- (oo) HRFC Mortgage Note (HRFC Second Loan) by the Partnership in favor of HRFC;
- (pp) HRFC Deed of Trust, Security Agreement and Financing Statement (HRFC Second Loan) by the Partnership in favor of HRFC;
- (qq) HRFC Loan Assignment of Leases and Rents (HRFC Second Loan) by the Partnership in favor of HRFC;
- (rr) HRFC Loan Agreement (HRFC Second Loan) the Partnership and HRFC; and
- (ss) Agreement to Subordinate to Rental Assistance Demonstration Use Agreement (HRFC Second Loan) executed by HRFC and the Partnership;
- (tt) Subordination Agreement (HAFC Loans) executed by the Partnership, the Authority and HRFC; and
- (uu) Subordination Agreement (HOME Loan) executed by the Partnership, the County and HRFC.

HAFC Loan Documents

- (vv) HAFC Construction Deed of Trust, Security Agreement and Financing Statement (HAFC Loan) by the Partnership in favor of the Authority;
- (ww) HAFC Loan Agreement (HAFC Loan) between the Partnership and the Authority;
- (xx) HAFC Assignment of Leases and Rents (HAFC Loan) by the Partnership in favor of the Authority;

- (yy) HAFC Mortgage Note (HAFC Loan) by the Partnership in favor of the Authority;
- (zz) Agreement to Subordinate to Rental Assistance Demonstration Use Agreement (HAFC Loan) between HAFC and the Partnership;
- (aaa) HAFC Construction Deed of Trust, Security Agreement and Financing Statement (HAFC Omnibus Loan) by the Partnership in favor of the Authority;
- (bbb) HAFC Loan Agreement (HAFC Omnibus Loan) between the Partnership and the Authority;
- (ccc) HAFC Assignment of Leases and Rents (HAFC Omnibus Loan) by the Partnership in favor of the Authority;
- (ddd) HAFC Mortgage Note (HAFC Omnibus Loan) by the Partnership in favor of the Authority;
- (eee) Agreement to Subordinate to Rental Assistance Demonstration Use Agreement (HAFC Omnibus Loan) between HAFC and the Partnership; and
- (fff) Subordination Agreement executed by the Partnership, the County and the Authority.

HOME Loan Documents

- (ggg) HOME Agreement between the County and the Partnership;
- (hhh) Deed of Trust and Assignment of Rents and Financing Statement by the Partnership in favor of the County;
- (iii) Promissory Note by the Partnership in favor of the County;
- (jjj) HOME Regulatory Agreement and Declaration of Restrictive Covenants by the Partnership in favor of the County; and
- (kkk) Agreement to Subordinate to Rental Assistance Demonstration Use Agreement (HOME Omnibus Loan) between the County and the Partnership.

AHP Loan Documents

- (lll) Promissory Note (AHP Rental Project) by the Partnership to the order of the AHP Lender.
- (mmm) Deed of Trust, Assignment of Leases and Rents, Security Agreement and Fixture by the Partnership in favor of the AHP Lender (including the attached Rider to Deed of Trust – Affordable Housing Program Retention Agreement and Restrictive Covenants by the Partnership as trustor); and
- (nnn) Agreement to Subordinate to Rental Assistance Demonstration Use Agreement (AHP Loan) between AHP Lender and the Partnership.

Acquisition Documents

- (ooo) Purchase and Sale Agreement between the Authority and the Partnership; and
- (ppp) Grant Deed by the Authority in favor of Partnership.

Management Agent Documents

- (qqq) Magill Terrace Property Management Agreement between the Partnership and the Authority; and
- (rrr) Magill Terrace Property Subcontract Property Management Agreement between the Authority and GSF Properties, Inc.

EXHIBIT B
FORM OF WELLS FARGO REQUIRED RESOLUTIONS

**CORPORATE RESOLUTION AUTHORIZING EXECUTION OF LOAN DOCUMENTS,
GUARANTY AND
INDEMNITY AND ENDORSEMENT AND HYPOTHECATION OF PROPERTY**

(HOUSING AUTHORITY OF FRESNO COUNTY, CALIFORNIA)

**TO: Wells Fargo Bank, National Association, it successors and/or assigns (“Lender”)
Wells Fargo Affordable Housing Community Development Corporation
 (“Investor”)**

WHEREAS, the HOUSING AUTHORITY OF FRESNO COUNTY, CALIFORNIA, a public body, corporate and politic (the “**Housing Authority**”), is the sole member and manager of MAGILL TERRACE AGP, LLC a California limited liability company (“**Administrative General Partner**”), which is the administrative general partner of MAGILL TERRACE, LP, a California limited partnership (“**Borrower**”).

WHEREAS, the Housing Authority will benefit by any credit now or hereafter extended by Lender (as hereinafter defined) to Borrower.

WHEREAS, Pursuant to that certain Construction Loan Agreement executed between Lender and Borrower dated as of _____, 2017 (the “**Loan Agreement**”). Lender has agreed to make a Loan to Borrower in the original principal amount of (\$_____.00) (the “**Loan**”). The obligations of Borrower to repay the Loan are evidenced by a promissory note made as of even date herewith by in favor of Lender, (the “**Note**”), and all modifications, extensions, renewals and replacements thereof. The obligations of Borrower under the Loan Agreement and the Note are secured by a Construction Deed of Trust with Absolute Assignment of Leases and Rents, Security Agreement and Fixture Filing (the “**Deed of Trust**”) covering certain real property described on Exhibit A thereto and certain personal property, each, as described in the Deed of Trust (all collectively, the “**Property**”). The obligations of Borrower under the Loan Agreement and the Note are also secured by other collateral, as more fully explained in the Loan Agreement.

NOW, THEREFORE, BE IT RESOLVED, that the CEO/Executive Director, the Deputy Director, the Chief of Staff, or their respective designees (an “**Authorized Officer**”), acting alone, be and is hereby authorized and empowered for and on behalf of and in the name of Housing Authority and as its corporate act and deed in his discretion:

28. to guaranty the performance by Borrower, under the Loan Agreement, the Note and the other Loan Documents;
29. to guaranty the repayment of any indebtedness of Borrower to Lender in an amount or amounts not to exceed at any one time the sum of \$_____ for principal, plus all interest accrued thereon, and costs and expenses pertaining thereto; and
30. to execute and deliver to Lender such guaranties, continuing guaranties (including that certain Completion Guaranty and that certain Repayment Guaranty (Secured Loan), both

Loan No. _____

to be executed by the Housing Authority in favor of Lender), indemnities (including that certain Hazardous Materials Indemnity Agreement (Unsecured - Guarantor), to be executed by the Housing Authority for the benefit of Lender), endorsements, consents to future modifications of Borrower's obligations and/or other related documents, all in form and substance satisfactory to Lender, as Lender may request, together with such other contracts or instruments as Lender deems necessary or convenient to accomplish the purposes of this resolution.

BE IT FURTHER RESOLVED, that any Authorized Officer, any one of them acting alone, is hereby authorized and empowered to (a) act for and on behalf of and in the name of the Housing Authority, in its capacity as the sole member and manager of Administrative General Partner, on its own behalf and in its capacity as the administrative general partner of Borrower, (b) execute any and all documents or instruments evidencing the formation, qualification to do business, or conducting of the business of Borrower; (c) enter into the transactions described above and to incur indebtedness and grant liens and security interests in connection with such transactions on behalf of Administrative General Partner, on its own behalf and in its capacity as the administrative general partner of Borrower; and (d) execute and deliver to the Lender, and Lender is requested to accept, any and all documents or instruments evidencing any transaction between Lender, on the one hand, and Borrower and/or Administrative General Partner, on the other hand, including, but not limited to the Loan Agreement, the Note, the Deed of Trust, the other Loan Documents (as defined in the Loan Agreement) and any modifications, renewals or extensions thereof.

BE IT FURTHER RESOLVED, that the authority hereby conferred is in addition to the authority conferred by any other resolution heretofore or hereafter delivered to Lender. This resolution shall continue in full force and effect until Lender shall have received notice in writing, certified by the Secretary of the Housing Authority, of the revocation hereof by a resolution duly adopted by the Board of Commissioners of the Housing Authority, and such revocation shall be effective only as to credit which was not extended or committed by Lender to Borrower prior to Lender's receipt of such notice. The authority hereby conferred shall be deemed to be retroactive and any and all acts authorized herein which were performed prior to the passage of this resolution are hereby approved and ratified.

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Loan No. _____

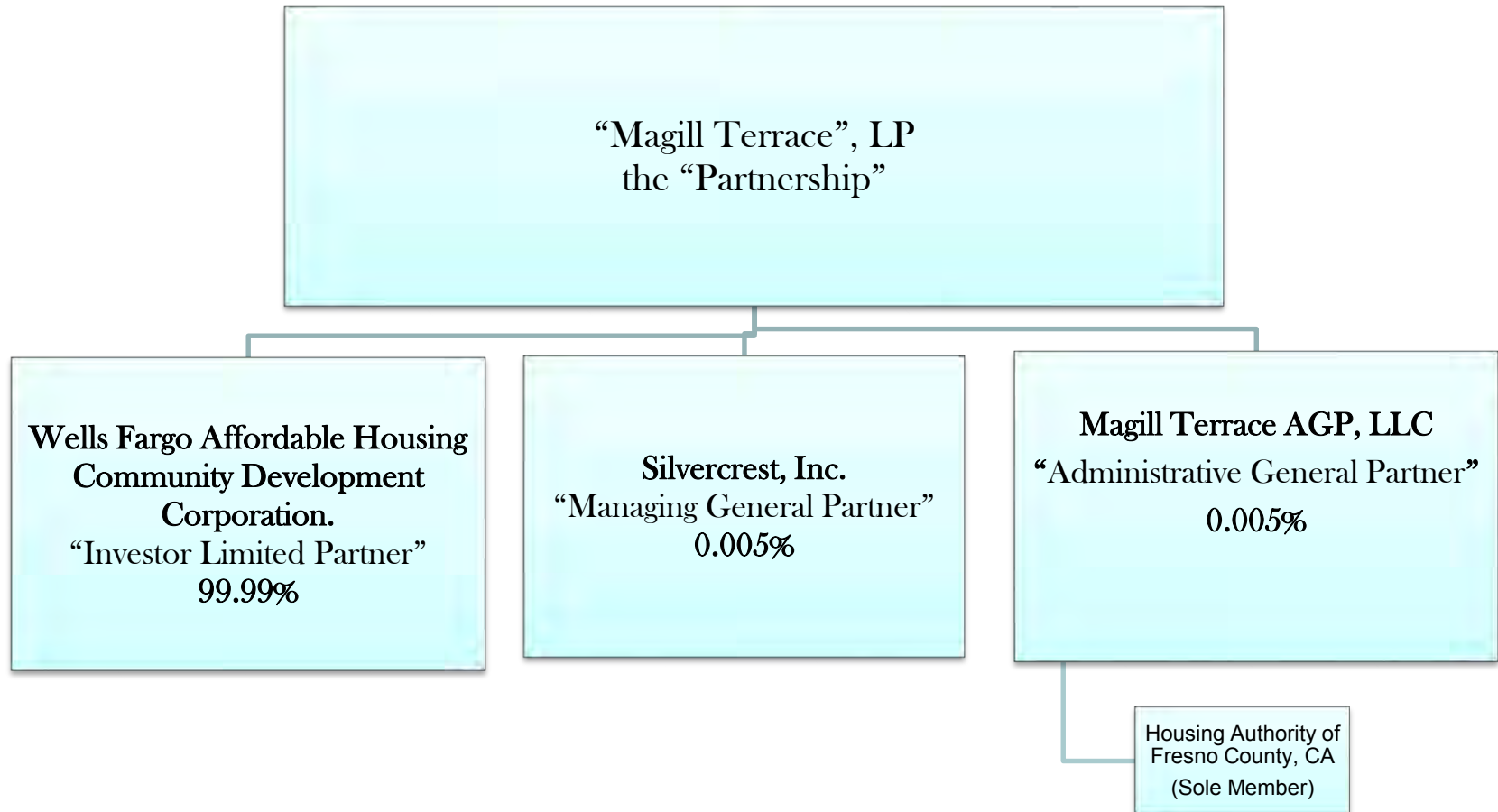
CERTIFICATION

I, Preston Prince, the CEO/Executive Director of the HOUSING AUTHORITY OF FRESNO COUNTY, CALIFORNIA, a public body, corporate and politic, do hereby certify and declare (a) that the foregoing is a full, true and correct copy of the resolutions duly passed and adopted by the Board of Commissioners of the Housing Authority of Fresno County, California held on _____, 2017, (b) that said resolutions are now in full force and effect; (c) that there is no provision in the Bylaws of the Housing Authority limiting the power of the of the Housing Authority to pass the foregoing resolutions; and (d) that such resolutions are in conformity with the provisions of said Bylaws.

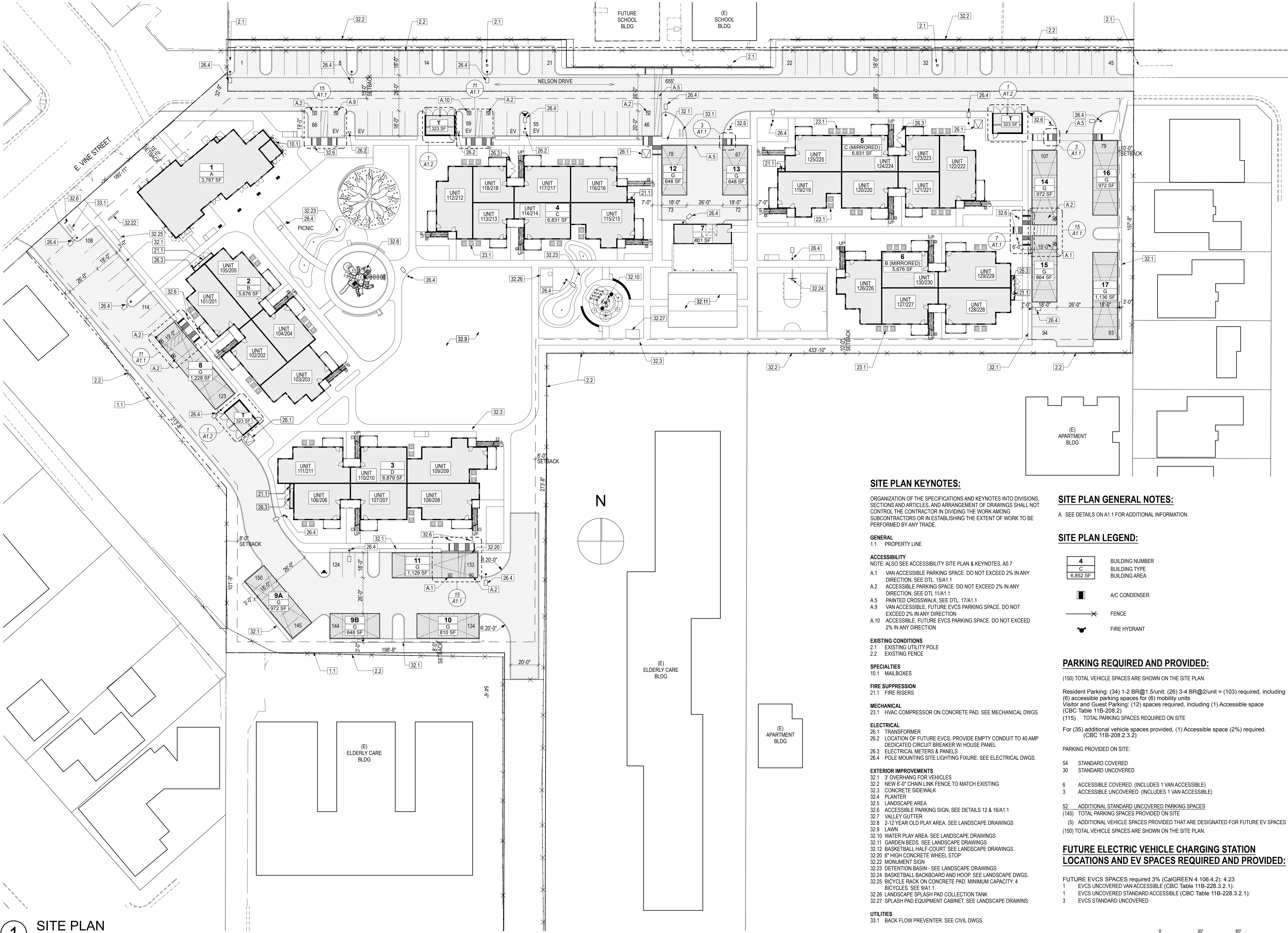
IN WITNESS WHEREOF, I have hereunto set my hand and affixed the corporate seal of said Housing Authority this _____, 2017.

By: _____
Preston Prince
CEO/Executive Director

Ownership Structure Magill Terrace



MOGAVERO ARCHITECTS EXPRESSLY RESERVES ITS COMMON LAW COPYRIGHT AND OTHER PROPERTY RIGHTS IN THESE CONSTRUCTION DOCUMENTS. THESE CONSTRUCTION DOCUMENTS ARE NOT TO BE REPRODUCED, CHANGED, OR DUPLICATED IN ANY FORM OR MANNER WHATSOEVER, NOR ARE THEY TO BE ASSIGNED TO ANY THIRD PARTY, NOR MAY THEY BE USED FOR ANY CONSTRUCTION OTHER THAN INTENDED, WITHOUT FIRST OBTAINING THE EXPRESSED WRITTEN PERMISSION OF MOGAVERO ARCHITECTS ASSOCIATES.



1 SITE PLAN
SCALE: 1" = 30'

SITE PLAN KEYNOTES:

ORGANIZATION OF THE SPECIFICATIONS AND KEYNOTES INTO DIVISIONS, SECTIONS AND ARTICLES, AND ARRANGEMENT OF DRAWINGS SHALL NOT CONTROL THE CONTRACTOR IN DIVIDING THE WORK AMONG SUBCONTRACTORS OR IN ESTABLISHING THE EXTENT OF WORK TO BE PERFORMED BY ANY TRADE.

GENERAL

1.1 PROPERTY LINE

ACCESSIBILITY

NOTE: ALSO SEE ACCESSIBILITY SITE PLAN & KEYNOTES, A0.7

- A.1 VAN ACCESSIBLE PARKING SPACE. DO NOT EXCEED 2% IN ANY DIRECTION. SEE DTL. 15/A1.1
A.2 ACCESSIBLE PARKING SPACE. DO NOT EXCEED 2% IN ANY DIRECTION. SEE DTL. 11/A1.1
A.5 PAINTED CROSSWALK. SEE DTL. 17/A1.1
A.9 VAN ACCESSIBLE, FUTURE EVCS PARKING SPACE. DO NOT EXCEED 2% IN ANY DIRECTION
A.10 ACCESSIBLE, FUTURE EVCS PARKING SPACE. DO NOT EXCEED 2% IN ANY DIRECTION

EXISTING CONDITIONS

- 2.1 EXISTING UTILITY POLE
2.2 EXISTING FENCE

SPECIALTIES

- 10.1 MAILBOXES

FIRE SUPPRESSION

- 21.1 FIRE RISERS

MECHANICAL

- 23.1 HVAC COMPRESSOR ON CONCRETE PAD. SEE MECHANICAL DWGS.

ELECTRICAL

- 26.1 TRANSFORMER
26.2 LOCATION OF FUTURE EVCS. PROVIDE EMPTY CONDUIT TO 40 AMP DEDICATED CIRCUIT BREAKER W/ HOUSE PANEL
26.3 ELECTRICAL METERS & PANELS
26.4 POLE MOUNTING SITE LIGHTING FIXTURE. SEE ELECTRICAL DWGS.

EXTERIOR IMPROVEMENTS

- 32.1 3' OVERHANG FOR VEHICLES
32.2 NEW 6'-0" CHAIN LINK FENCE TO MATCH EXISTING
32.3 CONCRETE SIDEWALK
32.4 PLANTER
32.5 LANDSCAPE AREA
32.6 ACCESSIBLE PARKING SIGN, SEE DETAILS 12 & 16/A1.1
32.7 VALLEY GUTTER
32.8 2-12 YEAR OLD PLAY AREA. SEE LANDSCAPE DRAWINGS
32.9 LAWN
32.10 WATER PLAY AREA. SEE LANDSCAPE DRAWINGS
32.11 GARDEN BEDS. SEE LANDSCAPE DRAWINGS
32.12 BASKETBALL HALF-COURT. SEE LANDSCAPE DRAWINGS
32.20 6" HIGH CONCRETE WHEEL STOP
32.22 MONUMENT SIGN
32.23 DETENTION BASIN - SEE LANDSCAPE DRAWINGS
32.24 BASKETBALL BACKBOARD AND HOOP. SEE LANDSCAPE DWGS.
32.25 BICYCLE RACK ON CONCRETE PAD. MINIMUM CAPACITY: 4 BICYCLES. SEE 9/A1.1
32.26 LANDSCAPE SPLASH PAD COLLECTION TANK
32.27 SPLASH PAD EQUIPMENT CABINET. SEE LANDSCAPE DRAWINGS

UTILITIES

- 33.1 BACK FLOW PREVENTER. SEE CIVIL DWGS

SITE PLAN GENERAL NOTES:

A. SEE DETAILS ON A1.1 FOR ADDITIONAL INFORMATION.

SITE PLAN LEGEND:

4	BUILDING NUMBER
C	BUILDING TYPE
6,852 SF	BUILDING AREA
	A/C CONDENSER
	FENCE
	FIRE HYDRANT

PARKING REQUIRED AND PROVIDED:

(150) TOTAL VEHICLE SPACES ARE SHOWN ON THE SITE PLAN.

Resident Parking: (34) 1-2 BR@1.5/unit; (26) 3-4 BR@2/unit = (103) required, including (6) accessible parking spaces for (6) mobility units
Visitor and Guest Parking: (12) spaces required, including (1) Accessible space (CBC Table 11B-208.2)
(115) TOTAL PARKING SPACES REQUIRED ON SITE

For (35) additional vehicle spaces provided, (1) Accessible space (2%) required. (CBC 11B-208.2.3.2)

PARKING PROVIDED ON SITE:

54	STANDARD COVERED
30	STANDARD UNCOVERED
6	ACCESSIBLE COVERED (INCLUDES 1 VAN ACCESSIBLE)
3	ACCESSIBLE UNCOVERED (INCLUDES 1 VAN ACCESSIBLE)

52 ADDITIONAL STANDARD UNCOVERED PARKING SPACES
(145) TOTAL PARKING SPACES PROVIDED ON SITE

(5) ADDITIONAL VEHICLE SPACES PROVIDED THAT ARE DESIGNATED FOR FUTURE EV SPACES
(150) TOTAL VEHICLE SPACES ARE SHOWN ON THE SITE PLAN.

FUTURE ELECTRIC VEHICLE CHARGING STATION LOCATIONS AND EV SPACES REQUIRED AND PROVIDED:

FUTURE EVCS SPACES required 3% (CalGREEN 4.106.4.2): 4.23
1 EVCS UNCOVERED VAN ACCESSIBLE (CBC Table 11B-228.3.2.1);
1 EVCS UNCOVERED STANDARD ACCESSIBLE (CBC Table 11B-228.3.2.1);
3 EVCS STANDARD UNCOVERED

Magill Terrace Development

Pro Forma Sources and Uses	
Sources of Funds	<i>Amount</i>
Tax Credit Equity	\$21,318,261
HA Fresno-Capital Funds/Proceeds Loan	\$2,000,000
HA Fresno-Seller Financing Loan	\$1,240,000
HOME Funds	\$1,000,000
AHP Funds	\$590,000
HRFC Loan	\$200,000
HRFC Tranche B Const./Perm loan	\$165,000
GP contribution	\$100
Total Sources of Funds	\$26,513,361
Uses of Funds	<i>Amount</i>
Acquisition Costs	\$1,570,000
Residential Construction Costs	\$16,110,114
Hard Cost Contingency	\$1,611,011
Architecture/Engineering	\$570,000
Professional/Loan Fees/Soft Costs	\$4,045,128
Reserves	\$436,774
Developer Fee	\$2,170,334
Total Uses of Funds	\$26,513,361

**Draft as of 11/21/2017*

Magill Terrace

Projected Stabilized Operating Budget

**** units are RAD PBRA subsidy units**

Unit Type	# Units	% AMI	Net Rent Per Unit	Ann. Rent Total
1 Bd./1 Bth.**	1	30%	\$ 494	\$ 5,932
1 Bd./1 Bth. **	2	45%	\$ 494	\$ 11,864
1 Bd./1 Bth.	3	50%	\$ 508	\$ 18,288
1 Bd./1 Bth.	2	60%	\$ 618	\$ 14,832
2 Bd./2 Bth.**	3	30%	\$ 634	\$ 22,824
2 Bd./2 Bth.	2	45%	\$ 543	\$ 13,032
2 Bd./2 Bth.**	5	45%	\$ 634	\$ 38,041
2 Bd./2 Bth.	9	50%	\$ 609	\$ 65,772
2 Bd./2 Bth.	6	60%	\$ 742	\$ 53,424
3 Bd./2 Bth**	3	30%	\$ 888	\$ 31,980
3 Bd./2 Bth	1	45%	\$ 621	\$ 7,452
3 Bd./2 Bth**	4	45%	\$ 888	\$ 42,624
3 Bd./2 Bth	12	50%	\$ 698	\$ 100,512
3 Bd./2 Bth	4	60%	\$ 851	\$ 40,848
4 Bd./2 Bth**	1	30%	\$ 1,045	\$ 12,542
4 Bd./2 Bth**	1	45%	\$ 1,045	\$ 12,542
4 Bd./2 Bth		50%		
4 Bd./2 Bth		60%		
Manager's Unit-2 Bd./2 Bth.	1	N/A	NA	\$ -
TOTAL REVENUE	60			\$ 492,524

RESIDENTIAL OPERATING EXPENSES	Per Unit	TOTAL
Management Fee	810	48,600
Advertising/Marketing	217	13,000
Legal and Accounting	250	15,000
Utilities (water, trash, electricity, gas, etc.)	833	50,000
Payroll: Onsite Manager(s)/Staff	1,500	90,000
Maintenance/Repairs	1,583	95,000
Real Estate Property Tax	83	5,000
Insurance	271	16,239
Services Amenities	400	24,000
Security	167	10,000
Contingency	0	0
Total Operating Expenses	6,114	366,839
Replacement Reserves	300	18,000
Total Operating and Reserve Budget	6,414	384,839

Magill Terrace- 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%	\$ 492,524	\$ 502,374	\$ 512,422	\$ 522,670	\$ 533,124	\$ 543,786	\$ 554,662	\$ 565,755	\$ 577,070	\$ 588,612	\$ 600,384	\$ 612,392	\$ 624,640	\$ 637,132	\$ 649,875
GROSS POTENTIAL INCOME - HOUSING		\$ 492,524	\$ 502,374	\$ 512,422	\$ 522,670	\$ 533,124	\$ 543,786	\$ 554,662	\$ 565,755	\$ 577,070	\$ 588,612	\$ 600,384	\$ 612,392	\$ 624,640	\$ 637,132	\$ 649,875
VACANCY ASSUMPTIONS																
Vacancy Loss	-7.0%	\$ (34,477)	\$ (35,166)	\$ (35,870)	\$ (36,587)	\$ (37,319)	\$ (38,065)	\$ (38,826)	\$ (39,603)	\$ (40,395)	\$ (41,203)	\$ (42,027)	\$ (42,867)	\$ (43,725)	\$ (44,599)	\$ (45,491)
TOTAL VACANCY LOSS		\$ (34,477)	\$ (35,166)	\$ (35,870)	\$ (36,587)	\$ (37,319)	\$ (38,065)	\$ (38,826)	\$ (39,603)	\$ (40,395)	\$ (41,203)	\$ (42,027)	\$ (42,867)	\$ (43,725)	\$ (44,599)	\$ (45,491)
EFFECTIVE GROSS INCOME		\$ 458,047	\$ 467,208	\$ 476,552	\$ 486,083	\$ 495,805	\$ 505,721	\$ 515,836	\$ 526,152	\$ 536,675	\$ 547,409	\$ 558,357	\$ 569,524	\$ 580,915	\$ 592,533	\$ 604,384
OPERATING EXPENSES & RESERVE DEPOSITS																
Operating Expenses	3.0%	\$ 366,839	\$ 377,844	\$ 389,179	\$ 400,855	\$ 412,881	\$ 425,267	\$ 438,025	\$ 451,166	\$ 464,701	\$ 478,642	\$ 493,001	\$ 507,791	\$ 523,025	\$ 538,715	\$ 554,877
Real Estate Taxes	2.0%		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Replacement Reserve		\$ 18,000	\$ 18,000	\$ 18,000	\$ 18,000	\$ 18,000	\$ 18,000	\$ 18,000	\$ 18,000	\$ 18,000	\$ 18,000	\$ 18,000	\$ 18,000	\$ 18,000	\$ 18,000	\$ 18,000
TOTAL EXPENSES & RESERVES		\$ 384,839	\$ 395,844	\$ 407,179	\$ 418,855	\$ 430,881	\$ 443,267	\$ 456,025	\$ 469,166	\$ 482,701	\$ 496,642	\$ 511,001	\$ 525,791	\$ 541,025	\$ 556,715	\$ 572,877
NET OPERATING INCOME		\$ 73,208	\$ 71,364	\$ 69,373	\$ 67,229	\$ 64,925	\$ 62,454	\$ 59,811	\$ 56,987	\$ 53,975	\$ 50,767	\$ 47,356	\$ 43,733	\$ 39,890	\$ 35,818	\$ 31,507
DEBT SERVICE																
Bank Loan		\$ 16,708	\$ 16,708	\$ 16,708	\$ 16,708	\$ 16,708	\$ 16,708	\$ 16,708	\$ 16,708	\$ 16,708	\$ 16,708	\$ 16,708	\$ 16,708	\$ 16,708	\$ 16,708	\$ 16,708
Total Required Debt Service		\$ 16,708	\$ 16,708	\$ 16,708	\$ 16,708	\$ 16,708	\$ 16,708	\$ 16,708	\$ 16,708	\$ 16,708	\$ 16,708	\$ 16,708	\$ 16,708	\$ 16,708	\$ 16,708	\$ 16,708
Net Cash Flow		\$ 56,500	\$ 54,656	\$ 52,665	\$ 50,521	\$ 48,217	\$ 45,746	\$ 43,103	\$ 40,279	\$ 37,267	\$ 34,059	\$ 30,648	\$ 27,025	\$ 23,182	\$ 19,110	\$ 14,799
DEBT SERVICE COVERAGE RATIO		4.38	4.27	4.15	4.02	3.89	3.74	3.58	3.41	3.23	3.04	2.83	2.62	2.39	2.14	1.89

BOARD MEMO


O (559) 443-8400
F (559) 457-4294

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

www.fresnohousing.org

TO: Boards of Commissioners

Fresno Housing Authority

FROM: Preston Prince 
CEO/Executive Director

DATE: November 21, 2017

BOARD MEETING: November 28, 2017

AGENDA ITEM: 8c

AUTHOR: Sheila Scheitrum

Community Development
Coordinator

SUBJECT: Financial Update and Increased Commitment Request – Paseo 55
(Reedley Trailside Terrace, LP) Development

Executive Summary

Paseo 55 (formerly Trailside Terrace) is a 55-unit multi-family affordable housing development with approximately 3,000 sq.ft. of commercial space located in downtown Reedley. The project has had many construction delays and cost increases, which staff discussed with the Board at the October 2017 meeting.

The Housing Authority of Fresno County, CA is the guarantor that is obligated on behalf of the limited partnership to cover any construction cost overruns. At the October 2017 Board meeting, staff requested a temporary loan to the Paseo 55 project of \$100,000 to cover interim costs until a comprehensive analysis could be completed. The Board was notified that staff would return to request a loan increase from the Housing Relinquished Fund Corporation (HRFC) to cover costs and repay the temporary loan.

As the project nears construction completion and construction change orders are submitted, staff has completed a financial analysis to analyze the total estimated cost impact. At this time, staff is requesting an increase to the HRFC construction/permanent loan of up to \$500,000. The initial approved HAFC loan to the project was \$2,210,000, with a 10% contingency of \$221,000, totaling \$2,431,000. The initial approved HRFC loan to the project was \$1,576,956, with a 10% contingency of \$157,696, totaling \$1,734,652. The updated HRFC request brings the total loan amount to \$2,234,652. Staff will work towards a permanent loan conversion as quickly as possible, which may reduce the permanent funding commitment.

Paseo 55 Project Pro Forma

Pro Forma Sources and Uses		
Sources of Funds	<i>At Closing</i>	<i>Current</i>
Low Income Housing Tax Credit Equity	\$12,191,335	\$11,862,024
FHLB AHP	\$540,000	\$540,000
County of Fresno HOME Funds	\$1,000,000	\$1,000,000
Bank Loan	\$400,000	\$671,000
Deferred Developer Fee	\$298,934	\$875,149
HAFC Loan	\$2,210,000	\$2,431,000
Accrued/Deferred Interest	\$71,393	\$71,393
HRFC	\$1,576,956	\$2,234,652
Accrued/Deferred Interest	\$68,252	\$68,252
General Partner Contribution	\$100	\$100
Total Sources of Funds	\$18,356,970	\$19,753,570
Uses of Funds	<i>At Closing</i>	<i>Current</i>
Acquisition Costs	\$575,000	\$575,000
Construction Costs	\$11,898,000	\$13,678,536
Hard Cost Contingency	\$607,400	\$0
Professional Fees	\$750,000	\$994,803
Loan Fees and other Soft Costs	\$2,308,211	\$1,911,647
Reserves	\$218,061	\$593,286
Commercial Space	\$250,000	\$250,000
Developer Fee	\$1,750,298	\$1,750,298
Total Uses of Funds	\$18,356,970	\$19,753,570

Recommendation

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

1. Approve a construction/permanent loan increase of \$500,000, for a total loan of \$2,234,652 from the Housing Relinquished Fund Corporation for the Paseo 55 Development.
2. Authorize Preston Prince, CEO/Executive Director, Tracewell Hanrahan, Deputy Executive Director, and/or their designee to execute any related documents.
3. Provide for other matters related thereto.

Fiscal Impact

Staff is requesting a construction/permanent loan increase of \$500,000 from the HRFC that will cover construction costs overruns and repay the temporary HAFC loan. The total updated loan amount will be \$2,234,652.

Background Information

The Paseo 55 project consists of three vacant parcels that are among the last buildable lots along “G” Street, Downtown Reedley’s main street. Together the parcels are 1.76 acres. Parcels APN 368-241-10 and 368-241-12 have frontage along “G” Street, while parcel APN 368-241-08s has frontage along 12th and 13th Streets. The latter parcel also backs into the Rails to Trails walkway, a great amenity for potential future residents.

RESOLUTION NO. _____

BEFORE THE BOARD OF COMMISSIONERS OF THE

HOUSING AUTHORITY OF THE CITY OF FRESNO, CALIFORNIA

**RESOLUTION AUTHORIZING INCREASED HRFC FUNDING FOR THE PASEO 55
HOUSING DEVELOPMENT, AND OTHER MATTERS RELATED THERETO**

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

WHEREAS, the Authority has facilitated the development of real property located at 1233 & 1245 “G” Street Reedley, CA, 93654, APNs 368-241-10, 368-241-12, and 368-241-08s, and the improvements located thereon for the development of 55-units of affordable multi-family housing (collectively, the Project); and,

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

WHEREAS, the Project has had many delays and budget changes due to value engineering, PG&E issues, and rain delays and has resulted in cost increases; and,

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

WHEREAS, the Board approved a temporary loan of \$100,000 for the Project at the October 2017 Board meeting; and,

WHEREAS, staff conducted a financial analysis to analyze the final cost impact to complete the project and is requesting a loan increase of \$500,000 from the Housing Relinquished Fund Corporation;

NOW THEREFORE, BE IT RESOLVED that the Board of Commissioners of the Housing Authority of the City of Fresno, CA hereby authorizes Preston Prince, the CEO/Executive Director, Tracewell Hanrahan, Deputy Executive Director, and/or their designee, to request and approve an increase to the Housing Relinquished Fund Corporation loan by \$500,000, for a total loan of \$2,234,652 for the Paseo 55 Development and execute documents related thereto.

PASSED AND ADOPTED THIS 28th DAY OF NOVEMBER, 2017. 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

RESOLUTION NO. _____

BEFORE THE BOARD OF COMMISSIONERS OF THE

HOUSING AUTHORITY OF FRESNO COUNTY, CALIFORNIA

**RESOLUTION AUTHORIZING INCREASED HRFC FUNDING FOR THE PASEO 55
HOUSING DEVELOPMENT, AND OTHER MATTERS RELATED THERETO**

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

WHEREAS, the Authority has facilitated the development of real property located at 1233 & 1245 “G” Street Reedley, CA, 93654, APNs 368-241-10, 368-241-12, and 368-241-08s, and the improvements located thereon for the development of 55-units of affordable multi-family housing (collectively, the Project); and,

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

WHEREAS, the Project has had many delays and budget changes due to value engineering, PG&E issues, and rain delays and has resulted in cost increases; and,

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

WHEREAS, the Board approved a temporary loan of \$100,000 for the Project at the October 2017 Board meeting; and,

WHEREAS, staff conducted a financial analysis to analyze the final cost impact to complete the project and is requesting a loan increase of \$500,000 from the Housing Relinquished Fund Corporation; and,

NOW THEREFORE, BE IT RESOLVED that the Board of Commissioners of the Housing Authority of Fresno County, CA hereby authorizes Preston Prince, the CEO/Executive Director, Tracewell Hanrahan, Deputy Executive Director, and/or their designee, to request and approve an increase to the Housing Relinquished Fund Corporation loan by \$500,000, for a total loan of \$2,234,652 for the Paseo 55 Development and execute documents related thereto.

PASSED AND ADOPTED THIS 28th DAY OF NOVEMBER, 2017. 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

BOARD MEMO

O (559) 443-8400

F (559) 457-4294

1331 Fulton Mall

Fresno, California 93721

TTY (800) 735-2929

www.fresnohousing.org

TO: Boards of Commissioners

Fresno Housing Authority

FROM: Preston Prince 
CEO/Executive Director

DATE: November 21, 2017

BOARD MEETING: November 28, 2017

AGENDA ITEM: 8d

AUTHOR: Sheila Scheitrum
Community Development
Coordinator

SUBJECT: Approval to submit a full application for TCC funds for the Chinatown Housing Development

Executive Summary

At the August, 2017 Board Meeting staff presented an overview of the Transformative Climate Communities (TCC) program as a potential source for new development. The TCC program is a State funding source with \$70 million set-aside for the City of Fresno. The City of Fresno is the lead applicant for the funding and issued a Request for Concept Proposals in preparation for the application to the State. The Board authorized submission of a concept proposal to the City of Fresno for the Chinatown housing development located at 1101 "F" Street in Fresno (APN's 467-065-06 and 07).

Staff submitted a TCC concept proposal to the City of Fresno for the Chinatown Housing Development on September 12, 2017, and subsequently at an October 4, 2017 TCC Steering Committee meeting, the concept proposal for the Chinatown Housing Development was selected to move forward to the next steps of the application. The project is applying for \$10,807,319 in TCC funds. The site consists of two vacant parcels located on the Northeast corner of Mariposa and "F" streets on approximately 0.60 acres in Fresno, CA. The site is zoned DTN – Downtown Neighborhood that will allow for a combination of commercial and multifamily housing. Staff has a concept proposal for a 4 story, mixed-use development with commercial/retail space on the bottom floor, and up to 60 units of affordable workforce housing above. The site is within a quarter mile of the planned High Speed Rail Station, and aligns well with the goals, design elements and environmental requirements of the program.

The City of Fresno has been approved by the California Strategic Growth Council ("SGC") to move forward with submission of a full TCC application. The full TCC applications are due to the SGC by December 6, 2017, with awards to be announced January 2018. Staff is requesting approval to submit a full TCC application for the Chinatown Housing Development.

Recommendation

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

1. Authorize Preston Prince, CEO/Executive Director, Tracewell Hanrahan, Deputy Executive Director, and/or their designee, to submit a full application for Transformative Climate Communities (TCC) funds for the Chinatown housing development project.
2. Provide for other matters related thereto.

Fiscal Impact

The Board authorized an HRFC commitment of \$1,000,000 in October, 2017. No additional funds are requested at this time; costs related to pre-development activities are being allocated to the approved pre-development budget.

Background Information

The Chinatown housing development site consists of two vacant parcels located on the Northeast corner of Mariposa and "F" streets in close proximity to the planned High Speed Rail Station on approximately 0.60 acres in Fresno, CA. Staff envisions a mixed-use project with up to sixty (60) residential units and up to 4,700 sq. ft. of commercial space. Zoning for the site allows for construction of up to 6 stories.

RESOLUTION NO. _____

BEFORE THE BOARD OF COMMISSIONERS OF THE

HOUSING AUTHORITY OF THE CITY OF FRESNO, CALIFORNIA

RESOLUTION AUTHORIZING THE SUBMISSION OF A FULL APPLICATION FOR
TRANSFORMATIVE CLIMATE COMMUNITIES ("TCC") FUNDS FOR THE CHINATOWN
HOUSING DEVELOPMENT (APNs: 467-065-06 & 467-065-07)

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

WHEREAS, the Authority submitted a TCC concept proposal to the City of Fresno for the development of real property located in Chinatown on the corner of Mariposa and "F" streets in Fresno, CA, 93706 (APN's 467-065-06, 467-065-07), and the improvements located thereon into a 57-unit mixed-use multifamily complex with commercial on the first floor (collectively, the Property); and,

WHEREAS, the Authority has met with business owners and community members to determine the needs of the Chinatown area; and,

WHEREAS, the Chinatown Housing Development project was selected by the Steering Committee to move forward to the next steps of the TCC application submission; and,

WHEREAS, the City of Fresno has been approved by the California Strategic Growth Council to submit a full application for TCC funds to the State; and,

WHEREAS, the Authority desires to submit a full TCC application for the Chinatown Housing Development;

NOW THEREFORE, BE IT RESOLVED that the Board of Commissioners of the Housing Authority of the City of Fresno, CA hereby authorizes Preston Prince, the CEO/Executive Director, Tracewell Hanrahan, Deputy Executive Director, or their designee, to submit a full application for Transformative Climate Communities (TCC) funds for the Chinatown housing development project and execute documents related thereto.

PASSED AND ADOPTED THIS 28th DAY OF NOVEMBER, 2017. 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

RESOLUTION NO. _____

BEFORE THE BOARD OF COMMISSIONERS OF THE
HOUSING AUTHORITY OF FRESNO COUNTY, CALIFORNIA

RESOLUTION AUTHORIZING THE SUBMISSION OF A FULL APPLICATION FOR
TRANSFORMATIVE CLIMATE COMMUNITIES ("TCC") FUNDS FOR THE CHINATOWN
HOUSING DEVELOPMENT (APNs: 467-065-06 & 467-065-07)

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

WHEREAS, the Authority submitted a TCC concept proposal to the City of Fresno for the development of real property located in Chinatown on the corner of Mariposa and "F" streets in Fresno, CA, 93706 (APN's 467-065-06, 467-065-07), and the improvements located thereon into a 57-unit mixed-use multifamily complex with commercial on the first floor (collectively, the Property); and,

WHEREAS, the Authority has met with business owners and community members to determine the needs of the Chinatown area; and,

WHEREAS, the Chinatown Housing Development project was selected by the Steering Committee to move forward to the next steps of the TCC application submission; and,

WHEREAS, the City of Fresno has been approved by the California Strategic Growth Council to submit a full application for TCC funds to the State; and,

WHEREAS, the Authority desires to submit a full TCC application for the Chinatown Housing Development;

NOW THEREFORE, BE IT RESOLVED that the Board of Commissioners of the Housing Authority of Fresno County, CA hereby authorizes Preston Prince, the CEO/Executive Director, Tracewell Hanrahan, Deputy Executive Director, or their designee, to submit a full application for Transformative Climate Communities (TCC) funds for the Chinatown housing development project and execute documents related thereto.

PASSED AND ADOPTED THIS 28th DAY OF NOVEMBER, 2017. 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

BOARD MEMO


O (559) 443-8400
F (559) 457-4294

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

www.fresnohousing.org

TO: Boards of Commissioners

Fresno Housing Authority

FROM: Preston Prince 
CEO/Executive Director

DATE: November 21, 2017

BOARD MEETING: November 28, 2017

AGENDA ITEM: 8d

AUTHOR: Scott Berry

Community Development

Analyst

SUBJECT: Approval to Apply for Transformative Climate Communities
Planning Grant for Various Properties in West Fresno

Executive Summary

The Fresno Housing Authority ("Agency") intends to apply for a Transformative Climate Communities ("TCC") Planning Grant to the California Strategic Growth Council ("SGC") on November 30, 2017. The Planning Grants are intended to fund planning activities in disadvantaged communities that may be eligible for future TCC Implementation Grants and provide for methods to significantly reduce greenhouse gas emissions. The program will provide for a maximum of ten (10) awards statewide of no more than \$250,000.

The intended use of the grant funds would be to plan for a potential future development which currently encompasses five (5) properties, to include: Fairview Heights, Desoto Gardens, Desoto Gardens II, the "California Triangle" between Kern and Inyo Streets, and Sierra Terrace Upper (former low-income public housing site, owned by Silvercrest, Inc.). Planning for the future activities at the site will rely heavily upon input from the community, and will be coordinated with the assistance of GGLO architects. Proposed planning partners include the Fresno County Council of Governments ("COG"), and the Southwest Fresno Community Development Corporation ("SWFCDC"). Based on a combination of community opinion and the City of Fresno's new zoning ordinances, the new development could include mixed uses including residential housing, commercial/retail or office space. As the Agency is not eligible as a direct applicant, Staff is proposing that the lead applicant be the Fresno County Council of Governments ("COG"), and the Agency and the SWFCDC will be co-applicants.

Recommendation

It is recommended that the Boards adopt the attached resolutions approving the application for a Transformative Climate Communities Planning Grant, for a total potential amount of \$250,000, and authorize entering into Memorandums of Understanding ("MOU's") with COG and the SWFCDC, and authorize Preston Prince, CEO/Executive Director, Tracewell Hanrahan, Deputy Executive Director, and/or their designee, to negotiate and execute associated documents.

Fiscal Impact

In October, 2014, The Board authorized a commitment of \$250,000 in HRFC funds for West Fresno planning. No additional funds are being requested in association with this application.

Background Information

In July of 2017, the Agency purchased the “California Triangle” land on California Avenue from the City of Fresno, in its capacity as Housing Successor to the Redevelopment Agency of the City of Fresno in the amount of \$660,000. Additionally, the Agency transferred 46 units of housing assistance at Sierra Terrace through HUD’s Rental Assistance Demonstration (“RAD”) program, and sold the property to Silvercrest, Inc. (an instrumentality of the Agency). All residents are still living at Sierra Terrace, and they are anticipated to be transferred to Legacy Commons (a multifamily affordable housing development, of which the Agency is the Administrative General Partner) in April of 2018. RAD applications were submitted in May, 2017, for the Fairview Heights, Desoto Gardens I and DeSoto Gardens II public housing developments, and Commitments to enter into Housing Assistance Payment Contracts (CHAPs) were issued in August, 2017 to allow for potential RAD conversions.

RESOLUTION NO. _____

BEFORE THE BOARD OF COMMISSIONERS OF THE

HOUSING AUTHORITY OF THE CITY OF FRESNO, CALIFORNIA

**RESOLUTION APPROVING THE APPLICATION FOR A TRANSFORMATIVE CLIMATE
COMMUNITIES PLANNING GRANT**

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 and moderate income households residing in the City of Fresno, California (“the City”); and,

WHEREAS, the Authority owns and recently acquired said vacant land on California Avenue (APNs: 467-245-02T, 467-245-06T, 467-262-02T, 467-245-04T, 467-245-12T, 467-245-11T, 467-245-05T, 467-245-07T, 467-262-01T, 467-245-08T, 467-245-10T, 467-262-03T, 467-245-03T, 467-262-04T, 467-245-09T) is in the subject planning area; and,

WHEREAS, the Authority owns and manages the Fairview Heights, Desoto Gardens, and Desoto Gardens II public housing developments,

WHEREAS, Silvercrest, Inc., owns the real property known as Sierra Terrace Upper at 937 Klette Avenue, Fresno, CA 93706; and,

WHEREAS, the Authority desires to redevelop any/all of the above mentioned properties; and,

WHEREAS, the Fresno County Council of Governments and the Southwest Fresno Community Development Corporation are proposed partners in the planning activities; and,

WHEREAS, the Transformative Climate Communities Planning Grant, in an amount up to \$250,000 would be instrumental in devising a plan to best redevelop said properties;

NOW THEREFORE, BE IT RESOLVED that the Board of Commissioners of the Housing Authority of the City of Fresno, California, hereby authorizes Preston Prince, the CEO/Executive Director, Tracewell Hanrahan, Deputy Executive Director, and/or their designee, to adopt the attached resolution authorizing Preston Prince, CEO/Executive Director, Tracewell Hanrahan, Deputy Executive Director, and/or their designee to submit a Transformative Climate Communities Planning Grant application, and to negotiate and execute Memorandums of Understanding with the Fresno County Council of Governments and Southwest Fresno Community Development Corporation.

PASSED AND ADOPTED THIS 28th DAY OF NOVEMBER, 2017. I, the undersigned,
herby 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

RESOLUTION NO. _____

BEFORE THE BOARD OF COMMISSIONERS OF THE

HOUSING AUTHORITY OF FRESNO COUNTY, CALIFORNIA

**RESOLUTION APPROVING THE APPLICATION FOR A TRANSFORMATIVE CLIMATE
COMMUNITIES PLANNING GRANT**

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

WHEREAS, the Authority owns and recently acquired said vacant land on California Avenue (APNs: 467-245-02T, 467-245-06T, 467-262-02T, 467-245-04T, 467-245-12T, 467-245-11T, 467-245-05T, 467-245-07T, 467-262-01T, 467-245-08T, 467-245-10T, 467-262-03T, 467-245-03T, 467-262-04T, 467-245-09T) is in the subject planning area; and,

WHEREAS, the Authority owns and manages the Fairview Heights, Desoto Gardens, and Desoto Gardens II public housing developments,

WHEREAS, Silvercrest, Inc., owns the real property known as Sierra Terrace Upper at 937 Klette Avenue, Fresno, CA 93706; and,

WHEREAS, the Authority desires to redevelop any/all of the above mentioned properties; and,

WHEREAS, the Fresno County Council of Governments and the Southwest Fresno Community Development Corporation are proposed partners in the planning activities; and,

WHEREAS, the Transformative Climate Communities Planning Grant, in an amount up to \$250,000 would be instrumental in devising a plan to best redevelop said properties;

NOW THEREFORE, BE IT RESOLVED that the Board of Commissioners of the Housing Authority of the Fresno County, California, hereby authorizes Preston Prince, the CEO/Executive Director, Tracewell Hanrahan, Deputy Executive Director, and/or their designee, to adopt the attached resolution authorizing Preston Prince, CEO/Executive Director, Tracewell Hanrahan, Deputy Executive Director, and/or their designee to submit a Transformative Climate Communities Planning Grant application, and to negotiate and execute Memorandums of Understanding with the Fresno County Council of Governments and Southwest Fresno Community Development Corporation.

PASSED AND ADOPTED THIS 28th DAY OF NOVEMBER, 2017. I, the undersigned,
herby certify that the foregoing Resolution was duly adopted by the governing body with the
following vote, to-wit:

AYES:

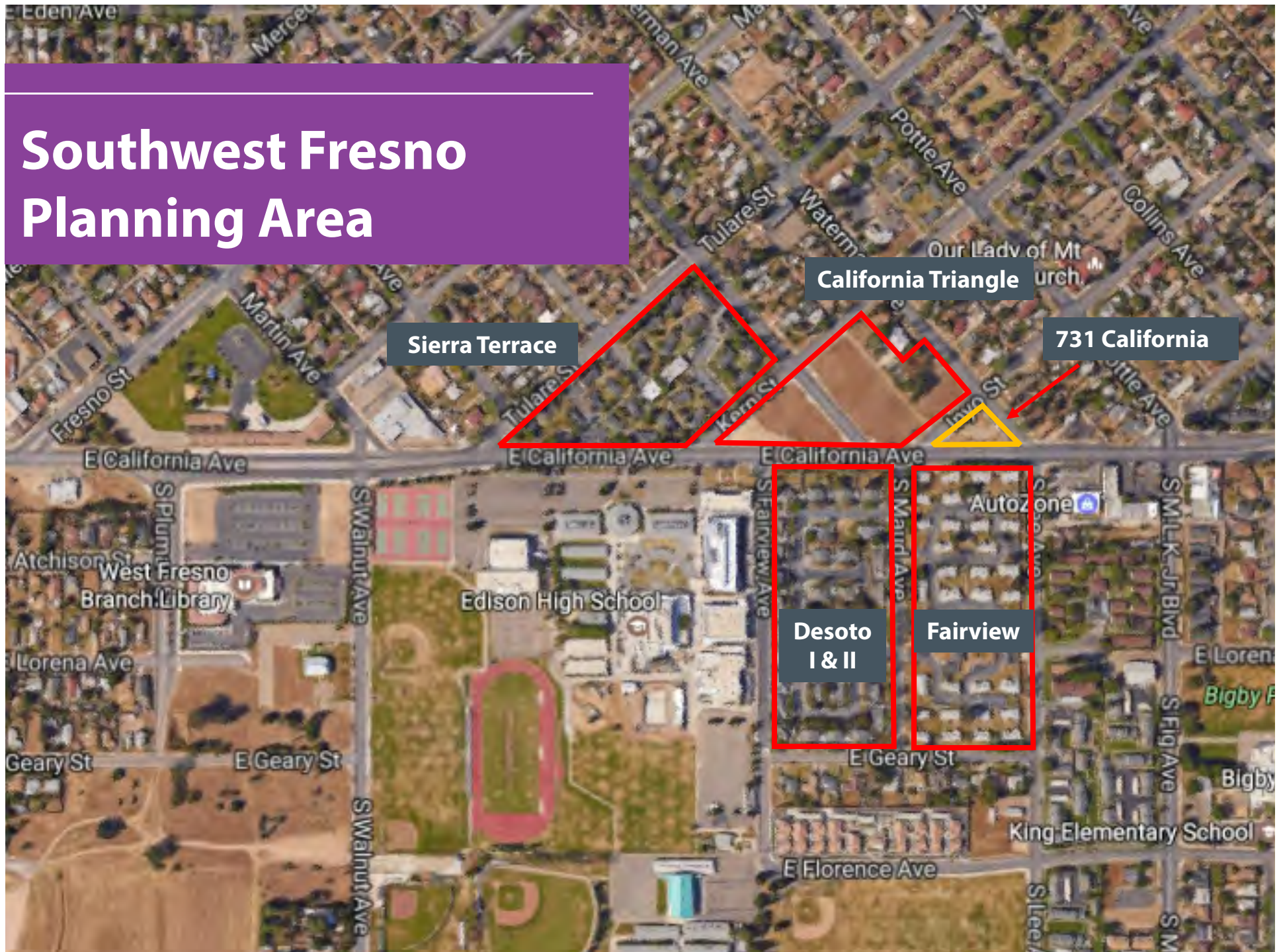
NOES:

ABSENT:

ABSTAIN:

Preston Prince, Secretary of the Boards of Commissioners

Southwest Fresno Planning Area



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

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

www.fresnohousing.org

EXECUTIVE DIRECTORS REPORT

TO: Board of Commissioners
Fresno Housing Authority
FROM: Preston Prince
CEO/Executive Director
SUBJECT: Directors Report – November 2017

DATE: November 22, 2017
BOARD MEETING: November 28, 2017
AGENDA ITEM: 9
AUTHOR: Staff

Executive Summary

The Board 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.

Name of Property	Status	Description/Type	Total Units
541 @ South Tower and Cedar Heights	Stabilization	541 N. Fulton St and 4532 E. Hamilton Ave, Fresno, CA	45

Development Project Overview

Fenix @ Glenn/ Fenix @ Calaveras	Stabilization	240-250 N. Calaveras Street and 146 N. Glenn Avenue, Fresno, CA	30
Legacy Commons Phase I	Stabilization	Walnut/Edison West Fresno, CA	64
Cueva de Oso at William Shockley Plaza	Stabilization	1445 Peach Street, Selma, CA	48
Paseo 55	Under Construction	1233 & 1245 G St, Reedley, CA	55
Renaissance at Parc Grove	Under Construction	Clinton and Angus, Fresno, CA	40
Legacy Commons Phase II	Under Construction	2255 S. Plumas, Fresno, CA	64
Memorial Village	Under Construction	302 K St, Sanger, CA	48
Magill Terrace	Pre-Dev December 2017 Closing	401 Nelson, Fowler, CA	60
Oak Grove	Pre-Dev March 2018 Closing	595 Bigger Street, Parlier, CA	56
Chinatown Project	Pre-Dev Dec. 2017 TCC Application	Mariposa & F Streets, Fresno, CA	57
North Fulton Street Project	Pre-Dev Jan. 2018 AHSC Application	1331 Fulton Street, Fresno, CA	127
Blackstone/Simpson Project	Pre-Dev Jan. 2018 AHSC Application	3039 N. Blackstone, Fresno, CA	45

HMD Update

City of Fresno						
Property	Total # of Units	Total Vacant	Current Occupancy	Notice to Vacate	Approved Apps	Net Occupancy
CITY AMP 1 (SW Fresno)						
Sequoia Courts	60	0	100%	0	0	100%
Sequoia Courts Terrace	76	0	100%	3	0	96%
Monte Vista Terrace	44	0	100%	1	0	98%
CITY AMP 2 (SW Fresno)						
Sierra Plaza	70	0	100%	1	0	99%
Fairview Heights	74	0	100%	2	0	97%
Sierra Terrace	26	0	100%	2	0	92%
Desoto II	27	0	100%	1	0	96%
HOP Scattered	7	4	43%	0	0	43%
Mixed Family (Fresno)						
Garland Gardens	50	3	94%	2	2	94%
Cedar Courts & Inyo	191	6	97%	0	2	98%
Viking Village	39	0	100%	0	0	100%
Pacific Garden	55	5	91%	0	2	95%
Yosemite Village	68	1	99%	1	0	97%

City of Fresno Continued						
Property	Total # of Units	Total Vacant	Current Occupancy	Notice to Vacate	Approved Apps	Net Occupancy
CO AMP 1 (Pinedale/Highway City)						
Pinedale Apartments 28-24	50	0	100%	3	0	94%
Pinedale Apartments 28-32	30	0	100%	0	0	100%
DeSoto Gardens	40	1	98%	0	0	98%
Marcelli Terrace	24	0	100%	0	0	100%

Special Programs						
Property	Total # of Units	Total Vacant	Current Occupancy	Notice to Vacate	Approved Apps	Net Occupancy
(Fresno)						
Trinity	20	1	95%	0	0	95%
Alta Monte	29	0	100%	2	0	93%
Santa Clara	69	2	97%	2	1	96%
Sierra Terrace (RAD)	46	0	0%	0	0	RAD To Legacy

Mariposa Meadows	40	0	100%	0	0	100%
Emergency Housing	30	0	100%	0	0	100%
Fresno County						
Property	Total # of Units	Total Vacant	Current Occupancy	Notice to Vacate	Approved Apps	Net Occupancy
CO AMP 2 (Selma/Sanger/Fowler/Del Rey)						
Magill Terrace	19	5	74%	0	0	RAD
Del Rey Complex	29	1	97%	0	0	97%
Laton Apartments	20	0	100%	0	0	100%
Wedgewood Commons	64	1	98%	0	0	98%
Sanger HOP	7	2	71%	0	0	71%
CO AMP 3 (Reedley/Parlier/Orange Cove)						
Sunset Terrace	20	0	100%	0	0	100%
Oak Grove Apts	49	3	94%	0	0	RAD
CO AMP 4 (Firebaugh)						
Mendoza Terrace	50	4	92%	2	0	88%
Mendoza Terrace II	39	1	97%	0	0	97%
Firebaugh Elderly	30	0	100%	0	0	100%
Cardella Courts	32	1	97%	0	0	97%
CO AMP 5 (Kerman/Biola/Mendota)						
Helsem Terrace	40	0	100%	0	0	100%
Biola Apartments	12	0	100%	1	0	92%
CO AMP 6 (Huron/San Joaquin)						
Cazares Terrace	24	1	96%	0	0	96%
Cazares Terrace II	19	2	89%	0	0	89%
Huron Apartments	20	4	80%	0	0	80%
County of Fresno Continued						
Taylor Terrace	28	1	96%	0	0	96%
San Joaquin Apartments	20	2	90%	0	0	90%
Mixed Family & Special Programs (County)						
Cueva de Oso	47	0	100%	0	0	100%
Paseo 55	55	17	69%	0	9	Lease Up
Memorial Village	0	0	0%	0	0	Under Construction
Sunset Terrace II Mkt.	20	14	70%	0	0	70%
Orange Cove RAD	87	3	97%	2	0	94%
Citrus Gardens	30	1	97%	0	1	100%
Orchard Apartment (F/L)	40	2	95%	1	0	93%
Parlier Migrant Center	131	89	32%	1	0	Seasonal
Mendota RAD	123	0	100%	2	0	98%
Mendota Farm Labor	60	2	97%	0	0	97%
Granada Commons	15	1	93%	0	0	93%
Rio Villas	29	0	100%	0	0	100%
Firebaugh Family Apts	34	0	100%	0	0	100%
Maldonado Plaza	64	7	89%	2	0	Seasonal
Parkside Apts	50	2	96%	1	0	94%

HMD OPERATIONS

Renaissance at Santa Clara - Outreach was conducted at Renaissance at Santa Clara, Alta Monte, and Trinity. At the genesis of the project, DBH staff members offered transport to and from Santa Clara for classes. There were specific rules created regarding attendance in the program. Out of 21 interested Renaissance residents, eleven residents began the 8-week journey. Five residents completed 17 classes and graduated on October 11, 2017.

Fairview Heights – On October 31, 2017, a Trunk or Treat event was held at Fairview Heights in SW Fresno. There were 7 cars decorated for the occasion and approximately 12 staff participated in this event. It was a successful event and staff is looking forward to doing it again next year.

Legacy Commons II - One-on-one meetings were conducted with Legacy Commons Phase II residents currently residing in Sierra Terrace that are pending the physical move to the property in early 2018. The meetings were to update the resident file and give families an update on construction.

On October 19, 2017 a Resident Meeting was held at Oak Grove in Parlier. The meeting was to discuss the upcoming RAD conversion and inform residents of changes to their rental assistance and to the property. Residents had the opportunity to ask questions. All residents will receive an appointment letter for one-on-one appointments scheduled in mid November.

Housing Choice Voucher (HCV) Update – Pre-Inspections

Effective October 13, 2017, the HCV inspections division initiated a pilot program that provides Owners/Property Management companies the option of having move in ready units pre-inspected. These pre-inspected units are valid for 30 days from the date the unit passes inspection. These units are available to new and existing voucher holders searching for housing.

Units are listed and identified on the GoSection8 website as “pre-inspected.” This resource is available and provided to our new and existing voucher holders. Once approved for a pre-inspected unit, the tenant or owner will forward the completed Request for Tenancy Approval (RFTA) packet and a copy of the lease and lease rider to FH allowing the voucher holder to move in without delay.

The department has pre-inspected 80 units. There are currently 65 pre-inspected units available for lease. During the initial two weeks of the pre-inspection pilot program 11 voucher holders were immediately housed; since then, 4 additional voucher holders selected a pre-inspected unit allowing owners the opportunity to fill their vacant units.

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 October, the following leasing activity took place for the HCV City and County programs.

HCV City

In the month of October, 500 City applicants were randomly selected and scheduled to attend criminal background checks from October 30th through November 2nd. 281 or 56%, of applicants attended.

- 218 applicants attended initial eligibility interviews from the draws done in September.
- 152 families attended briefings to receive their vouchers.
- There were 135 City applicants who leased in September.

HCV County

In the month of October, 500 County applicants were randomly selected and scheduled to attend criminal background checks from October 16th through the 19th, 255 or 51% of applicants attended.

- 245 applicants attended initial eligibility interviews from the draws done in September.
- 63 families attended briefings to receive their vouchers.
- There were 109 County applicants who leased in September.

Mike's Books Event with Kaiser Permanente

Site: Cedar Courts

Youth residents were invited to Mike's Books for a reading event sponsored by Kaiser Permanente. The subject of the event was to promote healthy eating and a healthy lifestyle to youth. The guest readers included Senator Andy Vidak, Casey Gray, MD, Kaiser Permanente pediatrician, and Elizabeth Jonasson Rosas, Fresno Unified Trustee. All youth participants received plenty of healthy snacks and a free book. Booths from the Fresno County Public Library (FCPL), Boys & Girls Club, Reading & Beyond, and Senator Vidak's office were present to help promote a healthy and active lifestyle to the youth.



Halloween Movie Events

Sites: Villa Del Mar, Yosemite Village, and Viking Village.

Residents were invited to Movie Night for some fun community engagement. Parents and youth chose to watch a holiday inspired movie and indulged in plenty of popcorn and snacks. The Afterschool Programs created creepy works of art in their Halloween/Fall Harvest inspired masterpieces. Residents all placed a vote for the 3rd, 2nd, and 1st place winner. At the conclusion of the events, residents received Halloween Night safety tips, holiday inspired books, goody bags, and glow sticks.

EOC Dental Services

Sites: Villa Del Mar, Yosemite Village, Cedar Courts, Pacific Gardens, and Inyo Terrace.

A representative from EOC has started visiting sites to educate the community on a new dental service program provided for youth residents. The site visit involves an educational and engaging presentation to youth residents to educate them on how to brush their teeth and other dental hygiene notes. A booth is set up for adult residents for further information on the program and to sign-up.

Fairview Heights Trunk or Treat

Fresno Housing Authority hosted the first Trunk or Treat event at Fairview Heights for the residents in Southwest Fresno. The goal of the event was to provide a safe and welcoming environment for parents to bring their kids and have a good time. The event consisted of Fresno Housing staff decorating their cars and passing out candy to the kids who were out trick or treating. The residents were very excited about the event and thought it was a great idea to have a safe event in the neighborhood. There was a total of seven cars decorated and passing out lots of candy. There was a total of 150 youth who came by and participated in the event. The event was a huge success and staff is already planning for next year to make the event bigger and better.



Senior Halloween Party:

Sites: Marion Villas and Rio Villas

For the month of October, residents participated in a community engagement potluck where they were able to share their favorite spooky dish with each other while dressed up in their Halloween Costumes. Some residents entered the Halloween costume contest and or the pumpkin decorating contest where they were able to win some cool prizes.



GED/High School Diploma – Clovis Adult School

A GED/High School Diploma Completion Orientation was held at Parc Grove Commons on Wednesday October 25, 2017. There were twenty (22) participants from Parc Grove Commons residents, HCV participants, and some non-residents in attendance.

Everyone in attendance was interested in furthering their education by trying to complete their High School Diploma or earning their GED's. An assessment test will be administered at Parc Grove, and online classes to follow. Enrollees would have the opportunity to complete their High School Diplomas online at the Parc Grove Computer Lab or at Home.

Talk, Read, Sing

The Resident Services Department had the privilege of being invited to join the Talk, Read, Sing Campaign by participating in training for Direct Service Staff on October 24, 2017. The goal of the campaign is to "help increase awareness and spark positive change in parents and communities" to help boost "early brain and language development in children 0-5years."

Several Resident Services Coordinators attended the training and received campaign materials; including handouts, posters, and promotional items to help aid them in training others (not limited to: co-workers, staff, and parents etc...) on the Talk, Read, Sing initiative.

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
Renaissance at Parc Grove	WestCare	Partner in the provision of services to property residents
Highway City multifamily housing development/ Community Center	Highway City CDC Central Community Church Granville Central Unified School District Economic Opportunities Commission	Planning partners, potential development partner, potential service providers
Department of Community Services and Development - Low Income Weatherization Program	Association for Energy Affordability GRID Alternatives	Partners in portfolio assessment, project planning and design, and incentive approval
Permaculture at Yosemite Village and Santa Clara	Fresno Metro Ministries Natural Resources Conservation Service	Partners in the development of the community gardens and a permaculture farm - grant fund acquisition and program management
Transformative Climate Communities: Solar and Energy Efficiency	GRID Alternatives Fresno EOC	Partners in the submission of TCC funding applications
Car Sharing Program	Fresno Black Metro Chamber of Commerce Shared Mobility Center Latino Equity Advocacy Policy (LEAP) Stantec Inspiration Transportation	Partners in the submission of a TCC funding application and the design of a multiple stakeholder car sharing network
TCC Planning Grant	Southwest Fresno Community Development Corporation Fresno Council of Governments	Partners in the submission of the TCC planning grant

Housing Choice Departments Collaboration with the City of Fresno

On October 26, 2017, members of the Fresno Housing Authority's Inspection team partnered with the City of Fresno's Neighborhood Revitalization Team to deliver a presentation to members of the Fresno Adult Protective Service (APS) agency. The purpose of this presentation was to bring awareness and education to APS staff and case workers regarding life-threatening and non-life threatening hazards in units and the process when conducting Code Enforcement and Housing Quality Standard (HQS) inspections. Phil Skei of the City of Fresno's Neighborhood Revitalization Team lead the presentation. Those in attendance from Fresno Housing were Alicia M. Jones, Housing Program Manager; Brenda Smith, Assistant Housing Manager; and Anthony Esparza Senior Housing Inspector.

MANAGEMENT GOALS

The goals of management include our efforts to stabilize, focus, and extend activities to meet the mandate of our mission through good decision making 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 Friday, October 13th the department hosted the Annual Wellness Fair to provide employees the opportunity to gather information and resources related to their health and wellbeing. At the event, 35 vendors were hosted from a variety of industries. This was also an opportunity for employees to receive their flu shot. The event was well attended and we look forward to next year.

Damian Rivera, Training Analyst, conducted a new leadership development training on the topic of Giving Feedback on Thursday, November 16, 2017. This training was offered to those who will be evaluating and/or whose performance will be evaluated in Phase I of the performance evaluation process. This training will take place again in early 2018 for all other supervisors.

Areas covered include:

1. As leaders *and* as employees, what is the relationship we have had with "feedback" in our careers?
2. What are some of the best and often missed, opportunities to give feedback?
3. How do we effectively give, and participate in feedback with our direct reports in a way that develops relationships, builds trust, and sets up the performance evaluation discussion for success?

Our New Hire for the Month of October is Shennewa Dean, Resident Services Intern.

Information Technology

Nick Sellai, IT System Administrator, worked with the Resident Services department to upgrade the internet at the Firebaugh Computer Learning Center. Staff has been working to update the technology

there to ensure it would be sufficient for future Resident Service programs. Visitors will now have high speed broadband in addition to the 12 laptops on loan from CSUF.

Recently, IT staff collaborated with the inspections staff to upgrade the mobile technology to better fit the needs of the department. Using a combination of the Yardi mobile application and larger mobile phones, the Agency expects to increase access to information in the field and further reduce the Agency's use of paper.

Information Systems

IS staff, along with various program staff, recently attended the Yardi Conference in Atlanta. Staff spent time learning new features and meeting with Yardi experts to gain a deeper understanding of the Yardi Enterprise Management Software.

ConnectHome

Bobby Coulter, ITS Senior Manager, and Malika Anderson, Resident Services Digital Inclusion Coordinator, attended the 2017 ConnectHome Stakeholders Summit in Washington DC. In 2015, Fresno was chosen as one of 28 ConnectHome pilot communities. Going into 2018, Fresno's focus has expanded from not only increasing internet adoption in our community, but also mentoring fellow housing authorities who are part of the program expansion.

Bobby and Malika were presenters in panels that were focused on topics such as, "Partnering with local anchor institutions" and "Institutionalizing ConnectHome". The panels provided an opportunity to share how Fresno Housing Authority has created innovative programs that introduce technology in the home across multiple generations. One of the many highlights was sharing the Summer Tech Camp Playbook with other housing authorities. The playbook is a guide to starting and maintaining a Robotics Tech Camp. Fresno believes that breaking down complicated programs into a step-by-step guides is a fundamental responsibility of a mentor community.

Administrative Services & Procurement

The Procurement department is currently completing the solicitation stage of a Request for Proposal (RFP) for a licensed general contractor/construction manager (GCCM). The deadline to receive proposals is Thursday, November 16, 2017. The selected GCCM will provide pre-construction and construction services associated with the two potential new developments, Chinatown and Blackstone/Simpson.

The Procurement department is also partnering with the Housing Management and Facilities Departments to complete a fleet analysis. Over the course of the next few weeks, the Procurement, Facilities, and Housing Management department will analyze the cost benefits of using electric carts for maintenance services. Factors to be considered in the evaluation of electric carts include reduced emissions and overall maintenance cost.

The Facilities department was excited to complete the Central Office exterior improvements in less than four weeks, just in time for the reopening of Fulton Street. The improvements included repainting the Central Office Building and planters, adding walkway lights between the parking lot and building, rebuilding the sprinkler system, removing diseased trees and adding shrubbery and mulch. Facilities staff is currently in the process of creating a scope of work for potential improvements to the public lobby at Central Office.

Finance & Accounting

Over the past month, Accounting staff has been working on process improvements that will allow for more accurate and timely financial reporting. They are focusing on accounting processes that cross multiple programs and/or multiple people in order to consolidate efforts and streamline. Staff has also been able to find efficiency gains in many areas including Management Fees, Resident Services billings, and Accounts Payable. Additionally, Staff is working towards major improvements in the areas of cash, credit card expense handling, and utility invoice processing and reporting. We hope that by simplifying processes within the department, staff will have more time to analyzing transactions, financial statements, and trends.

Finance staff is preparing the second internal draft of the 2018 budgets. The first drafts of budgets were received in early October and has spent the past month reviewing, analyzing and editing each budget individually. Staff will present the consolidated, roll-up of all the individual budgets at the November board meeting.

Structure

Maintain a committed, active, community-based Board 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

November 28, 2017



2018 Budget Update

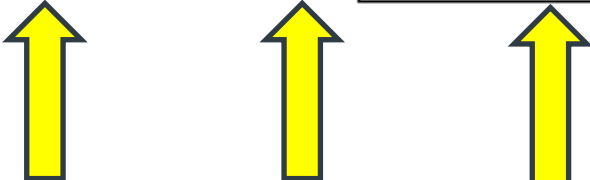
*Fresno Housing Authority
Boards of Commissioners Meeting
November 28, 2017*

2018 Federal Budget Updates

- A continuing resolution (CR) is in place until 12/08/17
- Progress on full-year Appropriations for 2018
 - 09/14/17: House voted to pass a 2018 omnibus spending bill
 - 10/17/17: Senate began a debate on the 2018 proposed budget
 - Discussions have begun on possible two-year appropriations for 2018-2019 FY
 - Congress must pass another CR or a full-year appropriations bill by 12/8/17

2017 & 2018 Operating Expectations

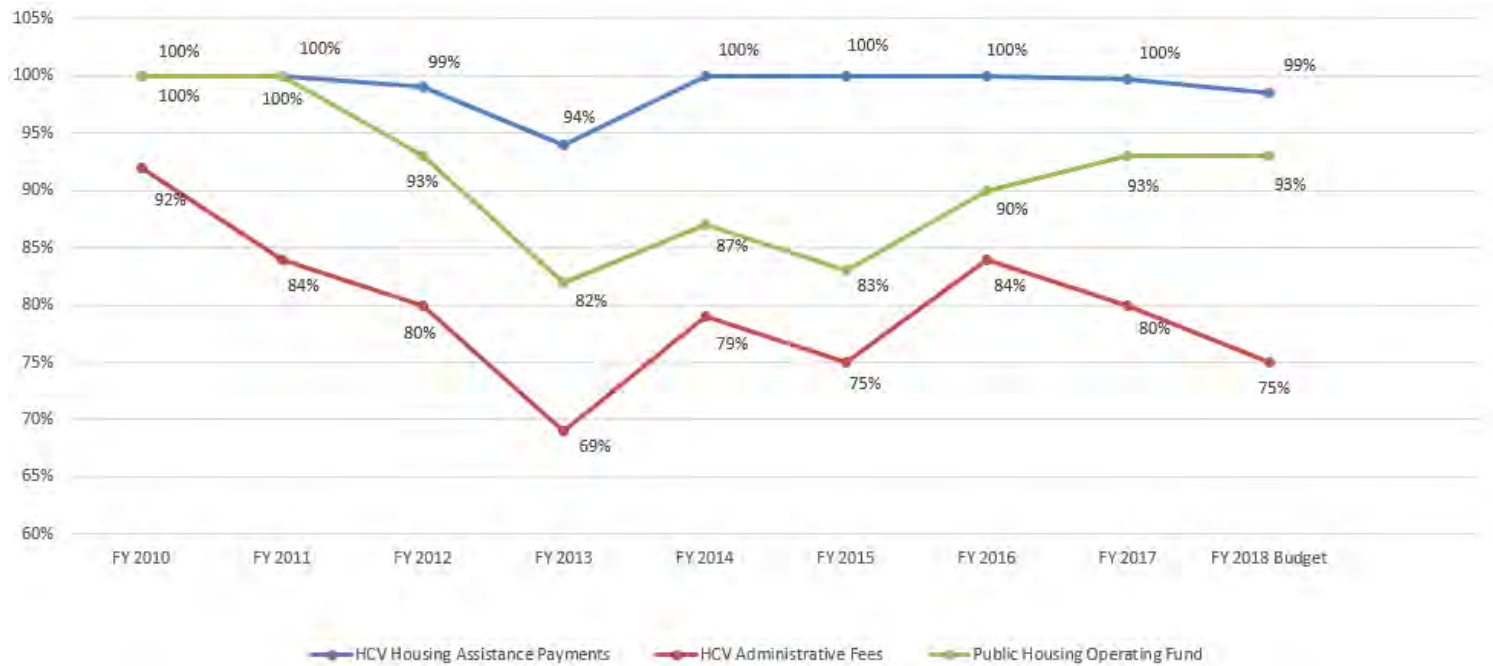
	2017 Budget	2017 Projected	2018 Draft Budget
Total Revenue	41.69	37.80	40.38
Total Expenses	37.88	33.51	35.82
Net Operating Income	3.81	4.30	4.56
Non-Operating Expenses	1.76	1.99	1.21
Total Net Income	2.05	2.30	3.36
Unrestricted Net Income	(0.32)	0.82	(0.36)



2018 Draft Operations Budget

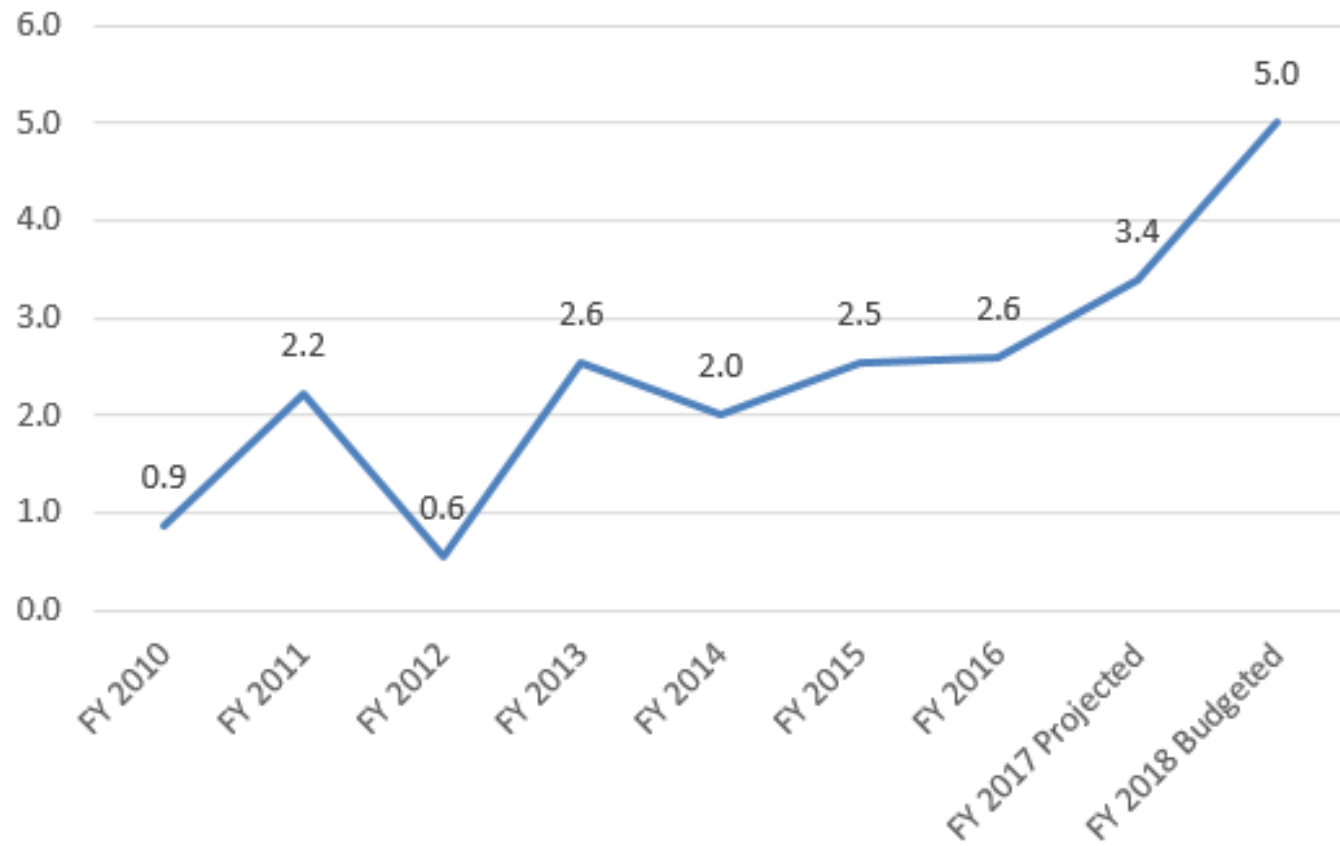
	Core	Instrumentalities	Planning & Development	Assisted Housing	Housing Management	Unrestricted Properties	Total 2018 Budget
NET TENANT INCOME	-	-	-	-	5,935,766	2,050,390	7,986,156
TOTAL INTEREST INCOME	7,000	866,667	-	-	17	-	873,684
TOTAL OTHER INCOME	768,000	177,299	20,000	743,700	78,300	43,000	1,830,299
TOTAL ADMIN & MANAGEMENT FEE INC	8,389,898	300,000	-	-	-	-	8,689,898
TOTAL DEVELOPER FEE INCOME	-	-	4,979,660	-	-	-	4,979,660
TOTAL HUD GRANT INCOME	-	-	-	10,225,704	4,916,293	-	15,141,997
TOTAL OTHER GRANT INCOME	-	-	-	456,374	425,077	-	881,451
TOTAL INCOME	9,164,898	1,343,966	4,999,660	11,425,778	11,355,453	2,093,390	40,383,144
TOTAL PAYROLL EXPENSES	7,146,004	-	1,284,817	6,823,044	2,883,481	309,185	18,446,531
TOTAL ADMINISTRATIVE EXPENSES	3,133,038	237,825	1,512,354	4,476,489	1,292,145	190,111	10,841,961
TOTAL TENANT SERVICES EXPENSES	50,000	-	-	1,284,239	275,451	5,250	1,614,940
TOTAL UTILITY EXPENSES	173,427	-	-	-	1,717,631	222,358	2,113,416
TOTAL MAINTENANCE EXPENSES	404,862	25,000	3,000	41,304	1,837,243	317,112	2,628,521
TOTAL TAXES & INSURANCE EXPENSES	23,720	8,900	1,000	3,100	110,594	28,530	175,844
TOTAL EXPENSES	10,931,051	271,725	2,801,171	12,628,176	8,116,545	1,072,546	35,821,214
NET OPERATING INCOME	(1,766,153)	1,072,241	2,198,489	(1,202,398)	3,238,908	1,020,844	4,561,930
TOTAL NON-OPERATING EXPENSES	-	500	-	-	596,408	609,634	1,206,542
NET INCOME	(1,766,153)	1,071,741	2,198,489	(1,202,398)	2,642,500	411,210	3,355,388
UNRESTRICTED NET INCOME	(1,766,153)	-	2,198,489	(1,202,398)	-	411,210	(358,852)

Historic Funding Levels

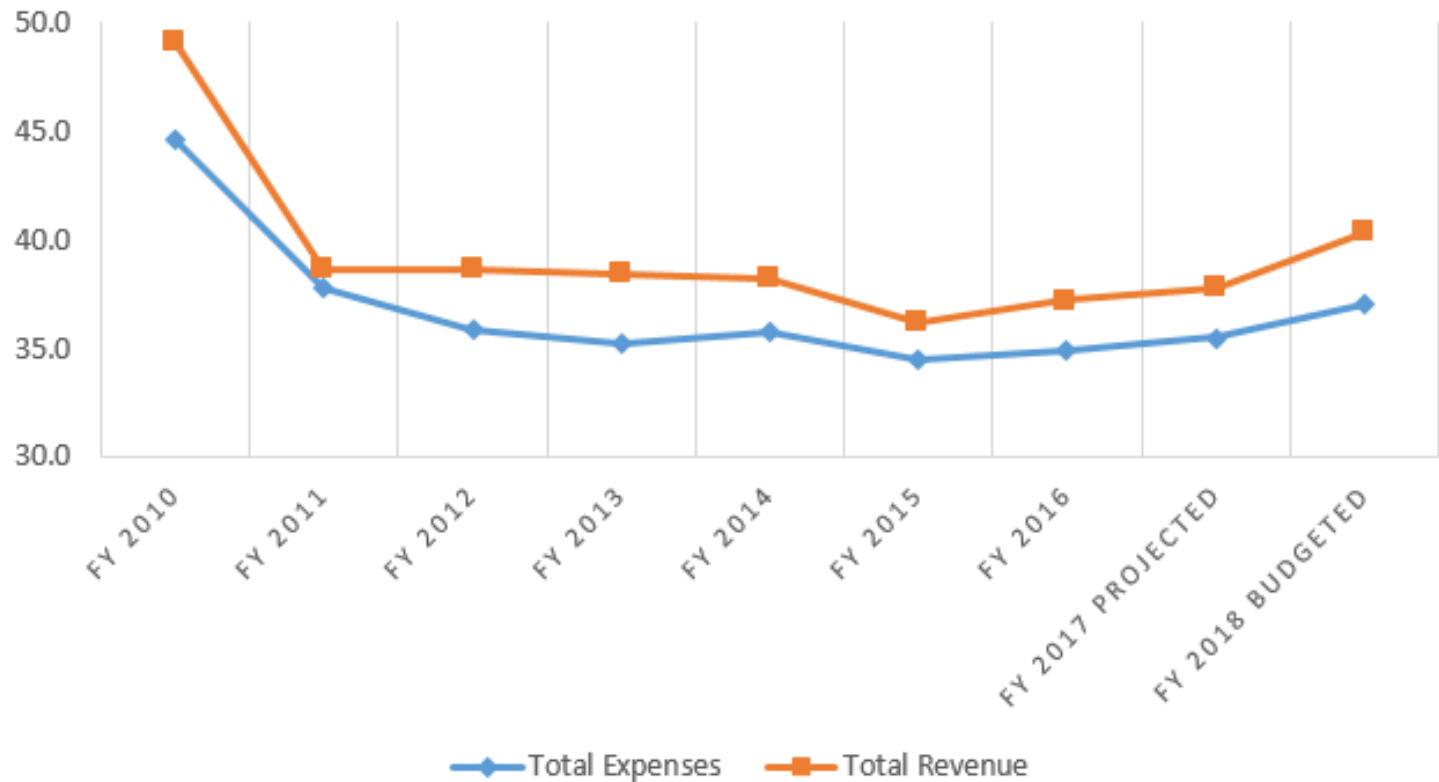


- 2018 Draft Budget
 - HAP: 98.5%
 - Public Housing Subsidy: 93%
 - HCV Admin Fees: 75%

2018 Budgeted Developer Fees



Historic Revenue & Expenses



Developing a Budget to Support Board Goals

<u>Priority</u>	<u>2018 Budget</u> <u>Amount</u>
Resident Services	
- Workforce Development	50,000
- Resident Safety	75,000
- Resident Scholarships	50,000
- Community Sponsorships	150,000
	<u>325,000</u>
Employee Attraction & Retention	
Become Employer of Choice	
- Tuition Reimbursement	75,000
- All-Staff Events	45,000
- Employee Appreciation Event	40,000
- Agency Training Resources	75,000
- Travel & Training for Staff	350,000
- Travel & Training for Board	50,000
	<u>635,000</u>
Leveraging Assets	
Asset Management	275,000
	<u>275,000</u>
Policy & Initiatives Impact Analysis	
Data Analysis	60,000
Policy Analysis	60,000
	<u>120,000</u>
Total Fiscal Impact	<u><u>1,355,000</u></u>

- Amounts listed are included in the 2018 Draft Budget
- Items are based on Board-established priorities for the Agency, and can be modified based on 2018 goal planning

Budget Timeline

- December 19th: Adoption of 2018 Budget



Development Update

November 28, 2017

Presentation Overview

- Action Items
 - Magill Terrace (Fowler) Finance Closing
 - Trailside Terrace (Reedley) Funding Commitment
 - Transformative Climate Communities (TCC)
 - Chinatown
 - Southwest Fresno Planning
- March 2018 Finance Closing/Construction Start
 - Oak Grove (Parlier)—56 units
- Pre-Development Pipeline
 - Blackstone & Simpson Site (Fresno)
 - North Fulton Street Site (Fresno)
 - El Puente (Fresno)

December 2017 Finance Closing – Magill Terrace (Fowler)

- Redevelopment of an existing 20-unit LIPH site; demolition of existing units and new construction of 60 units and a community building
- Awarded \$1.59 million in HOME/AHP funds
- Mogavero Notestine Assoc. awarded architect contract in June 2015
- Johnston Contracting awarded GC/CM contract in January 2017
- HRFC of \$2.2 million committed Feb 2017
- Permitted Plans available and Final Construction number is ready for execution
- *Staff requesting approval for final closing omnibus and financing commitments*

John Sutter
Middle School

Magill Terrace Aerial (Fowler)

401 East Nelson Street

Jameson Dr

Walnut Grove
Villa Apartments

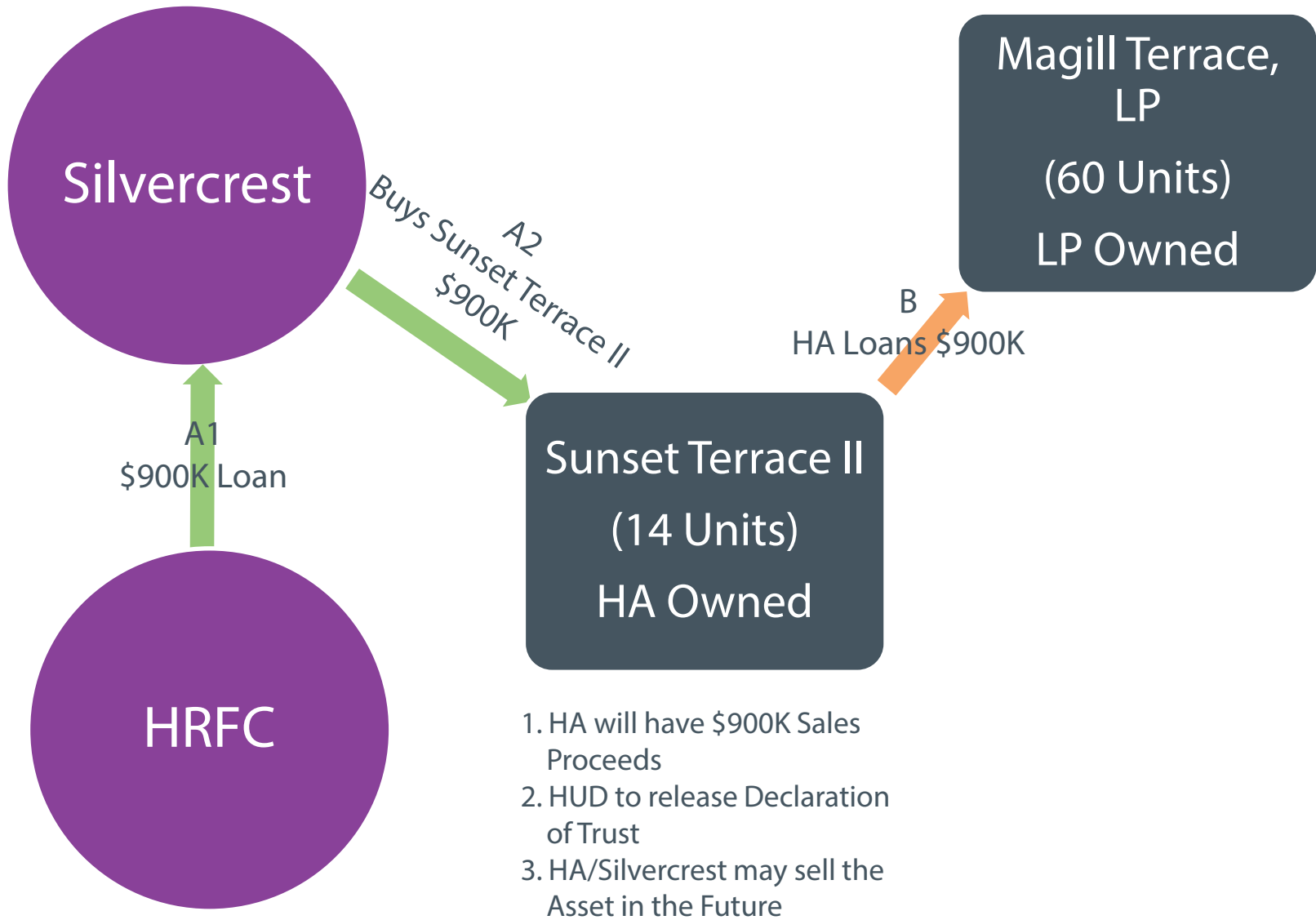
Harvest At Fowler

Dustin Way

Laker Ln

Christopher Ct





Magill Terrace
(60 Units)
LP Owned

HRFC Loans
\$900K

HRFC

Sunset Terrace II
(14 Units)
HA Owned

HA will continue to own
with the HUD Declaration
of Trust

Magill Terrace Sources and Uses

Magill Terrace Development		
Pro Forma Sources and Uses		
Sources of Funds	Amount 2/21/17	Amount 11/28/17
Tax Credit Equity	\$ 17,736,047	\$ 20,970,939
FH/HRFC Soft Loans	\$ 2,200,000	\$ 2,200,000
HOME Funds	\$ 1,000,000	\$ 1,000,000
AHP Funds	\$ 590,000	\$ 590,000
HRFC Tranche B Const./Perm loan	\$ -	\$ 165,000
GP contribution	\$ -	\$ 100
Total Sources of Funds	\$21,526,047	\$ 24,926,039
Uses of Funds	Amount	Amount
Residential Construction Costs	\$ 14,635,984	\$ 15,785,114
Hard Cost Contingency	\$ 731,799	\$ 1,611,011
Relocation	\$ 280,000	\$ 380,000
Professional Fees	\$ 580,000	\$ 570,000
Loan Fees/Soft Costs	\$ 2,723,108	\$ 3,756,867
Reserves	\$ 206,900	\$ 661,774
Developer Fee	\$ 2,368,256	\$ 2,161,273
Total Uses of Funds	\$21,526,047	\$ 24,926,039
Pro Forma Sources and Uses		
Sources of Funds	Amount	Amount
Seller Financing	\$ 1,240,000	\$ 1,240,000
Tax Credit Equity	\$ 655,000	\$ 655,000
Total Sources of Funds	\$ 1,895,000	\$ 1,895,000
Uses of Funds	Amount	Amount
Acquisition Costs	\$ 1,570,000	\$ 1,570,000
Demolition	\$ 325,000	\$ 325,000
Total Uses of Funds	\$ 1,895,000	\$ 1,895,000
*Draft as of 11/28/2017		

Magill Terrace Action Items

Item 8.a.

1. Authorize execution of documents in the name of the Administrative General Partner
2. Authorize sale of a portion of Sunset II to Silvercrest, Inc.
3. Authorize an HRFC loan to Silvercrest, Inc. of \$900,000
4. Authorize an HAFC Sales Proceeds loan of \$900,000
5. Authorize an HAFC Seller Financing loan of \$1,240,000
6. Authorize an HAFC Capital Funds loan of \$1,100,000
7. Authorize an HRFC Loan of \$200,000
8. Authorize an HRFC Tranche B loan of \$165,000
9. Authorize actions for the financing, development, and operations of the Project

Trailside Terrace (Reedley) Funding Commitment

- New construction of 55 multifamily units and commercial space in Reedley
- Began construction in December, 2015
- Has incurred construction delays and cost increases
- Board authorized interim HAFC commitment of \$100,000 in October 2017
- *Upon financial analysis Staff is requesting approval for an increased HRFC commitment of up to \$500,000*

Trailside Terrace Sources and Uses

Trailside Terrace (Paseo 55)		
Sources of Funds	At Closing	Current
Low Income Housing Tax Credit Equity	\$12,191,335	\$11,862,024
FHLB AHP	\$540,000	\$540,000
County of Fresno HOME Funds	\$1,000,000	\$1,000,000
Bank Loan	\$400,000	\$671,000
Deferred Developer Fee	\$298,934	\$875,149
HAFC Loan	\$2,210,000	\$2,431,000
Accrued/Deferred Interest	\$71,393	\$71,393
HRFC	\$1,576,956	\$2,234,652
Accrued/Deferred Interest	\$68,252	\$68,252
General Partner Contribution	\$100	\$100
Total Sources of Funds	\$18,356,970	\$19,753,570
Uses of Funds	At Closing	Current
Acquisition Costs	\$575,000	\$575,000
Construction Costs	\$11,898,000	\$13,678,536
Hard Cost Contingency	\$607,400	\$0
Professional Fees	\$750,000	\$994,803
Loan Fees and other Soft Costs	\$2,308,211	\$1,911,647
Reserves	\$218,061	\$593,286
Commercial Space	\$250,000	\$250,000
Developer Fee	\$1,750,298	\$1,750,298
Total Uses of Funds	\$18,356,970	\$19,753,570
<i>*Draft as of 11/28/2017</i>		

Trailside Terrace Action Items

Item 8.b.

1. Authorize an increased HRFC construction/permanent loan to the Project of up to \$500,000

Transformative Climate Communities (TCC)

- Transformative Climate Communities (TCC)
 - Implementation Grant
 - Chinatown Site (Fresno)
 - Planning Grant
 - Southwest Fresno Planning

Chinatown Site (Fresno)

- Concept project is proposed on .60 acres of vacant land near Downtown Fresno; 4-story mixed-use affordable housing development with 57 units of housing (studios to 3Bd.'s); first floor retail and parking
- Board ratified P&S Agreement August 2017
- Board authorized submission of TCC Concept Proposal to City of Fresno August 2017
- Agency released RFP for General Contractor/Construction Manager (GC/CM)
- TCC Concept Proposal submitted September 2017
- Concept proposal was selected by TCC Steering Committee at final vote on October 4, 2017
- Board approved \$1m HRFC Funds October 11, 2017
- *Staff requesting approval to submit Full TCC Application*

Chinatown Site (Fresno)



Chinatown Rendering (Fresno)



Chinatown Action Items

Item 8.c.

1. Authorize submission of a Transformative Climate Communities (TCC) Implementation Grant application

Southwest Fresno Planning

- Planning area comprised of:
 - California Triangle (15 Parcels totaling approximately 3.4 acres off of California Avenue in Southwest Fresno)
 - Acquired from RDA July 2017
 - Sierra Terrace (46 units, former LIPH)
 - DeSoto Gardens I & II (68 LIPH units)
 - Fairview Heights Terrace (74 LIPH units)
- Partnership with Fresno Council of Governments (COG) and Southwest Fresno Community Development Corporation (SWFCDC)
- *Staff requesting approval to apply for \$250k TCC Planning Grant; due to Strategic Growth Council Nov 2017*



Southwest Fresno Planning Area

Sierra Terrace

California Triangle

731 California

Desoto
I & II

Fairview

Southwest Fresno Action Items

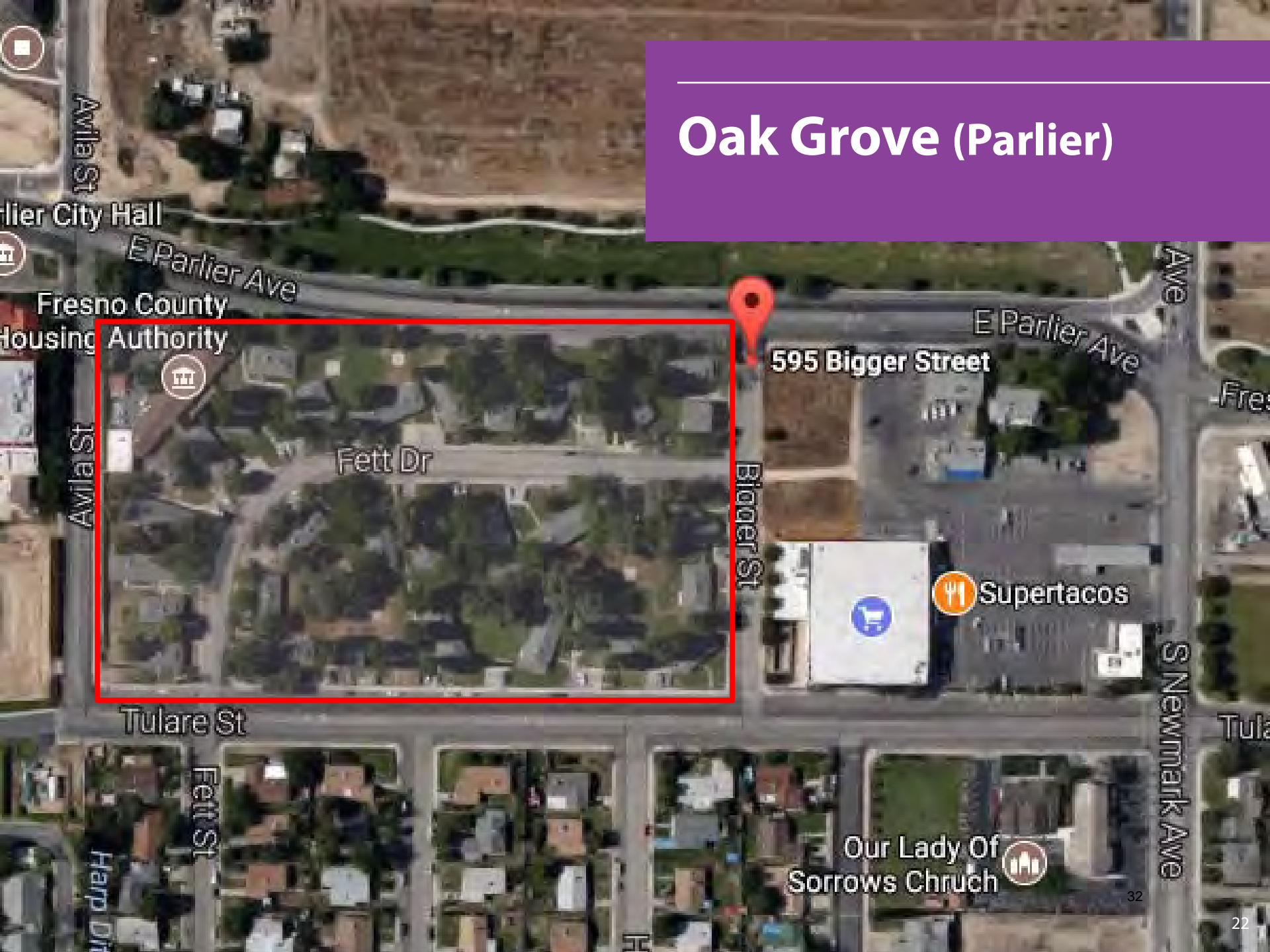
Item 8.d.

1. Authorize submission of a Transformative Climate Communities (TCC) Planning Grant application

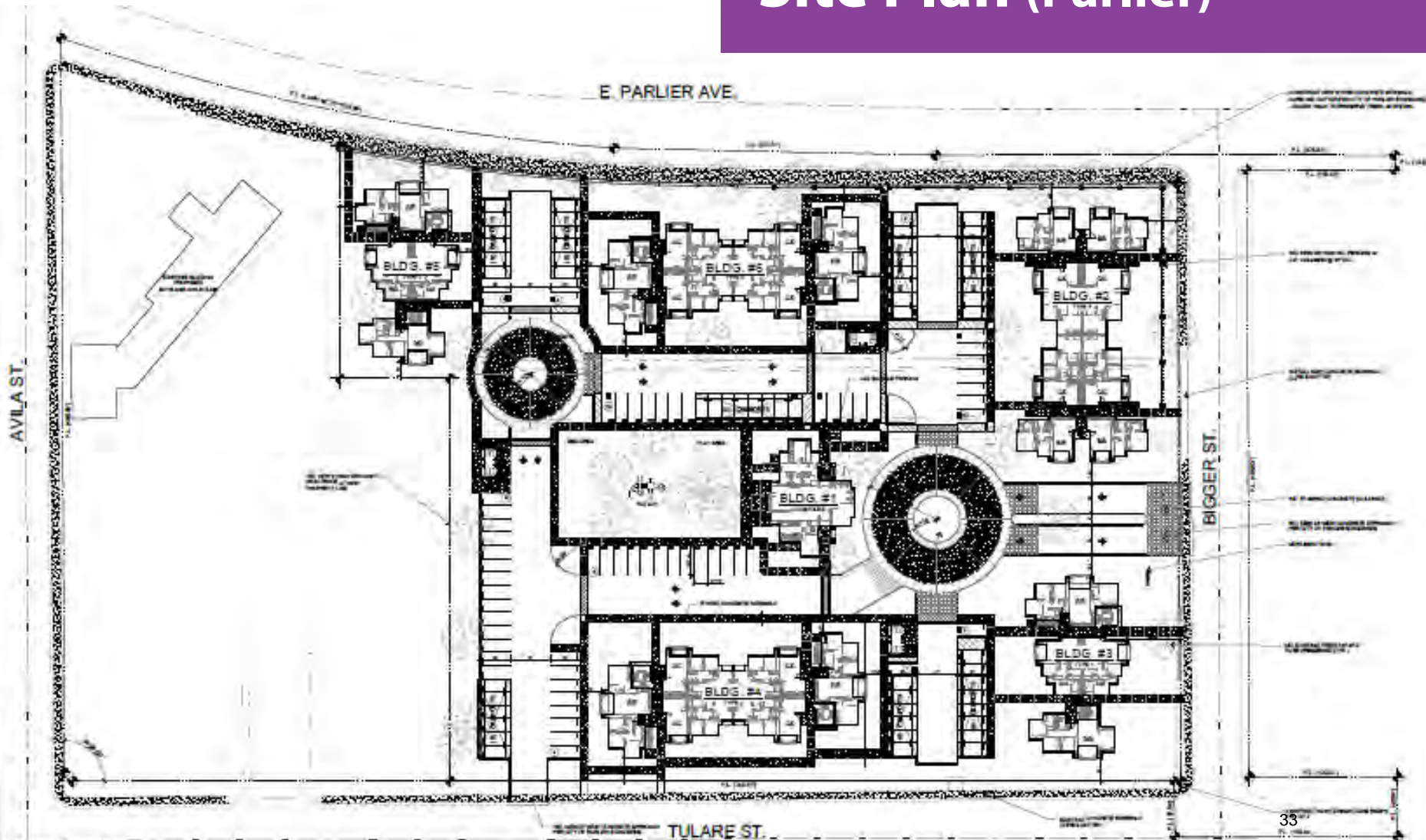
March 2018 Finance Closing – Oak Grove (Parlier)

- Proposed redevelopment of an existing 50-unit LIPH site; demolition of existing units and new construction project of 56 units and a community building
- R.L. Davidson awarded architect contract Jan 2017
- Prowest awarded GC/CM contract Jan 2017
- Board authorized HRFC of \$1.95 million Feb 2017
- Board authorized HAFC LIPH Cap/Op Reserves of \$685k and \$2.34m seller financing Feb 2017
- Received FLHB AHP Award of \$550k June 2017
- Received tax credit reservation September 2017
- Selection of Tax Credit investor concluded - Wells Fargo
- Staff will present final financing plan Feb/March 2018

Oak Grove (Parlier)



Oak Grove Site Plan (Parlier)



Blackstone & Simpson (Fresno)

- Potential for rehabilitation of existing commercial and new construction of approximately 45 affordable housing units
- Board approved Assignment of Purchase and Sale Agreement March 2017
- Board approved HRFC commitment of \$1.4 million June 2017
- Board approved authorization to proceed with acquisition June 2017
- Application for development permit submitted to City of Fresno October 2017
- Acquisition of site completed November 2017
- Potential January 2018 AHSC Application

Blackstone & Simpson Site (Fresno)



Blackstone & Simpson Site (Fresno)



Blackstone & Simpson Rendering (Fresno)



North Fulton Street Site (Fresno)

- Proposed project concept is a 15-story mixed-use workforce (Studios to 2 Bd.'s) affordable housing development with 127 units of housing; first floor retail and subgrade parking
- Potential January 2018 AHSC Application



North Fulton Street Site (Fresno)



1331 Fulton Mall

Fresno Arts Council

Kocky's Bar & Grill

Bank of the West

Take 3

Fresno County
Health Department

Subway

North Fulton Street Site Concept (Fresno)



*Renderings shown reflect draft concept only

El Puente (Fresno)

- Current program operates in partnership with County of Fresno Department of Human Services (DHS)
 - Agreement began in 1984
 - Located near Belmont and Cedar
 - 32 two-bedroom units
- Provides a temporary home for families who require stable housing to reunite with their children
 - Families are eligible by DHS referral
 - Each family is required to save a portion of their cash assistance to obtain permanent housing upon completion
 - The length of stay ranges from 3 nights to a maximum of 6 months; the average length of stay approx. 90 days
 - As of June 2017, we provided services to approximately 158 families

El Puente (Fresno)

- Coordinating with County of Fresno for potential relocations of current Emergency Housing Services to Sierra Terrace site in March/April 2018
- FHA Staff met with County DSS staff the week of November 13th to move toward a contract amendment to allow for the move in Spring 2018
- Potential for rehabilitation of existing site for Special Needs housing

El Puente Aerial (Fresno)



4041 Plaza Drive West

Montgomery Autobody

United Mattress Factory

Quality Paint & Auto Body Supplies

Plaza Dr E

Yang Auto Repair

Advanc

Belmont Avenue

Belmont Avenue



El Puente Site (Fresno)

Transformative Climate Communities (TCC)

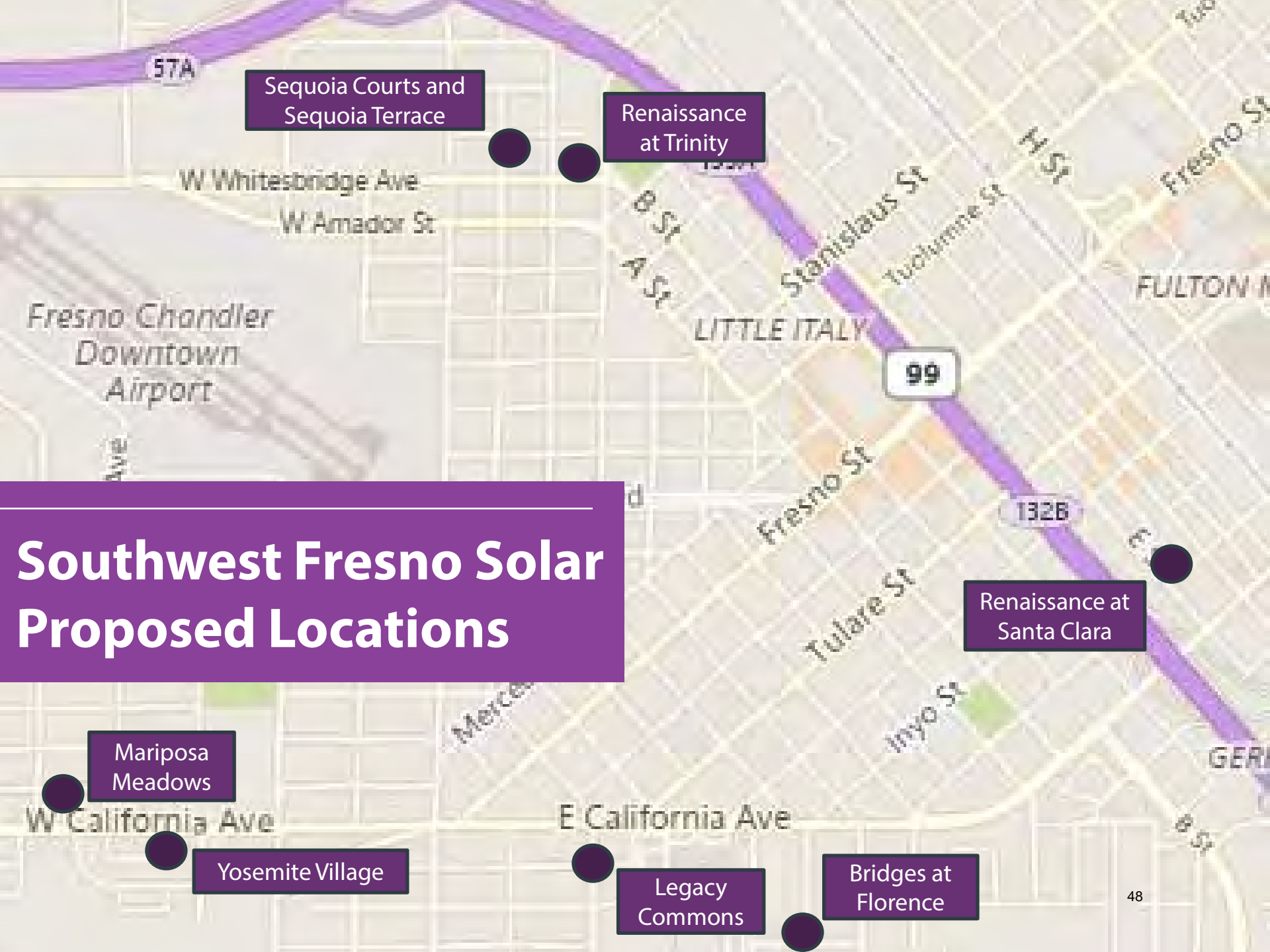
- Transformative Climate Communities (TCC)
 - Implementation Grants thru Partnerships
 - Car Sharing Program (Fresno)
 - Southwest Fresno Solar Project (Fresno)

Electric Car Sharing Program (Fresno)

- Electric Vehicle (EV) Car Sharing Program proposed in Downtown and Southwest Fresno
 - Locations proposed: Bitwise, City View at Van Ness, Legacy Commons, Sequoia Courts, and Parc Grove
 - Agency released RFP for Program Operator
- Board authorized submission of TCC Concept Proposal to City of Fresno August 2017
- Transitioned to an Expanded Partnership Proposal submitted September 2017; Partners include Fresno Metro Black Chamber of Commerce, Shared Use Mobility Center, Latino Equity Advocacy Policy, Inspiration Transportation, and Stantec
- \$7.28m combined TCC request; \$100k of In-Kind Commitment
- Concept proposal was selected by TCC Steering Committee at final vote on October 4, 2017. FH committed match funds of \$100k

Southwest Fresno Solar Project (Fresno)

- Collaborative effort to provide energy efficient packages for solar, weatherization, and energy savings to homes and multi-family housing
- Board authorized submission of TCC Concept Proposal to City of Fresno August 2017
- GRID Alternatives submitted TCC Concept Proposal with Fresno Housing as Partner September 2017
- Seven proposed Fresno Housing sites
- \$1.9m combined single family and multi-family TCC request
- Multi-family proposes 200kw system; \$267k of Match Funding
- Concept proposal was selected by TCC Steering Committee at final vote on October 4, 2017. FH committed match funds of \$121,333



57A

Sequoia Courts and
Sequoia Terrace

Renaissance
at Trinity

W Whitesbridge Ave
W Amador St

Fresno Chandler
Downtown
Airport

LITTLE ITALY

99

132B

Renaissance at
Santa Clara

Southwest Fresno Solar Proposed Locations

Mariposa
Meadows

W California Ave

Yosemite Village

E California Ave

Legacy
Commons

Bridges at
Florence

BOARD MEMO

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

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

www.fresnohousing.org

TO: Board of Commissioners
 Fresno Housing Authority
FROM: Preston Prince
 CEO/Executive Director

DATE: November 28, 2017

BOARD MEETING: November 28, 2017

AGENDA ITEM: Number

AUTHOR: Quincy Boren

Sr. Community Development Analyst

SUBJECT: Magill Terrace – Closing Omnibus Development & Financing Resolution

Executive Summary

On or about December 18th, 2017, Magill Terrace, LP, a California limited partnership (the “Partnership”) will close on the financing of a 60-unit low-income multifamily residential project (the “Project”), to be located at 401 Nelson Ave, Fowler, CA 93625. The Project represents the re-development of Magill Terrace, 20 existing public housing units in Fowler, CA.

The Housing Authority of Fresno County, California (the “Authority”), is the sole member of Magill Terrace 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 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 sale of a portion of Sunset Terrace II (14 units) to Silvercrest, Inc.
3. Authorize a loan from the Housing Relinquished Fund Corporation (HRFC) to Silvercrest, Inc. for the Sunset Terrace II acquisition, in the amount of \$900,000.
4. Authorize a Housing Authority of Fresno County, CA sales proceeds loan of \$900,000 from the Sunset Terrace II sale to the Project.
5. Authorize a Housing Authority of Fresno County, CA Seller Financing loan in the amount of \$1,240,000.
6. Authorize a Housing Authority of Fresno County, CA Capital Funds loan in the amount of \$1,100,000.

7. Authorize a request for a Housing Relinquished Fund Corporation (HRFC) loan to the project in the amount of \$200,000.
8. Authorize a request for a Housing Relinquished Fund Corporation (HRFC) Tranche B construction/permanent loan in the amount of \$165,000.
9. Authorize actions for the financing, development and operation of the Project, and
10. 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 December 18th, 2017:

A resolution authorizing the execution and delivery of documents, the admission of certain partners to Magill Terrace, 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 Magill Terrace AGP, LLC, the Administrative General Partner of the partnership, in connection with the financing, development and operation of the Magill Terrace 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. Total construction financing will be \$26,821,039 from the sources listed in Table 1.

Table 1: Construction Sources of Finance

Source	Amount	Description
Construction Loan	\$17,473,799	The Partnership has received a commitment for a construction loan from Wells Fargo Bank. The term is projected to be 20 months.
HRFC Tranche B Loan	\$ 165,000	This loan has a 24 month term at 4% interest rate
HRFC Loan	\$ 200,000	This loan has a 24 month term at 4% interest rate
Costs Deferred until perm financing	\$ 1,989,546	These costs are not due until construction is complete, and loan converts to a permanent loan structure
Equity Contribution	\$ 2,162,594	Equity contribution at financial closing and construction start
Fresno HA Seller Loan	\$ 1,240,000	This loan has a 24 month term at 4% interest rate
Sales Proceeds Loan	\$ 900,000	This loan has a 24 month term at 4% interest rate

Source	Amount	Description
Fresno HA- Capital Funds Loan	\$ 1,100,000	This loan has a 24 month term at 4% interest rate
HOME Loan	\$ 1,000,000	This loan has a 24 month term and 0% interest rate
AHP Loan	\$ 590,000	This loan has a 24 month term and 0% interest rate
GP Contribution	\$ 100	Equity contribution from the Housing Authority Affiliate(s) at closing

Total permanent financing will be \$26,821,039, from the sources listed in Table 2.

Table 2: Permanent Sources of Finance

Source	Amount	Description
Investor Equity	\$21,625,939	Wells Fargo Bank has committed to providing equity to the project.
HRFC Loan	\$ 200,000	This loan has a 55-year term at 4% interest rate
Fresno HA- Capital Funds Loan	\$ 1,100,000	This loan has a 55 year term at 4% interest rate
Fresno HA Sales Proceeds Loan	\$ 900,000	This loan has a 55 year term at 4% interest rate
Fresno HA Seller Financing Loan	\$ 1,240,000	This loan has a 55 year term at 4% interest rate
HOME Loan	\$ 1,000,000	This loan has a 30 year term at 0% interest rate
AHP Loan	\$ 590,000	This loan has a 55 year term at 0% interest rate
HRFC Tranche B Loan	\$ 165,000	This loan has a 15 year term at 6% interest rate
Equity contribution	\$ 100	Equity contribution

Background Information

The Magill Terrace project currently has occupied housing units on approximately 50% of the project area. The existing units are on Fresno Housing Authority owned land. At the May 2015 Board Meeting, Staff were authorized to enter into a Purchase and Sale agreement for an additional 2 acres of adjacent land. The land is vacant except for a warehouse storage building that will be demolished. The purchase and change in ownership to the Agency took place in November 2016. The site is located in a quiet residential neighborhood directly across the street from John Sutter Middle School. The site plan re-envisioned the site with two-story structures around a central community space, playground equipment and large open green space. The 40 additional units and new community building will increase density and provide for onsite services.

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 BOARD OF COMMISSIONERS OF THE
HOUSING AUTHORITY OF THE CITY OF FRESNO, CALIFORNIA

A RESOLUTION AUTHORIZING THE EXECUTION AND DELIVERY OF DOCUMENTS, THE ADMISSION OF CERTAIN PARTNERS TO MAGILL TERRACE, 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 MAGILL TERRACE AGP, LLC, THE ADMINISTRATIVE GENERAL PARTNER OF THE PARTNERSHIP, IN CONNECTION WITH THE FINANCING, DEVELOPMENT AND OPERATION OF THE MAGILL TERRACE 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 Fowler, 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 demolition and construction of approximately 4.69 acres located at 401 Nelson Street, Fowler, California, APN Numbers 368-253-02, 343-030-02, 343-030-08-T and 343-253-03-T (the “**Property**”), for the purposes of the development and construction of a 60-unit low income multifamily residential project to be generally known as “Magill Terrace”, comprised of fifty-nine (59) low-income housing tax credit units and one (1) manager’s unit (collectively, the “**Project**”); and

WHEREAS, the U.S. Department of Housing and Urban Development (“**HUD**”) has authorized the Authority’s participation in its Rental Assistance Demonstration Program (“**RAD**”) program and the conversion of certain developments from public housing to Section 8 project-based rental assistance. In accordance with the RAD program requirements, the Project will be subject to certain long-term affordability restrictions imposed by HUD which shall be superior to all other financing documents; and

WHEREAS, the Authority will sell property located at 806 E. Lingo, 1039-1041 “B” Street, and 804-814 Duff Avenue each situated in the City of Reedley, County of Fresno, California (“**Sunset Terrace II**”) at fair market value as established by an independent third-party appraisal to Silvercrest, Inc. The Authority will continue to manage and operate Sunset Terrace II on behalf of Silvercrest, Inc.; and

WHEREAS, the Authority has entered into an Operating Agreement dated as of July 5, 2017,

pursuant to which the Authority is the manager and sole member of Magill Terrace 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 July 5, 2017; and

WHEREAS, the Administrative General Partner, together with Silvercrest, Inc., entered into an Agreement of Limited Partnership dated as of July 5, 2017, 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 Magill Terrace, LP, a California limited partnership (the “**Partnership**”), and also filed a Certificate of Limited Partnership with the California Secretary of State on July 5, 2017; and

WHEREAS, the Administrative General Partner, Silvercrest, Inc., as managing general partner (the “**Managing General Partner**”) and withdrawing limited partner, and Wells Fargo Affordable Housing Community Development Corporation, a North Carolina corporation (the “**Investor Limited Partner**”) will enter into an Amended and Restated Agreement of Limited Partnership of Magill Terrace, LP; and

WHEREAS, the Authority intends to sell the Property to the Partnership, and the Partnership intends to acquire the Property and develop the Project; and

WHEREAS, the Partnership has requested the Authority take a seller financing note from the Partnership in the approximate amount of \$1,240,000 (the “**HAFC Loan**”), representing a portion of the purchase price of the Property; and

WHEREAS, the Partnership has requested the Authority make a loan in the approximate amount of \$2,000,000 funded from \$900,000 in proceeds the Authority anticipates realizing from the sale of Sunset Terrace II and from \$1,100,000 of capital funds (the “**HAFC Omnibus Loan**, together with the HAFC Loan, the “**HAFC Loans**”) to finance the Project; 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 \$21,625,939 from the Investor Limited Partner eligible to benefit from State of California low-income housing tax credits and federal low-income housing tax credits allocated to the Project under Section 42 of the Internal Revenue Code; a construction loan from Wells Fargo Bank, National Association, a national banking association (“**Wells Fargo**”) in an amount not to exceed \$20,000,000 (the “**Wells Fargo Loan**”); construction and permanent financings from the Housing Relinquished Fund Corporation (“**HRFC**”) in the approximate amount of \$165,000 (the “**HRFC Loan**”); construction and permanent financing in the form of a second loan from HRFC in the approximate amount of \$200,000 (the “**HRFC Second Loan**”); construction and permanent HOME loan proceeds from the County of Fresno, California (“**County**”) in an estimated amount of \$1,000,000 (the “**HOME Loan**”); and construction and permanent loan proceeds in an estimated amount of \$590,000 (the “**AHP Loan**”) from Wells Fargo Financial National Bank (the “**AHP Lender**”) (collectively with the HAFC Loans, the “**Project Financing**”); and

WHEREAS, as a condition to making the Wells Fargo Loan to the Partnership, Wells Fargo has

required that the Authority execute (i) that certain Repayment Guaranty, (ii) that certain Completion Guaranty, and (iii) that certain Hazardous Material Indemnity Agreement (collectively, the “**Wells Fargo Guaranty Documents**”).

WHEREAS, the Authority intends to act as a lender of the HAFC Loans, 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. **Development Services.** The CEO/Executive Director, Preston Prince, the Deputy Executive 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 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. **Disposition of the Sunset Terrace II.** The Authority has been presented with drafts of the documents listed in Exhibit A under the heading “Sunset Terrace II Documents” (the “**Sunset Terrace II Documents**”) in connection with the sale of Sunset Terrace II to Silvercrest, Inc. and the continued management and operation of Sunset Terrace II by the Authority on behalf of Silvercrest, Inc., which documents are on file with the Authority’s Secretary. The Authorized Officers, and each of them acting alone, are authorized and directed to cause the Authority, in its capacity as owner of the Sunset Terrace II, to sell and transfer ownership of Sunset Terrace II to Silvercrest, Inc. at the fair market value of \$900,000 and use the proceeds from the disposition of Sunset Terrace II to fund a construction and permanent financing loan to the Partnership for construction and development of the Project. The Authorized Officers, and each of them acting alone, are authorized and directed to

execute and deliver, on behalf of the Authority, the Sunset Terrace II 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 Sunset Terrace II Documents, including material changes, and such Authorized Officer's signature on the final Sunset Terrace II 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, any other documents reasonably required to be executed by the Authority to carry out the transactions contemplated by the Sunset Terrace II 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 HUD Documents.** The Authority has been presented with drafts of the documents listed in Exhibit A under the heading "HUD Documents" (the "**HUD 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 on behalf of the Authority acting on its own behalf or as manager of the Administrative General Partner to execute and deliver the HUD Documents and all documents deemed necessary to appropriate to obtain HUD approval related to the Project, including without limitation, a use agreement in order to maintain and operate the Project in accordance with the RAD program for which the Partnership will be provided a subsidy funded with money received from HUD pursuant to a Project-Based Section 8 Housing Assistance Payments Contract; *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 HUD Documents, including material changes, and such Authorized Officer's signature on the final HUD 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 HUD Documents.

6. **Approval of the Making of the HAFC Loan.** The Authority has been presented with drafts of the documents listed in Exhibit A under the heading "HAFC Loan Documents" (the "**HAFC**

Loan Documents”) to be executed by the Partnership and the Authority to effectuate the HAFC Loan, which Loan Documents are on file with the Authority's Secretary, and pursuant to which the Partnership will borrow the HAFC Loan from the Authority. The making of the HAFC Loan in the approximate amount of \$1,240,000 in lieu of receiving proceeds from the sale of the Property is hereby authorized and the Authorized Officers, and each of them acting alone, are authorized and directed to execute and deliver, on behalf of the Authority, the HAFC Loan 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 HAFC Loan Documents, including material changes, and the final amount to be loaned, and such Authorized Officer's signature on the final HAFC 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, any other documents reasonably required to be executed by the Authority, to carry out the transactions contemplated by the HAFC Loan Documents. Each Authorized Officer, and each of them acting alone, is authorized to decrease the principal amount of the HAFC Loan by any amount, or to increase the principal amount of the HAFC Loan by an amount up to 10% more than the principal amount stated in this resolution. The source of funds for any such increase shall be any funds available to the Authority.

7. **Approval of the Making of the HAFC Omnibus Loan**. The Authority has been presented with drafts of the documents listed in Exhibit A under the heading “HAFC Omnibus Loan Documents” (the “**HAFC Omnibus Loan Documents**”) to be executed by the Partnership and the Authority to effectuate the HAFC Omnibus Loan, which Loan Documents are on file with the Authority's Secretary, and pursuant to which the Partnership will borrow the HAFC Omnibus Loan from the Authority. The making of the HAFC Omnibus Loan in the approximate amount of \$2,000,000 from available disposition proceeds and capital funds is hereby authorized and the Authorized Officers, and each of them acting alone, are authorized and directed to execute and deliver, on behalf of the Authority, the HAFC Omnibus Loan 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 HAFC Omnibus Loan Documents, including material changes, and the final amount to be loaned, and such Authorized Officer's signature on the final HAFC Omnibus 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, any other documents reasonably required to be executed by the Authority, to carry out the transactions contemplated by the HAFC Omnibus Loan Documents. Each Authorized Officer, and each of them acting alone, is authorized to decrease the principal amount of the HAFC Omnibus Loan by any amount, or to increase the principal amount of the HAFC Omnibus Loan by an amount up to 10% more than the principal amount stated in this resolution. The source of funds for any such increase shall be any funds available to the Authority.

8. **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.

9. **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 Wells Fargo, the Authority, HRFC, the County and the AHP Lender in an aggregate approximate amount of up to \$27,000,000. 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.

10. **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 (described below) and the Wells Fargo Guaranty Documents.

11. **Approval of Wells Fargo Loan Documents.** The Authority has been presented with drafts of the documents listed in Exhibit A under the heading “Wells Fargo Loan Documents” (the “**Wells Fargo 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 the approximate amount not to exceed \$20,000,000. 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 Wells Fargo 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 Wells Fargo 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 Wells Fargo Loan Documents, including material changes, and the final amount to be borrowed, and such Authorized Officer’s signature on the final Wells Fargo 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 Wells Fargo Loan Documents.

12. **Approval of Wells Fargo Resolutions.** The Authority has been presented with draft resolutions attached hereto in Exhibit B (the “**Wells Fargo Resolutions**”), which resolutions are required by Wells Fargo in connection with the Wells Fargo Loan and Wells Fargo Guaranty Documents. The Authority hereby duly passes and adopts the Wells Fargo Resolutions in substantially the form as attached hereto in Exhibit B and authorizes Preston Prince to certify the Wells Fargo Resolutions as duly passed and adopted; *provided however*, any Authorized Officer may approve on the Authority’s behalf, any further changes to the draft Wells Fargo Resolutions, including the final amount to be borrowed subject to the limitations stated herein, and Preston Prince’s certification of the final Wells Fargo Resolutions shall be construed as the Corporation’s approval of such completion.

13. **Approval of HRFC Loan Documents.** The Authority has been presented with drafts of the documents listed in Exhibit A under the heading “HRFC Loan Documents” (the “**HRFC 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 an approximate aggregate total amount of \$365,000 from HRFC as follows: (i) the HRFC Loan for construction and permanent financing in the approximate amount of \$165,000, and (ii) the HRFC Second Loan for construction and permanent financing in the approximate amount of \$200,000. 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 HRFC 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 HRFC 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 HRFC Loan Documents, including material changes, and the final amount to be borrowed and such Authorized Officer’s signature on the final HRFC 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 HRFC Loan Documents.

14. **Approval of HAFC Loan Documents.** The Authority has been presented with drafts of the documents listed in Exhibit A under the heading “HAFC Loan Documents” (the “**HAFC 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 an approximate aggregate total amount of \$3,240,000 from the Authority as follows: (i) the HAFC Loan for construction and permanent financing in the approximate amount of \$1,240,000, and (ii) the HAFC Omnibus Loan for construction and permanent financing in the approximate amount of \$2,000,000. 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 HAFC 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 HAFC 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 HAFC Loan Documents, including material changes, and the final amount to be borrowed, and such Authorized Officer's signature on the final HAFC Loan Documents shall be construed as the Authority's approval of such changes and final loan amounts. 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 HAFC Loan Documents.

15. **Approval of County HOME Loan Documents.** The Authority has been presented with drafts of the documents listed in Exhibit A under the heading "County HOME Loan Documents" (the "**County HOME 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 and permanent loan of HOME Investment Partnership funds in the approximate amount of \$1,000,000 from the County of Fresno, California. 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 County HOME 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 County HOME 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 County HOME Loan Documents, including material changes, and the final amount to be borrowed, and such Authorized Officer's signature on the final County HOME 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 County HOME Loan Documents.

16. **Approval of AHP Loan Documents.** The Authority has been presented with drafts of the documents listed in Exhibit A under the heading "AHP Loan Documents" (the "**AHP 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 and permanent loan from AHP Lender in the approximate amount of \$590,000 from AHP Lender. 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 AHP 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 AHP 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 AHP Loan Documents, including material changes, and the final amount to be borrowed, and such Authorized Officer's signature on the final AHP 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 AHP Loan Documents.

17. **Approval of the Supportive Services Agreement.** The Authority has been presented with a draft of the Amended and Restated Supportive Services Contract between the Authority and the Partnership (the "**Supportive Services Contract**") in connection with the Authority providing supportive services to residents of the Project, which Supportive Service Contract is on file with the Authority's Secretary. 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 Supportive Services Contract; *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 Supportive Services Contract, including material changes, and such Authorized Officer's signature on the final Supportive Services Contract 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 Supportive Services Contract.

18. **Approval of the Project Transfer and 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 and development of certain land owned by the Authority which will be conveyed to the Partnership on which the Project is to be built, which documents are on file with the Authority's Secretary, and pursuant to which the Partnership will acquire the Property for a purchase price not to exceed \$1,571,000 at closing (less any previous deposits into escrow), payable in the form of the HAFC Loan and a cash payment of the approximate amount of \$330,000. 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 Property; *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.

19. **Approval of the Project Transfer and 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 and development of certain land owned by the Authority which will be conveyed to the Partnership on which the Project is to be built, which documents are on file with the Authority's Secretary, and pursuant to which the Partnership will acquire the Property for a purchase price not to exceed \$1,571,000 at closing (less any previous deposits into escrow), payable in the form of the HAFC Loan and a cash payment in the approximate amount of \$330,000. 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 Property; *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.

20. **Approval of the Management Agent and Management Documents.** The Authority, as the management agent, and GSF Properties, Inc., as the sub-management agent, are approved to manage the Project (collectively, the "**Management Agent**"). 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, a management agreement, subcontract management agreement, management plan and ancillary documents with the Management Agent.

21. **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, Wells Fargo Loan Documents, HRFC Loan Documents, HAFC Loan Documents, County HOME Loan Documents and AHP Loan Documents.

22. **Execution of Documents.** 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) 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; (iii) to further the acquisition, rehabilitation, development, financing, construction, and leasing of the Project; and/or (iv) to further the sale and management of Sunset Terrace II. 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.

23. **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.

24. **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.

25. **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.

26. **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.

27. **Effective Date.** This resolution shall be in full force and effect from and after its adoption and approval.

PASSED AND ADOPTED THIS _____ DAY OF NOVEMBER, 2017. 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

I, the undersigned, the duly appointed CEO/Executive Director of the Housing Authority of the City of Fresno, California (the “**Authority**”), as keeper of the records of the Authority, CERTIFY:

1. That the attached Resolution _____ (the “**Resolution**”) is a true and correct copy of the resolution of the Board of Commissioners of the Authority, as adopted at a meeting of the Authority held on the ____ day of November, 2017, and duly recorded in the minute books of the Authority.

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

IN WITNESS WHEREOF, I have hereunto set my hand this ____ day of November, 2017.

**HOUSING AUTHORITY OF THE CITY OF
FRESNO, CALIFORNIA**

Preston Prince, CEO/Executive Director

EXHIBIT A PROJECT DOCUMENTS

Sunset Terrace II Documents

- (a) Purchase and Sale Agreement between the Authority and Silvercrest, Inc.;
- (b) Grant Deed by the Authority in favor of Silvercrest, Inc.; and
- (c) Property Management Agreement between the Authority and Silvercrest, Inc.

Partnership Documents

- (d) Amended and Restated Agreement of Limited Partnership of Magill Terrace, LP and all exhibits attached thereto which require execution;
- (e) Guaranty by the Authority in favor of Investor Limited Partner and the Partnership;
- (f) LP Asset Management Fee Agreement between Investor Limited Partner and the Partnership;
- (g) GP Asset Management Fee Agreement between the Managing General Partner, the Administrative General Partner and the Partnership;
- (h) Development Agreement between the Authority and the Partnership;
- (i) Security Agreement by the Investor Limited Partner in favor of the Partnership;
- (j) Reimbursement and Assignment Agreement by and among the Partnership, the Managing General Partner, the Administrative General Partner, the Authority, and the general contractor;
- (k) Right of First Refusal, Purchase Option, and Put Right Agreement by and among the Partnership, the Corporation and the Investor Limited Partner;
- (l) Rider to Construction Contract by and among the Partnership, Johnston Contracting, Inc., the Managing General Partner and the Administrative General Partner; and
- (m) Tax Certificate executed by the Administrative General Partner and the Managing General Partner.

HUD Documents

- (n) RAD Conversion Commitment by the Authority and the Partnership;
- (o) RAD Use Agreement by the Partnership;
- (p) Housing Assistance Payments Contract – RAD for the Conversion of Public Housing to Project-Based Section 8 by the Partnership; and

- (q) HUD-required certifications and forms by the Authority and the Partnership.

Wells Fargo Loan Documents

- (r) Promissory Note executed by the Partnership in favor of Wells Fargo;
- (s) Construction Deed of Trust with Absolute Assignment of Leases and Rents, Security Agreement and Fixture Filing, executed by the Partnership as trustor, to American Securities Company for the benefit of Wells Fargo;
- (t) Construction Loan Agreement executed by the Partnership and Wells Fargo;
- (u) Completion Guaranty (Secured Loan) executed by the Authority, in its capacity as guarantor, in favor of Wells Fargo;
- (v) Repayment Guaranty (Secured Loan) executed by the Authority, in its capacity as guarantor, in favor of Wells Fargo;
- (w) Security Agreement executed by the Partnership, the Administrative General Partner, the Managing General Partner in favor of Wells Fargo;
- (x) Security Agreement Rights to Payment executed by the Partnership and Wells Fargo;
- (y) Copartnership, Joint Venture or Association Borrowing Certificate executed by the Managing Partner and Administrative General Partner;
- (z) Hazardous Materials Indemnity Agreement (Unsecured-Guarantor) executed by the Authority, in its capacity as guarantor, and Wells Fargo;
- (aa) Hazardous Materials Indemnity Agreement (Unsecured-Borrower) executed by the Partnership and Wells Fargo;
- (bb) Assignment of Housing Assistance Payments Contract and Housing Assistance Payments executed by the Partnership and Wells Fargo;
- (cc) Assignment of Architectural Agreements and Plans and Specifications executed by the Partnership in favor of Wells Fargo;
- (dd) Assignment of Construction Contracts executed by the Partnership in favor of Wells Fargo;
- (ee) Assignment of Management Agreement executed by the Partnership and the Authority;
- (ff) Agreement to Subordinate to Rental Assistance Demonstration Use Agreement executed by Wells Fargo and the Partnership;
- (gg) Subordination Agreement (HRFC Loans) executed by HRFC, the Partnership and Wells Fargo;

- (hh) Subordination Agreement (HAFC Loans) executed by the Authority, the Partnership and Wells Fargo; and
- (ii) Subordination Agreement (HOME Loan) executed by the Partnership, the County and Wells Fargo.

HRFC Loan Documents

- (jj) HRFC Mortgage Note (HRFC Loan) by the Partnership in favor of HRFC;
- (kk) HRFC Deed of Trust, Security Agreement and Financing Statement (HRFC Loan) by the Partnership in favor of HRFC;
- (ll) HRFC Loan-Assignment of Leases and Rents (HRFC Loan) by the Partnership in favor of HRFC;
- (mm) HRFC Loan Agreement (HRFC Loan) the Partnership and HRFC;
- (nn) Agreement to Subordinate to Rental Assistance Demonstration Use Agreement (HRFC Loan) between HRFC and the Partnership;
- (oo) HRFC Mortgage Note (HRFC Second Loan) by the Partnership in favor of HRFC;
- (pp) HRFC Deed of Trust, Security Agreement and Financing Statement (HRFC Second Loan) by the Partnership in favor of HRFC;
- (qq) HRFC Loan Assignment of Leases and Rents (HRFC Second Loan) by the Partnership in favor of HRFC;
- (rr) HRFC Loan Agreement (HRFC Second Loan) the Partnership and HRFC; and
- (ss) Agreement to Subordinate to Rental Assistance Demonstration Use Agreement (HRFC Second Loan) executed by HRFC and the Partnership;
- (tt) Subordination Agreement (HAFC Loans) executed by the Partnership, the Authority and HRFC; and
- (uu) Subordination Agreement (HOME Loan) executed by the Partnership, the County and HRFC.

HAFC Loan Documents

- (vv) HAFC Construction Deed of Trust, Security Agreement and Financing Statement (HAFC Loan) by the Partnership in favor of the Authority;
- (ww) HAFC Loan Agreement (HAFC Loan) between the Partnership and the Authority;
- (xx) HAFC Assignment of Leases and Rents (HAFC Loan) by the Partnership in favor of the Authority;

- (yy) HAFC Mortgage Note (HAFC Loan) by the Partnership in favor of the Authority;
- (zz) Agreement to Subordinate to Rental Assistance Demonstration Use Agreement (HAFC Loan) between HAFC and the Partnership;
- (aaa) HAFC Construction Deed of Trust, Security Agreement and Financing Statement (HAFC Omnibus Loan) by the Partnership in favor of the Authority;
- (bbb) HAFC Loan Agreement (HAFC Omnibus Loan) between the Partnership and the Authority;
- (ccc) HAFC Assignment of Leases and Rents (HAFC Omnibus Loan) by the Partnership in favor of the Authority;
- (ddd) HAFC Mortgage Note (HAFC Omnibus Loan) by the Partnership in favor of the Authority;
- (eee) Agreement to Subordinate to Rental Assistance Demonstration Use Agreement (HAFC Omnibus Loan) between HAFC and the Partnership; and
- (fff) Subordination Agreement executed by the Partnership, the County and the Authority.

HOME Loan Documents

- (ggg) HOME Agreement between the County and the Partnership;
- (hhh) Deed of Trust and Assignment of Rents and Financing Statement by the Partnership in favor of the County;
- (iii) Promissory Note by the Partnership in favor of the County;
- (jjj) HOME Regulatory Agreement and Declaration of Restrictive Covenants by the Partnership in favor of the County; and
- (kkk) Agreement to Subordinate to Rental Assistance Demonstration Use Agreement (HOME Omnibus Loan) between the County and the Partnership.

AHP Loan Documents

- (lll) Promissory Note (AHP Rental Project) by the Partnership to the order of the AHP Lender.
- (mmm) Deed of Trust, Assignment of Leases and Rents, Security Agreement and Fixture by the Partnership in favor of the AHP Lender (including the attached Rider to Deed of Trust – Affordable Housing Program Retention Agreement and Restrictive Covenants by the Partnership as trustor); and
- (nnn) Agreement to Subordinate to Rental Assistance Demonstration Use Agreement (AHP Loan) between AHP Lender and the Partnership.

Acquisition Documents

- (ooo) Purchase and Sale Agreement between the Authority and the Partnership; and
- (ppp) Grant Deed by the Authority in favor of Partnership.

Management Agent Documents

- (qqq) Magill Terrace Property Management Agreement between the Partnership and the Authority; and
- (rrr) Magill Terrace Property Subcontract Property Management Agreement between the Authority and GSF Properties, Inc.

EXHIBIT B
FORM OF WELLS FARGO REQUIRED RESOLUTIONS

**CORPORATE RESOLUTION AUTHORIZING EXECUTION OF LOAN DOCUMENTS,
GUARANTY AND
INDEMNITY AND ENDORSEMENT AND HYPOTHECATION OF PROPERTY**

(HOUSING AUTHORITY OF FRESNO COUNTY, CALIFORNIA)

**TO: Wells Fargo Bank, National Association, it successors and/or assigns (“Lender”)
Wells Fargo Affordable Housing Community Development Corporation
 (“Investor”)**

WHEREAS, the HOUSING AUTHORITY OF FRESNO COUNTY, CALIFORNIA, a public body, corporate and politic (the “**Housing Authority**”), is the sole member and manager of MAGILL TERRACE AGP, LLC a California limited liability company (“**Administrative General Partner**”), which is the administrative general partner of MAGILL TERRACE, LP, a California limited partnership (“**Borrower**”).

WHEREAS, the Housing Authority will benefit by any credit now or hereafter extended by Lender (as hereinafter defined) to Borrower.

WHEREAS, Pursuant to that certain Construction Loan Agreement executed between Lender and Borrower dated as of _____, 2017 (the “**Loan Agreement**”). Lender has agreed to make a Loan to Borrower in the original principal amount of (\$_____.00) (the “**Loan**”). The obligations of Borrower to repay the Loan are evidenced by a promissory note made as of even date herewith by in favor of Lender, (the “**Note**”), and all modifications, extensions, renewals and replacements thereof. The obligations of Borrower under the Loan Agreement and the Note are secured by a Construction Deed of Trust with Absolute Assignment of Leases and Rents, Security Agreement and Fixture Filing (the “**Deed of Trust**”) covering certain real property described on Exhibit A thereto and certain personal property, each, as described in the Deed of Trust (all collectively, the “**Property**”). The obligations of Borrower under the Loan Agreement and the Note are also secured by other collateral, as more fully explained in the Loan Agreement.

NOW, THEREFORE, BE IT RESOLVED, that the CEO/Executive Director, the Deputy Director, the Chief of Staff, or their respective designees (an “**Authorized Officer**”), acting alone, be and is hereby authorized and empowered for and on behalf of and in the name of Housing Authority and as its corporate act and deed in his discretion:

28. to guaranty the performance by Borrower, under the Loan Agreement, the Note and the other Loan Documents;
29. to guaranty the repayment of any indebtedness of Borrower to Lender in an amount or amounts not to exceed at any one time the sum of \$_____ for principal, plus all interest accrued thereon, and costs and expenses pertaining thereto; and
30. to execute and deliver to Lender such guaranties, continuing guaranties (including that certain Completion Guaranty and that certain Repayment Guaranty (Secured Loan), both

to be executed by the Housing Authority in favor of Lender), indemnities (including that certain Hazardous Materials Indemnity Agreement (Unsecured - Guarantor), to be executed by the Housing Authority for the benefit of Lender), endorsements, consents to future modifications of Borrower's obligations and/or other related documents, all in form and substance satisfactory to Lender, as Lender may request, together with such other contracts or instruments as Lender deems necessary or convenient to accomplish the purposes of this resolution.

BE IT FURTHER RESOLVED, that any Authorized Officer, any one of them acting alone, is hereby authorized and empowered to (a) act for and on behalf of and in the name of the Housing Authority, in its capacity as the sole member and manager of Administrative General Partner, on its own behalf and in its capacity as the administrative general partner of Borrower, (b) execute any and all documents or instruments evidencing the formation, qualification to do business, or conducting of the business of Borrower; (c) enter into the transactions described above and to incur indebtedness and grant liens and security interests in connection with such transactions on behalf of Administrative General Partner, on its own behalf and in its capacity as the administrative general partner of Borrower; and (d) execute and deliver to the Lender, and Lender is requested to accept, any and all documents or instruments evidencing any transaction between Lender, on the one hand, and Borrower and/or Administrative General Partner, on the other hand, including, but not limited to the Loan Agreement, the Note, the Deed of Trust, the other Loan Documents (as defined in the Loan Agreement) and any modifications, renewals or extensions thereof.

BE IT FURTHER RESOLVED, that the authority hereby conferred is in addition to the authority conferred by any other resolution heretofore or hereafter delivered to Lender. This resolution shall continue in full force and effect until Lender shall have received notice in writing, certified by the Secretary of the Housing Authority, of the revocation hereof by a resolution duly adopted by the Board of Commissioners of the Housing Authority, and such revocation shall be effective only as to credit which was not extended or committed by Lender to Borrower prior to Lender's receipt of such notice. The authority hereby conferred shall be deemed to be retroactive and any and all acts authorized herein which were performed prior to the passage of this resolution are hereby approved and ratified.

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Loan No. _____

CERTIFICATION

I, Preston Prince, the CEO/Executive Director of the HOUSING AUTHORITY OF THE CITY OF FRESNO, CALIFORNIA, a public body, corporate and politic, do hereby certify and declare (a) that the foregoing is a full, true and correct copy of the resolutions duly passed and adopted by the Board of Commissioners of the Housing Authority of the City of Fresno, California held on _____, 2017, (b) that said resolutions are now in full force and effect; (c) that there is no provision in the Bylaws of the Housing Authority limiting the power of the of the Housing Authority to pass the foregoing resolutions; and (d) that such resolutions are in conformity with the provisions of said Bylaws.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the corporate seal of said Housing Authority this _____, 2017.

By: _____
Preston Prince
CEO/Executive Director

RESOLUTION NO. _____
BEFORE THE BOARD OF COMMISSIONERS OF THE
HOUSING AUTHORITY OF FRESNO COUNTY, CALIFORNIA

A RESOLUTION AUTHORIZING THE EXECUTION AND DELIVERY OF DOCUMENTS, THE ADMISSION OF CERTAIN PARTNERS TO MAGILL TERRACE, 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 MAGILL TERRACE AGP, LLC, THE ADMINISTRATIVE GENERAL PARTNER OF THE PARTNERSHIP, IN CONNECTION WITH THE FINANCING, DEVELOPMENT AND OPERATION OF THE MAGILL TERRACE 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 Fowler, 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 demolition and construction of approximately 4.69 acres located at 401 Nelson Street, Fowler, California, APN Numbers 368-253-02, 343-030-02, 343-030-08-T and 343-253-03-T (the “**Property**”), for the purposes of the development and construction of a 60-unit low income multifamily residential project to be generally known as “Magill Terrace”, comprised of fifty-nine (59) low-income housing tax credit units and one (1) manager’s unit (collectively, the “**Project**”); and

WHEREAS, the U.S. Department of Housing and Urban Development (“**HUD**”) has authorized the Authority’s participation in its Rental Assistance Demonstration Program (“**RAD**”) program and the conversion of certain developments from public housing to Section 8 project-based rental assistance. In accordance with the RAD program requirements, the Project will be subject to certain long-term affordability restrictions imposed by HUD which shall be superior to all other financing documents; and

WHEREAS, the Authority will sell property located at 806 E. Lingo, 1039-1041 “B” Street, and 804-814 Duff Avenue each situated in the City of Reedley, County of Fresno, California (“**Sunset Terrace II**”) at fair market value as established by an independent third-party appraisal to Silvercrest, Inc. The Authority will continue to manage and operate Sunset Terrace II on behalf of Silvercrest, Inc.; and

WHEREAS, the Authority has entered into an Operating Agreement dated as of July 5, 2017,

pursuant to which the Authority is the manager and sole member of Magill Terrace 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 July 5, 2017; and

WHEREAS, the Administrative General Partner, together with Silvercrest, Inc., entered into an Agreement of Limited Partnership dated as of July 5, 2017, 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 Magill Terrace, LP, a California limited partnership (the “**Partnership**”), and also filed a Certificate of Limited Partnership with the California Secretary of State on July 5, 2017; and

WHEREAS, the Administrative General Partner, Silvercrest, Inc., as managing general partner (the “**Managing General Partner**”) and withdrawing limited partner, and Wells Fargo Affordable Housing Community Development Corporation, a North Carolina corporation (the “**Investor Limited Partner**”) will enter into an Amended and Restated Agreement of Limited Partnership of Magill Terrace, LP; and

WHEREAS, the Authority intends to sell the Property to the Partnership, and the Partnership intends to acquire the Property and develop the Project; and

WHEREAS, the Partnership has requested the Authority take a seller financing note from the Partnership in the approximate amount of \$1,240,000 (the “**HAFC Loan**”), representing a portion of the purchase price of the Property; and

WHEREAS, the Partnership has requested the Authority make a loan in the approximate amount of \$2,000,000 funded from \$900,000 in proceeds the Authority anticipates realizing from the sale of Sunset Terrace II and from \$1,100,000 of capital funds (the “**HAFC Omnibus Loan**, together with the HAFC Loan, the “**HAFC Loans**”) to finance the Project; 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 \$21,625,939 from the Investor Limited Partner eligible to benefit from State of California low-income housing tax credits and federal low-income housing tax credits allocated to the Project under Section 42 of the Internal Revenue Code; a construction loan from Wells Fargo Bank, National Association, a national banking association (“**Wells Fargo**”) in an amount not to exceed \$20,000,000 (the “**Wells Fargo Loan**”); construction and permanent financings from the Housing Relinquished Fund Corporation (“**HRFC**”) in the approximate amount of \$165,000 (the “**HRFC Loan**”); construction and permanent financing in the form of a second loan from HRFC in the approximate amount of \$200,000 (the “**HRFC Second Loan**”); construction and permanent HOME loan proceeds from the County of Fresno, California (“**County**”) in an estimated amount of \$1,000,000 (the “**HOME Loan**”); and construction and permanent loan proceeds in an estimated amount of \$590,000 (the “**AHP Loan**”) from Wells Fargo Financial National Bank (the “**AHP Lender**”) (collectively with the HAFC Loans, the “**Project Financing**”); and

WHEREAS, as a condition to making the Wells Fargo Loan to the Partnership, Wells Fargo has

required that the Authority execute (i) that certain Repayment Guaranty, (ii) that certain Completion Guaranty, and (iii) that certain Hazardous Material Indemnity Agreement (collectively, the “**Wells Fargo Guaranty Documents**”).

WHEREAS, the Authority intends to act as a lender of the HAFC Loans, 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. **Development Services.** The CEO/Executive Director, Preston Prince, the Deputy Executive 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 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. **Disposition of the Sunset Terrace II.** The Authority has been presented with drafts of the documents listed in Exhibit A under the heading “Sunset Terrace II Documents” (the “**Sunset Terrace II Documents**”) in connection with the sale of Sunset Terrace II to Silvercrest, Inc. and the continued management and operation of Sunset Terrace II by the Authority on behalf of Silvercrest, Inc., which documents are on file with the Authority’s Secretary. The Authorized Officers, and each of them acting alone, are authorized and directed to cause the Authority, in its capacity as owner of the Sunset Terrace II, to sell and transfer ownership of Sunset Terrace II to Silvercrest, Inc. at the fair market value of \$900,000 and use the proceeds from the disposition of Sunset Terrace II to fund a construction and permanent financing loan to the Partnership for construction and development of the Project. The Authorized Officers, and each of them acting alone, are authorized and directed to

execute and deliver, on behalf of the Authority, the Sunset Terrace II 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 Sunset Terrace II Documents, including material changes, and such Authorized Officer's signature on the final Sunset Terrace II 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, any other documents reasonably required to be executed by the Authority to carry out the transactions contemplated by the Sunset Terrace II 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 HUD Documents.** The Authority has been presented with drafts of the documents listed in Exhibit A under the heading "HUD Documents" (the "**HUD 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 on behalf of the Authority acting on its own behalf or as manager of the Administrative General Partner to execute and deliver the HUD Documents and all documents deemed necessary to appropriate to obtain HUD approval related to the Project, including without limitation, a use agreement in order to maintain and operate the Project in accordance with the RAD program for which the Partnership will be provided a subsidy funded with money received from HUD pursuant to a Project-Based Section 8 Housing Assistance Payments Contract; *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 HUD Documents, including material changes, and such Authorized Officer's signature on the final HUD 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 HUD Documents.

6. **Approval of the Making of the HAFC Loan.** The Authority has been presented with drafts of the documents listed in Exhibit A under the heading "HAFC Loan Documents" (the "**HAFC**

Loan Documents”) to be executed by the Partnership and the Authority to effectuate the HAFC Loan, which Loan Documents are on file with the Authority's Secretary, and pursuant to which the Partnership will borrow the HAFC Loan from the Authority. The making of the HAFC Loan in the approximate amount of \$1,240,000 in lieu of receiving proceeds from the sale of the Property is hereby authorized and the Authorized Officers, and each of them acting alone, are authorized and directed to execute and deliver, on behalf of the Authority, the HAFC Loan 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 HAFC Loan Documents, including material changes, and the final amount to be loaned, and such Authorized Officer's signature on the final HAFC 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, any other documents reasonably required to be executed by the Authority, to carry out the transactions contemplated by the HAFC Loan Documents. Each Authorized Officer, and each of them acting alone, is authorized to decrease the principal amount of the HAFC Loan by any amount, or to increase the principal amount of the HAFC Loan by an amount up to 10% more than the principal amount stated in this resolution. The source of funds for any such increase shall be any funds available to the Authority.

7. **Approval of the Making of the HAFC Omnibus Loan**. The Authority has been presented with drafts of the documents listed in Exhibit A under the heading “HAFC Omnibus Loan Documents” (the “**HAFC Omnibus Loan Documents**”) to be executed by the Partnership and the Authority to effectuate the HAFC Omnibus Loan, which Loan Documents are on file with the Authority's Secretary, and pursuant to which the Partnership will borrow the HAFC Omnibus Loan from the Authority. The making of the HAFC Omnibus Loan in the approximate amount of \$2,000,000 from available disposition proceeds and capital funds is hereby authorized and the Authorized Officers, and each of them acting alone, are authorized and directed to execute and deliver, on behalf of the Authority, the HAFC Omnibus Loan 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 HAFC Omnibus Loan Documents, including material changes, and the final amount to be loaned, and such Authorized Officer's signature on the final HAFC Omnibus 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, any other documents reasonably required to be executed by the Authority, to carry out the transactions contemplated by the HAFC Omnibus Loan Documents. Each Authorized Officer, and each of them acting alone, is authorized to decrease the principal amount of the HAFC Omnibus Loan by any amount, or to increase the principal amount of the HAFC Omnibus Loan by an amount up to 10% more than the principal amount stated in this resolution. The source of funds for any such increase shall be any funds available to the Authority.

8. **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.

9. **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 Wells Fargo, the Authority, HRFC, the County and the AHP Lender in an aggregate approximate amount of up to \$27,000,000. 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.

10. **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 (described below) and the Wells Fargo Guaranty Documents.

11. **Approval of Wells Fargo Loan Documents.** The Authority has been presented with drafts of the documents listed in Exhibit A under the heading “Wells Fargo Loan Documents” (the “**Wells Fargo 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 the approximate amount not to exceed \$20,000,000. 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 Wells Fargo 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 Wells Fargo 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 Wells Fargo Loan Documents, including material changes, and the final amount to be borrowed, and such Authorized Officer’s signature on the final Wells Fargo 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 Wells Fargo Loan Documents.

12. **Approval of Wells Fargo Resolutions.** The Authority has been presented with draft resolutions attached hereto in Exhibit B (the “**Wells Fargo Resolutions**”), which resolutions are required by Wells Fargo in connection with the Wells Fargo Loan and Wells Fargo Guaranty Documents. The Authority hereby duly passes and adopts the Wells Fargo Resolutions in substantially the form as attached hereto in Exhibit B and authorizes Preston Prince to certify the Wells Fargo Resolutions as duly passed and adopted; *provided however*, any Authorized Officer may approve on the Authority’s behalf, any further changes to the draft Wells Fargo Resolutions, including the final amount to be borrowed subject to the limitations stated herein, and Preston Prince’s certification of the final Wells Fargo Resolutions shall be construed as the Corporation’s approval of such completion.

13. **Approval of HRFC Loan Documents.** The Authority has been presented with drafts of the documents listed in Exhibit A under the heading “HRFC Loan Documents” (the “**HRFC 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 an approximate aggregate total amount of \$365,000 from HRFC as follows: (i) the HRFC Loan for construction and permanent financing in the approximate amount of \$165,000, and (ii) the HRFC Second Loan for construction and permanent financing in the approximate amount of \$200,000. 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 HRFC 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 HRFC 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 HRFC Loan Documents, including material changes, and the final amount to be borrowed and such Authorized Officer’s signature on the final HRFC 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 HRFC Loan Documents.

14. **Approval of HAFC Loan Documents.** The Authority has been presented with drafts of the documents listed in Exhibit A under the heading “HAFC Loan Documents” (the “**HAFC 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 an approximate aggregate total amount of \$3,240,000 from the Authority as follows: (i) the HAFC Loan for construction and permanent financing in the approximate amount of \$1,240,000, and (ii) the HAFC Omnibus Loan for construction and permanent financing in the approximate amount of \$2,000,000. 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 HAFC 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 HAFC 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 HAFC Loan Documents, including material changes, and the final amount to be borrowed, and such Authorized Officer's signature on the final HAFC Loan Documents shall be construed as the Authority's approval of such changes and final loan amounts. 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 HAFC Loan Documents.

15. **Approval of County HOME Loan Documents.** The Authority has been presented with drafts of the documents listed in Exhibit A under the heading "County HOME Loan Documents" (the "**County HOME 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 and permanent loan of HOME Investment Partnership funds in the approximate amount of \$1,000,000 from the County of Fresno, California. 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 County HOME 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 County HOME 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 County HOME Loan Documents, including material changes, and the final amount to be borrowed, and such Authorized Officer's signature on the final County HOME 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 County HOME Loan Documents.

16. **Approval of AHP Loan Documents.** The Authority has been presented with drafts of the documents listed in Exhibit A under the heading "AHP Loan Documents" (the "**AHP 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 and permanent loan from AHP Lender in the approximate amount of \$590,000 from AHP Lender. 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 AHP 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 AHP 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 AHP Loan Documents, including material changes, and the final amount to be borrowed, and such Authorized Officer's signature on the final AHP 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 AHP Loan Documents.

17. **Approval of the Supportive Services Agreement.** The Authority has been presented with a draft of the Amended and Restated Supportive Services Contract between the Authority and the Partnership (the "**Supportive Services Contract**") in connection with the Authority providing supportive services to residents of the Project, which Supportive Service Contract is on file with the Authority's Secretary. 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 Supportive Services Contract; *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 Supportive Services Contract, including material changes, and such Authorized Officer's signature on the final Supportive Services Contract 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 Supportive Services Contract.

18. **Approval of the Project Transfer and 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 and development of certain land owned by the Authority which will be conveyed to the Partnership on which the Project is to be built, which documents are on file with the Authority's Secretary, and pursuant to which the Partnership will acquire the Property for a purchase price not to exceed \$1,571,000 at closing (less any previous deposits into escrow), payable in the form of the HAFC Loan and a cash payment of the approximate amount of \$330,000. 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 Property; *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.

19. **Approval of the Project Transfer and 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 and development of certain land owned by the Authority which will be conveyed to the Partnership on which the Project is to be built, which documents are on file with the Authority's Secretary, and pursuant to which the Partnership will acquire the Property for a purchase price not to exceed \$1,571,000 at closing (less any previous deposits into escrow), payable in the form of the HAFC Loan and a cash payment in the approximate amount of \$330,000. 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 Property; *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.

20. **Approval of the Management Agent and Management Documents.** The Authority, as the management agent, and GSF Properties, Inc., as the sub-management agent, are approved to manage the Project (collectively, the "**Management Agent**"). 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, a management agreement, subcontract management agreement, management plan and ancillary documents with the Management Agent.

21. **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, Wells Fargo Loan Documents, HRFC Loan Documents, HAFC Loan Documents, County HOME Loan Documents and AHP Loan Documents.

22. **Execution of Documents.** 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) 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; (iii) to further the acquisition, rehabilitation, development, financing, construction, and leasing of the Project; and/or (iv) to further the sale and management of Sunset Terrace II. 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.

23. **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.

24. **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.

25. **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.

26. **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.

27. **Effective Date.** This resolution shall be in full force and effect from and after its adoption and approval.

PASSED AND ADOPTED THIS _____ DAY OF NOVEMBER, 2017. 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

I, the undersigned, the duly appointed CEO/Executive Director of the Housing Authority of Fresno County, California (the “**Authority**”), as keeper of the records of the Authority, CERTIFY:

1. That the attached Resolution _____ (the “**Resolution**”) is a true and correct copy of the resolution of the Board of Commissioners of the Authority, as adopted at a meeting of the Authority held on the ____ day of November, 2017, and duly recorded in the minute books of the Authority.

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

IN WITNESS WHEREOF, I have hereunto set my hand this ____ day of November, 2017.

**HOUSING AUTHORITY OF FRESNO
COUNTY, CALIFORNIA**

Preston Prince, CEO/Executive Director

EXHIBIT A PROJECT DOCUMENTS

Sunset Terrace II Documents

- (a) Purchase and Sale Agreement between the Authority and Silvercrest, Inc.;
- (b) Grant Deed by the Authority in favor of Silvercrest, Inc.; and
- (c) Property Management Agreement between the Authority and Silvercrest, Inc.

Partnership Documents

- (d) Amended and Restated Agreement of Limited Partnership of Magill Terrace, LP and all exhibits attached thereto which require execution;
- (e) Guaranty by the Authority in favor of Investor Limited Partner and the Partnership;
- (f) LP Asset Management Fee Agreement between Investor Limited Partner and the Partnership;
- (g) GP Asset Management Fee Agreement between the Managing General Partner, the Administrative General Partner and the Partnership;
- (h) Development Agreement between the Authority and the Partnership;
- (i) Security Agreement by the Investor Limited Partner in favor of the Partnership;
- (j) Reimbursement and Assignment Agreement by and among the Partnership, the Managing General Partner, the Administrative General Partner, the Authority, and the general contractor;
- (k) Right of First Refusal, Purchase Option, and Put Right Agreement by and among the Partnership, the Corporation and the Investor Limited Partner;
- (l) Rider to Construction Contract by and among the Partnership, Johnston Contracting, Inc., the Managing General Partner and the Administrative General Partner; and
- (m) Tax Certificate executed by the Administrative General Partner and the Managing General Partner.

HUD Documents

- (n) RAD Conversion Commitment by the Authority and the Partnership;
- (o) RAD Use Agreement by the Partnership;
- (p) Housing Assistance Payments Contract – RAD for the Conversion of Public Housing to Project-Based Section 8 by the Partnership; and

- (q) HUD-required certifications and forms by the Authority and the Partnership.

Wells Fargo Loan Documents

- (r) Promissory Note executed by the Partnership in favor of Wells Fargo;
- (s) Construction Deed of Trust with Absolute Assignment of Leases and Rents, Security Agreement and Fixture Filing, executed by the Partnership as trustor, to American Securities Company for the benefit of Wells Fargo;
- (t) Construction Loan Agreement executed by the Partnership and Wells Fargo;
- (u) Completion Guaranty (Secured Loan) executed by the Authority, in its capacity as guarantor, in favor of Wells Fargo;
- (v) Repayment Guaranty (Secured Loan) executed by the Authority, in its capacity as guarantor, in favor of Wells Fargo;
- (w) Security Agreement executed by the Partnership, the Administrative General Partner, the Managing General Partner in favor of Wells Fargo;
- (x) Security Agreement Rights to Payment executed by the Partnership and Wells Fargo;
- (y) Copartnership, Joint Venture or Association Borrowing Certificate executed by the Managing Partner and Administrative General Partner;
- (z) Hazardous Materials Indemnity Agreement (Unsecured-Guarantor) executed by the Authority, in its capacity as guarantor, and Wells Fargo;
- (aa) Hazardous Materials Indemnity Agreement (Unsecured-Borrower) executed by the Partnership and Wells Fargo;
- (bb) Assignment of Housing Assistance Payments Contract and Housing Assistance Payments executed by the Partnership and Wells Fargo;
- (cc) Assignment of Architectural Agreements and Plans and Specifications executed by the Partnership in favor of Wells Fargo;
- (dd) Assignment of Construction Contracts executed by the Partnership in favor of Wells Fargo;
- (ee) Assignment of Management Agreement executed by the Partnership and the Authority;
- (ff) Agreement to Subordinate to Rental Assistance Demonstration Use Agreement executed by Wells Fargo and the Partnership;
- (gg) Subordination Agreement (HRFC Loans) executed by HRFC, the Partnership and Wells Fargo;

- (hh) Subordination Agreement (HAFC Loans) executed by the Authority, the Partnership and Wells Fargo; and
- (ii) Subordination Agreement (HOME Loan) executed by the Partnership, the County and Wells Fargo.

HRFC Loan Documents

- (jj) HRFC Mortgage Note (HRFC Loan) by the Partnership in favor of HRFC;
- (kk) HRFC Deed of Trust, Security Agreement and Financing Statement (HRFC Loan) by the Partnership in favor of HRFC;
- (ll) HRFC Loan-Assignment of Leases and Rents (HRFC Loan) by the Partnership in favor of HRFC;
- (mm) HRFC Loan Agreement (HRFC Loan) the Partnership and HRFC;
- (nn) Agreement to Subordinate to Rental Assistance Demonstration Use Agreement (HRFC Loan) between HRFC and the Partnership;
- (oo) HRFC Mortgage Note (HRFC Second Loan) by the Partnership in favor of HRFC;
- (pp) HRFC Deed of Trust, Security Agreement and Financing Statement (HRFC Second Loan) by the Partnership in favor of HRFC;
- (qq) HRFC Loan Assignment of Leases and Rents (HRFC Second Loan) by the Partnership in favor of HRFC;
- (rr) HRFC Loan Agreement (HRFC Second Loan) the Partnership and HRFC; and
- (ss) Agreement to Subordinate to Rental Assistance Demonstration Use Agreement (HRFC Second Loan) executed by HRFC and the Partnership;
- (tt) Subordination Agreement (HAFC Loans) executed by the Partnership, the Authority and HRFC; and
- (uu) Subordination Agreement (HOME Loan) executed by the Partnership, the County and HRFC.

HAFC Loan Documents

- (vv) HAFC Construction Deed of Trust, Security Agreement and Financing Statement (HAFC Loan) by the Partnership in favor of the Authority;
- (ww) HAFC Loan Agreement (HAFC Loan) between the Partnership and the Authority;
- (xx) HAFC Assignment of Leases and Rents (HAFC Loan) by the Partnership in favor of the Authority;

- (yy) HAFC Mortgage Note (HAFC Loan) by the Partnership in favor of the Authority;
- (zz) Agreement to Subordinate to Rental Assistance Demonstration Use Agreement (HAFC Loan) between HAFC and the Partnership;
- (aaa) HAFC Construction Deed of Trust, Security Agreement and Financing Statement (HAFC Omnibus Loan) by the Partnership in favor of the Authority;
- (bbb) HAFC Loan Agreement (HAFC Omnibus Loan) between the Partnership and the Authority;
- (ccc) HAFC Assignment of Leases and Rents (HAFC Omnibus Loan) by the Partnership in favor of the Authority;
- (ddd) HAFC Mortgage Note (HAFC Omnibus Loan) by the Partnership in favor of the Authority;
- (eee) Agreement to Subordinate to Rental Assistance Demonstration Use Agreement (HAFC Omnibus Loan) between HAFC and the Partnership; and
- (fff) Subordination Agreement executed by the Partnership, the County and the Authority.

HOME Loan Documents

- (ggg) HOME Agreement between the County and the Partnership;
- (hhh) Deed of Trust and Assignment of Rents and Financing Statement by the Partnership in favor of the County;
- (iii) Promissory Note by the Partnership in favor of the County;
- (jjj) HOME Regulatory Agreement and Declaration of Restrictive Covenants by the Partnership in favor of the County; and
- (kkk) Agreement to Subordinate to Rental Assistance Demonstration Use Agreement (HOME Omnibus Loan) between the County and the Partnership.

AHP Loan Documents

- (lll) Promissory Note (AHP Rental Project) by the Partnership to the order of the AHP Lender.
- (mmm) Deed of Trust, Assignment of Leases and Rents, Security Agreement and Fixture by the Partnership in favor of the AHP Lender (including the attached Rider to Deed of Trust – Affordable Housing Program Retention Agreement and Restrictive Covenants by the Partnership as trustor); and
- (nnn) Agreement to Subordinate to Rental Assistance Demonstration Use Agreement (AHP Loan) between AHP Lender and the Partnership.

Acquisition Documents

- (ooo) Purchase and Sale Agreement between the Authority and the Partnership; and
- (ppp) Grant Deed by the Authority in favor of Partnership.

Management Agent Documents

- (qqq) Magill Terrace Property Management Agreement between the Partnership and the Authority; and
- (rrr) Magill Terrace Property Subcontract Property Management Agreement between the Authority and GSF Properties, Inc.

EXHIBIT B
FORM OF WELLS FARGO REQUIRED RESOLUTIONS

**CORPORATE RESOLUTION AUTHORIZING EXECUTION OF LOAN DOCUMENTS,
GUARANTY AND
INDEMNITY AND ENDORSEMENT AND HYPOTHECATION OF PROPERTY**

(HOUSING AUTHORITY OF FRESNO COUNTY, CALIFORNIA)

**TO: Wells Fargo Bank, National Association, it successors and/or assigns (“Lender”)
Wells Fargo Affordable Housing Community Development Corporation
 (“Investor”)**

WHEREAS, the HOUSING AUTHORITY OF FRESNO COUNTY, CALIFORNIA, a public body, corporate and politic (the “**Housing Authority**”), is the sole member and manager of MAGILL TERRACE AGP, LLC a California limited liability company (“**Administrative General Partner**”), which is the administrative general partner of MAGILL TERRACE, LP, a California limited partnership (“**Borrower**”).

WHEREAS, the Housing Authority will benefit by any credit now or hereafter extended by Lender (as hereinafter defined) to Borrower.

WHEREAS, Pursuant to that certain Construction Loan Agreement executed between Lender and Borrower dated as of _____, 2017 (the “**Loan Agreement**”). Lender has agreed to make a Loan to Borrower in the original principal amount of (\$_____.00) (the “**Loan**”). The obligations of Borrower to repay the Loan are evidenced by a promissory note made as of even date herewith by in favor of Lender, (the “**Note**”), and all modifications, extensions, renewals and replacements thereof. The obligations of Borrower under the Loan Agreement and the Note are secured by a Construction Deed of Trust with Absolute Assignment of Leases and Rents, Security Agreement and Fixture Filing (the “**Deed of Trust**”) covering certain real property described on Exhibit A thereto and certain personal property, each, as described in the Deed of Trust (all collectively, the “**Property**”). The obligations of Borrower under the Loan Agreement and the Note are also secured by other collateral, as more fully explained in the Loan Agreement.

NOW, THEREFORE, BE IT RESOLVED, that the CEO/Executive Director, the Deputy Director, the Chief of Staff, or their respective designees (an “**Authorized Officer**”), acting alone, be and is hereby authorized and empowered for and on behalf of and in the name of Housing Authority and as its corporate act and deed in his discretion:

28. to guaranty the performance by Borrower, under the Loan Agreement, the Note and the other Loan Documents;
29. to guaranty the repayment of any indebtedness of Borrower to Lender in an amount or amounts not to exceed at any one time the sum of \$_____ for principal, plus all interest accrued thereon, and costs and expenses pertaining thereto; and
30. to execute and deliver to Lender such guaranties, continuing guaranties (including that certain Completion Guaranty and that certain Repayment Guaranty (Secured Loan), both

to be executed by the Housing Authority in favor of Lender), indemnities (including that certain Hazardous Materials Indemnity Agreement (Unsecured - Guarantor), to be executed by the Housing Authority for the benefit of Lender), endorsements, consents to future modifications of Borrower's obligations and/or other related documents, all in form and substance satisfactory to Lender, as Lender may request, together with such other contracts or instruments as Lender deems necessary or convenient to accomplish the purposes of this resolution.

BE IT FURTHER RESOLVED, that any Authorized Officer, any one of them acting alone, is hereby authorized and empowered to (a) act for and on behalf of and in the name of the Housing Authority, in its capacity as the sole member and manager of Administrative General Partner, on its own behalf and in its capacity as the administrative general partner of Borrower, (b) execute any and all documents or instruments evidencing the formation, qualification to do business, or conducting of the business of Borrower; (c) enter into the transactions described above and to incur indebtedness and grant liens and security interests in connection with such transactions on behalf of Administrative General Partner, on its own behalf and in its capacity as the administrative general partner of Borrower; and (d) execute and deliver to the Lender, and Lender is requested to accept, any and all documents or instruments evidencing any transaction between Lender, on the one hand, and Borrower and/or Administrative General Partner, on the other hand, including, but not limited to the Loan Agreement, the Note, the Deed of Trust, the other Loan Documents (as defined in the Loan Agreement) and any modifications, renewals or extensions thereof.

BE IT FURTHER RESOLVED, that the authority hereby conferred is in addition to the authority conferred by any other resolution heretofore or hereafter delivered to Lender. This resolution shall continue in full force and effect until Lender shall have received notice in writing, certified by the Secretary of the Housing Authority, of the revocation hereof by a resolution duly adopted by the Board of Commissioners of the Housing Authority, and such revocation shall be effective only as to credit which was not extended or committed by Lender to Borrower prior to Lender's receipt of such notice. The authority hereby conferred shall be deemed to be retroactive and any and all acts authorized herein which were performed prior to the passage of this resolution are hereby approved and ratified.

[Remainder of Page Intentionally Blank]

Loan No. _____

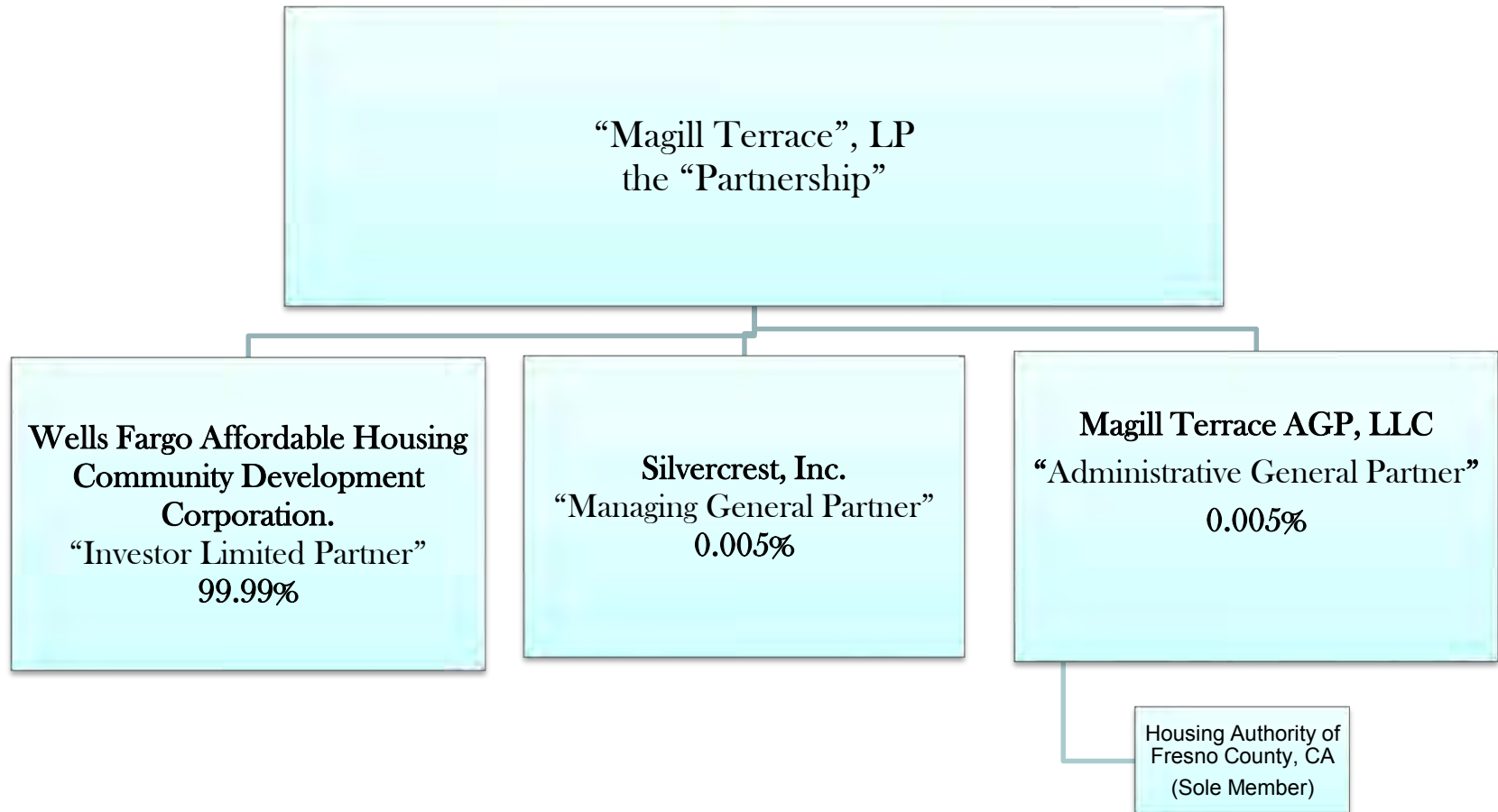
CERTIFICATION

I, Preston Prince, the CEO/Executive Director of the HOUSING AUTHORITY OF FRESNO COUNTY, CALIFORNIA, a public body, corporate and politic, do hereby certify and declare (a) that the foregoing is a full, true and correct copy of the resolutions duly passed and adopted by the Board of Commissioners of the Housing Authority of Fresno County, California held on _____, 2017, (b) that said resolutions are now in full force and effect; (c) that there is no provision in the Bylaws of the Housing Authority limiting the power of the of the Housing Authority to pass the foregoing resolutions; and (d) that such resolutions are in conformity with the provisions of said Bylaws.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the corporate seal of said Housing Authority this _____, 2017.

By: _____
Preston Prince
CEO/Executive Director

Ownership Structure Magill Terrace





■ **Magill Terrace, Fowler**

401 East Nelson Street,
Fowler, CA 93625

■ SITE PLAN

SITE PLAN KEYNOTES:

ORGANIZATION OF THE SPECIFICATIONS AND KEYNOTES INTO DIVISIONS, SECTIONS AND ARTICLES, AND ARRANGEMENT OF DRAWINGS SHALL NOT CONTROL THE CONTRACTOR IN DIVIDING THE WORK AMONG SUBCONTRACTORS OR IN ESTABLISHING THE EXTENT OF WORK TO BE PERFORMED BY ANY TRADE.

GENERAL

- ## GENERAL
- ### 1.1 PROPERTY LINE

ACCESSIBILITY

NOTE: ALSO SEE ACCESSIBILITY SITE PLAN & KEYNOTES, A0.7

- A.1 VAN ACCESSIBLE PARKING SPACE. DO NOT EXCEED 2% IN ANY DIRECTION, SEE DTL. 15/A.1
- A.2 ACCESSIBLE PARKING SPACE. DO NOT EXCEED 2% IN ANY DIRECTION, SEE DTL 11/A.1
- A.5 PAINTED CROSSWALK, SEE DTL. 17/A.1
- A.9 VAN ACCESSIBLE, FUTURE EVCS PARKING SPACE. DO NOT EXCEED 2% IN ANY DIRECTION
- A.10 ACCESSIBLE, FUTURE EVCS PARKING SPACE. DO NOT EXCEED 2% IN ANY DIRECTION

EXISTING CONDITIONS

- 2.1 EXISTING UTILITY POLE
2.2 EXISTING FENCE

SPECIALTIES

- ## 10.1 MAILBOXES

FIRE SUPPRESSION

- ## 21.1 FIRE RISER

MECHANICAL

- 23.1 HVAC COMPRESSOR ON CONCRETE PAD. SEE MECHANICAL DWGS.

ELECTRICAL

- 26.1 TRANSFORMER
26.2 LOCATION OF FUTURE EVCS, PROVIDE EMPTY CONDUIT TO 40 AMP
DEDICATED CIRCUIT BREAKER W/ HOUSE PANEL
26.3 ELECTRICAL METERS & PANELS
26.4 POLE MOUNTING SITE LIGHTING FIXTURE. SEE ELECTRICAL DWGS.

EXTERIOR IMPROVEMENTS

- 32.1 3' OVERHANG FOR VEHICLES
- 32.2 NEW 6'-0" CHAIN LINK FENCE TO MATCH EXISTING
- 32.3 CONCRETE SIDEWALK
- 32.4 PLANTER
- 32.5 LANDSCAPE AREA
- 32.6 ACCESSIBLE PARKING SIGN, SEE DETAILS 12 & 16A/1.1
- 32.7 6" ALUMINUM BUTTER
- 32.8 12-24 YEAR OLD PLAY AREA. SEE LANDSCAPE DRAWINGS
- 32.9 LAWN
- 32.10 WATER PLAY AREA. SEE LANDSCAPE DRAWINGS
- 32.11 GARDEN BEDS. SEE LANDSCAPE DRAWINGS
- 32.12 BASKETBALL HALF-COURT. SEE LANDSCAPE DRAWINGS
- 32.13 6" HIGH CONCRETE WHEEL STOP
- 32.22 MONUMENT SIGN
- 32.23 DETENTION BASIN - SEE LANDSCAPE DRAWINGS
- 32.24 METALLIC BARN AND HOOP. SEE LANDSCAPE DWGS.
- 32.25 BICYCLE RACK ON CONCRETE PAD. MINIMUM CAPACITY: 4 BICYCLES. SEE 9A1.1.
- 32.26 LANDSCAPE SPLASH PAD COLLECTION TANK
- 32.27 SPLASH PAD EQUIPMENT CABINET. SEE LANDSCAPE DRAWINGS





UTILITIES

- 33.1 BACK FLOW PREVENTER, SEE CIVIL DWGS

SITE PLAN GENERAL NOTES:

A. SEE DETAILS ON A1.1 FOR ADDITIONAL INFORMATION

SITE PLAN LEGEND:

	BUILDING NUMBER
	BUILDING TYPE
	BUILDING AREA
	A/C CONDENSER
	FENCE
	FIRE HYDRANT

PARKING REQUIRED AND PROVIDED:

(150) TOTAL VEHICLE SPACES ARE SHOWN ON THE SITE PLAN

Resident Parking: (34) 1-2 BR@1.5/unit; (26) 3-4 BR@2/unit = (103) required, including (6) accessible parking spaces for (6) mobility units

(115) TOTAL PARKING SPACES REQUIRED ON SITE

For (35) additional vehicle spaces provided, (1) Accessible space (2%) required.
(CBC 11B-208.2.3.2)

PARKING PROVIDED ON SITE:

- | | |
|----|--|
| 54 | STANDARD COVERED |
| 30 | STANDARD UNCOVERED |
| 6 | ACCESSIBLE COVERED (INCLUDES 1 VAN ACCESSIBLE) |
| 3 | ACCESSIBLE UNCOVERED (INCLUDES 1 VAN ACCESSIBLE) |

52 ADDITIONAL STANDARD UNCOVERED PARKING SPACES
(145) TOTAL PARKING SPACES PROVIDED ON SITE

(150) TOTAL VEHICLE SPACES ARE SHOWN ON THE SITE PLAN.

FUTURE ELECTRIC VEHICLE CHARGING STATION
LOCATIONS AND EV SPACES REQUIRED AND PROVIDED:

FUTURE EVCS SPACES required 3% (CalGREEN 4.106.4.2): 4.23
 1 EVCS UNCOVERED VAN ACCESSIBLE (CBC Table 11B-228.3.2.1):
 1 EVCS UNCOVERED STANDARD ACCESSIBLE (CBC Table 11B-228.3
 3 EVCS STANDARD UNCOVERED

1 SITE PLAN

SCALE: 1" = 30'

SCALE: 1" = 30'

Magill Terrace Development

Pro Forma Sources and Uses	
Sources of Funds	<i>Amount</i>
Tax Credit Equity	\$21,625,939
HA Fresno-Capital Funds/Proceeds Loan	\$2,000,000
HA Fresno-Seller Financing Loan	\$1,240,000
HOME Funds	\$1,000,000
AHP Funds	\$590,000
HRFC Loan	\$200,000
HRFC Tranche B Const./Perm loan	\$165,000
GP contribution	\$100
Total Sources of Funds	\$26,821,039
Uses of Funds	<i>Amount</i>
Acquisition Costs	\$1,570,000
Residential Construction Costs	\$16,110,114
Hard Cost Contingency	\$1,611,011
Architecture/Engineering	\$570,000
Professional/Loan Fees/Soft Costs	\$4,136,867
Reserves	\$661,774
Developer Fee	\$2,161,273
Total Uses of Funds	\$26,821,039

**Draft as of 11/28/2017*

Exhibit D

Magill Terrace

Projected Stabilized Operating Budget

Unit Type	# Units	% AMI	Net Rent Per Unit	Ann. Rent Total
1 Bd./1 Bth.**	1	30%	\$ 494	\$ 5,932
1 Bd./1 Bth. **	2	45%	\$ 494	\$ 11,864
1 Bd./1 Bth.	3	50%	\$ 508	\$ 18,288
1 Bd./1 Bth.	2	60%	\$ 618	\$ 14,832
2 Bd./2 Bth.**	3	30%	\$ 634	\$ 22,824
2 Bd./2 Bth.	2	45%	\$ 543	\$ 13,032
2 Bd./2 Bth.**	5	45%	\$ 634	\$ 38,041
2 Bd./2 Bth.	9	50%	\$ 609	\$ 65,772
2 Bd./2 Bth.	6	60%	\$ 742	\$ 53,424
3 Bd./2 Bth**	3	30%	\$ 888	\$ 31,980
3 Bd./2 Bth	1	45%	\$ 621	\$ 7,452
3 Bd./2 Bth**	4	45%	\$ 888	\$ 42,624
3 Bd./2 Bth	12	50%	\$ 698	\$ 100,512
3 Bd./2 Bth	4	60%	\$ 851	\$ 40,848
4 Bd./2 Bth**	1	30%	\$ 1,045	\$ 12,542
4 Bd./2 Bth**	1	45%	\$ 1,045	\$ 12,542
4 Bd./2 Bth		50%		
4 Bd./2 Bth		60%		
Manager's Unit-2 Bd./2 Bth.	1	N/A	NA	\$ -
TOTAL REVENUE	60			\$ 492,524

****RAD PBRA Units**

RESIDENTIAL OPERATING EXPENSES	Per Unit	TOTAL
Management Fee	810	48,600
Advertising/Marketing	217	13,000
Legal and Accounting	250	15,000
Utilities (water, trash, electricity, gas, etc.)	833	50,000
Payroll: Onsite Manager(s)/Staff	1,500	90,000
Maintenance/Repairs	1,583	95,000
Real Estate Property Tax	83	5,000
Insurance	271	16,239
Services Amenities	400	24,000
Security	167	10,000
Contingency	0	0
Total Operating Expenses	6,114	366,839
Replacement Reserves	300	18,000
Total Operating and Reserve Budget	6,414	384,839

Magill Terrace- 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%	\$ 492,524	\$ 502,374	\$ 512,422	\$ 522,670	\$ 533,124	\$ 543,786	\$ 554,662	\$ 565,755	\$ 577,070	\$ 588,612	\$ 600,384	\$ 612,392	\$ 624,640	\$ 637,132	\$ 649,875
GROSS POTENTIAL INCOME - HOUSING		\$ 492,524	\$ 502,374	\$ 512,422	\$ 522,670	\$ 533,124	\$ 543,786	\$ 554,662	\$ 565,755	\$ 577,070	\$ 588,612	\$ 600,384	\$ 612,392	\$ 624,640	\$ 637,132	\$ 649,875
VACANCY ASSUMPTIONS																
Vacancy Loss	-7.0%	\$ (34,477)	\$ (35,166)	\$ (35,870)	\$ (36,587)	\$ (37,319)	\$ (38,065)	\$ (38,826)	\$ (39,603)	\$ (40,395)	\$ (41,203)	\$ (42,027)	\$ (42,867)	\$ (43,725)	\$ (44,599)	\$ (45,491)
TOTAL VACANCY LOSS		\$ (34,477)	\$ (35,166)	\$ (35,870)	\$ (36,587)	\$ (37,319)	\$ (38,065)	\$ (38,826)	\$ (39,603)	\$ (40,395)	\$ (41,203)	\$ (42,027)	\$ (42,867)	\$ (43,725)	\$ (44,599)	\$ (45,491)
EFFECTIVE GROSS INCOME		\$ 458,047	\$ 467,208	\$ 476,552	\$ 486,083	\$ 495,805	\$ 505,721	\$ 515,836	\$ 526,152	\$ 536,675	\$ 547,409	\$ 558,357	\$ 569,524	\$ 580,915	\$ 592,533	\$ 604,384
OPERATING EXPENSES & RESERVE DEPOSITS																
Operating Expenses	3.0%	\$ 366,839	\$ 377,844	\$ 389,179	\$ 400,855	\$ 412,881	\$ 425,267	\$ 438,025	\$ 451,166	\$ 464,701	\$ 478,642	\$ 493,001	\$ 507,791	\$ 523,025	\$ 538,715	\$ 554,877
Real Estate Taxes	2.0%		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Replacement Reserve		\$ 18,000	\$ 18,000	\$ 18,000	\$ 18,000	\$ 18,000	\$ 18,000	\$ 18,000	\$ 18,000	\$ 18,000	\$ 18,000	\$ 18,000	\$ 18,000	\$ 18,000	\$ 18,000	\$ 18,000
TOTAL EXPENSES & RESERVES		\$ 384,839	\$ 395,844	\$ 407,179	\$ 418,855	\$ 430,881	\$ 443,267	\$ 456,025	\$ 469,166	\$ 482,701	\$ 496,642	\$ 511,001	\$ 525,791	\$ 541,025	\$ 556,715	\$ 572,877
NET OPERATING INCOME		\$ 73,208	\$ 71,364	\$ 69,373	\$ 67,229	\$ 64,925	\$ 62,454	\$ 59,811	\$ 56,987	\$ 53,975	\$ 50,767	\$ 47,356	\$ 43,733	\$ 39,890	\$ 35,818	\$ 31,507
DEBT SERVICE																
HRFC Tranche B Loan		\$ 16,708	\$ 16,708	\$ 16,708	\$ 16,708	\$ 16,708	\$ 16,708	\$ 16,708	\$ 16,708	\$ 16,708	\$ 16,708	\$ 16,708	\$ 16,708	\$ 16,708	\$ 16,708	\$ 16,708
Total Required Debt Service		\$ 16,708	\$ 16,708	\$ 16,708	\$ 16,708	\$ 16,708	\$ 16,708	\$ 16,708	\$ 16,708	\$ 16,708	\$ 16,708	\$ 16,708	\$ 16,708	\$ 16,708	\$ 16,708	\$ 16,708
Net Cash Flow		\$ 56,500	\$ 54,656	\$ 52,665	\$ 50,521	\$ 48,217	\$ 45,746	\$ 43,103	\$ 40,279	\$ 37,267	\$ 34,059	\$ 30,648	\$ 27,025	\$ 23,182	\$ 19,110	\$ 14,799
DEBT SERVICE COVERAGE RATIO		4.38	4.27	4.15	4.02	3.89	3.74	3.58	3.41	3.23	3.04	2.83	2.62	2.39	2.14	1.89