



Boards of Commissioners Meeting

February 23, 2021

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 Fresno Housing

5:00pm - February 23, 2021 – Per Executive Order N-25-20, which allows local and state legislative bodies to hold meetings via teleconference and to make meetings accessible electronically, this Board Meeting will be held via conference call and can be accessed as follows:

To join via Zoom: <http://bit.ly/02232021JBM>

**To join via teleconference, call: (669) 900-6833. Meeting ID: 984 4584 7612.
Password: 692972.**

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. Please email your request to speak to executiveoffice@fresnohousing.org.

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

5pm

1. **Call to Order and Roll Call**

2. **Approval of agenda as posted (or amended)**

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

3. **Public Comment and Presentations**

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. **Ceremonial Presentations**

- a. Recognition of Paul Marquez for 30 years of Dedicated Service to Fresno Housing and the Fresno Community
Honoring Paul Marquez for his years of service and dedication, posthumously.

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. Governance: Consideration of the Minutes of January 26, 2021 5
Official minutes of the January 26, 2021 Board Meeting for approval.
- b. Human Resources: Consideration of the 2021 Agency Salary Schedule 11
The annual schedule of Staff salaries presented as required by CalPERS.
- c. Finance: Consideration of Loan Agreement – Kresge Foundation 18
Adoption of a Program Related Investment (loan) for the financing of affordable housing in neighborhoods of opportunity.

7. **Closed Session**

- a. PUBLIC EMPLOYMENT APPOINTMENT
Title: Interim CEO/Executive Director

8. **Report on Closed Session Matter(s)**

9. **Staff Presentations and Discussion Items**

	PAGE #
a. 2020 Agency Highlights	70
<i>Staff will present Agency accomplishments for 2020.</i>	
b. Real Estate Development: Project HomeKey	72
<i>Staff will make a presentation on all the renovation and lease up of Project Homekey Motels.</i>	
10. Action	
a. Consideration of Funding Application Submission – Esperanza Commons (Mendota Farm Labor)	73
<i>Approval to apply for funding – California Tax Credit Allocation Committee</i>	
b. Consideration of Funding Application Submission – The Arthur @ Blackstone	81
<i>Approval to apply for funding – California Tax Credit Allocation Committee</i>	
11. Governance	
a. Commissioners’ Report	
b. Executive Director’s Report	90
12. Adjournment	

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

Tuesday, January 26, 2021

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, January 26, 2021, via teleconference.

1. The regular meeting was called to order at 5:04 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
 Caine Christensen, Vice Chair
 Stacy Vaillancourt
 Terra Brusseau
 Sharon Williams
 Ruby Yanez
 Sabrina Kelley

ABSENT: None.

The regular meeting was called to order at 5:04 p.m. by Board Chair, Commissioner Catalano, 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: Cary Catalano Chair
 Nikki Henry, Vice Chair
 Valori Gallaher
 Joey Fuentes
 Edugiben Ortiz
 Sophia Ramos

ABSENT: Stacy Sablan

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

2. APPROVAL OF AGENDA AS POSTED (OR AMENDED)

CITY MOTION: Commissioner Brusseau moved, seconded by Commissioner Yanez, to approve the agenda as posted.

MOTION PASSED: 6-0

Commissioner Kelley was absent from the vote.

COUNTY MOTION: Commissioner Fuentes moved, seconded by Commissioner Gallaher, to approve the agenda as posted.

MOTION PASSED: 6-0

3. PUBLIC COMMENT

There were no public comments at this time.

4. POTENTIAL CONFLICTS OF INTEREST

There were no potential conflicts of interest at this time.

5. CONSENT AGENDA

- a. Consideration of the Minutes of December 15, 2020
- b. City: Consideration of Acceptance and Acknowledgement of the Verified 2019 Section Eight Management Assessment Program (SEMAP) Score for 2020
- c. County: Consideration of Acceptance and Acknowledgement of the Verified 2019 Section Eight Management Assessment Program (SEMAP) Score for 2020
- d. Consideration of the Amended Time Away From Work Policy
- e. Consideration of the 2021 Proposed Utility Allowance Schedule – All Housing Programs
- f. Consideration of the Contract Award – Maldonado Plaza
- g. Consideration of the Grant Agreement – Choice Neighborhood (HUD)
- h. Consideration of the Loan Agreement – California Endowment

Public Comment:

Eric Payne, Executive Director at Central Valley Urban Institute, had some clarify questions regarding agenda item 5h. He sought clarifying language around neighborhoods of opportunity and the expenditure plan for the funding. The agenda item does not have clarity on the intent and use of the funds provided. He congratulated staff and provided an affirmation to the board on their work on the Choice Neighborhood grant. This will provide transformative change to a community that has been ignored.

Commissioner Henry pulled agenda item 5h from the consent agenda for discussion.

Commissioner Kelley pulled agenda item 5g from the consent agenda for discussion.

CITY MOTION: Commissioner Brusseau moved, seconded by Commissioner Yanez to approve the consent agenda items 5a-f.

MOTION PASSED: 7-0

COUNTY MOTION: Commissioner Fuentes moved, seconded by Commissioner Gallaher to approve the consent agenda items 5a-f.

MOTION PASSED: 6-0

A discussion ensued on agenda item 5g.

CITY MOTION: Commissioner Kelley moved, seconded by Commissioner Christensen to approve the consent agenda item 5g.

MOTION PASSED: 7-0

COUNTY MOTION: Commissioner Henry moved, seconded by Commissioner Gallaher to approve the consent agenda item 5g.

MOTION PASSED: 6-0

A discussion ensued on agenda item 5h.

Public Comment:

Eric Payne, Executive Director at Central Valley Urban Institute, stated he will be watchful on how these funds will be implemented by the agency.

CITY MOTION: Commissioner Brusseau moved, seconded by Commissioner Kelley to approve the consent agenda item 5h.

MOTION PASSED: 7-0

COUNTY MOTION: *Commissioner Gallaher moved, seconded by Commissioner Fuentes to approve the consent agenda item 5h.*

MOTION PASSED: 6-0

6. INFORMATIONAL

a. 2021 Mixed Finance Budgets

Juan Lopez, Finance Manager, presented on this item.

b. Real Estate Development Update

Michael Duarte, Director in Planning and Community Development, presented on this item.

Commissioner Henry left the meeting at 6:25 pm.

7. ACTION

a. Consideration of the Fresno Housing Diversity, Equity and Inclusion Strategic Plan

Public Comment:

Eric Payne, Executive Director at Central Valley Urban Institute, reminded the boards on the letter that was sent regarding problematic issues. One of the issues being the institutional culture that may be rooted in systemic racism. He thanked Commissioner Jones and Commissioner Sablan for their action to bring these conversations to the boards. He also thanked the board members that have rooted themselves in this conversation. He stated that he believes the agency will commit itself to reforming a broken system.

CITY MOTION: *Commissioner Brusseau moved, seconded by Commissioner Christensen to approve the Fresno Housing Diversity, Equity and Inclusion Strategic Plan.*

MOTION PASSED: 7-0

COUNTY MOTION: *Commissioner Gallaher moved, seconded by Commissioner Ramos to approve the Fresno Housing Diversity, Equity and Inclusion Strategic Plan.*

MOTION PASSED: 5-0

- b. Consideration Loan and Funding Application Submission – Corazon del Valle Commons (Huron RAD)

Michael Duarte, Director of Planning and Community Development, presented on this item.

CITY MOTION: Commissioner Vaillancourt moved, seconded by Commissioner Yanez to approve the loan and funding application submission – Corazon del Valle Commons (Huron RAD).

MOTION PASSED: 7-0

COUNTY MOTION: Commissioner Gallaher moved, seconded by Commissioner Ramos to approve the loan and funding application submission – Corazon del Valle Commons (Huron RAD).

MOTION PASSED: 5-0

8. GOVERNANCE REPORT

- a. Ad-Hoc Committees

A discussion ensued on this item.

- b. Board Retreat

A discussion ensued on this item.

9. COMMISSIONERS' REPORT

Commissioner Kelley:

- Asked for more information regarding agenda item 5e.

Commissioner Williams

- Discussed her concerns about last month's (December 2020) meeting.
- Resident Commissioners are not being treated the same as non-resident Commissioners.
- After the board retreat with Ivy Planning, there was progress for 2 months but regressed to past behaviors.
- She suggested that the board be mindful, respectful and courteous on every Commissioners' lived experience.
- Going forward with Diversity, Equity and Inclusion, it needs to start with the board room.

- There should not be any belittling, dismissive comments, or interrupting someone while they are speaking.
- Every Commissioner on the board needs to be treated as an equal.

Public Comment:

Eric Payne, Executive Director at Central Valley Urban Institute, affirmed Commissioner Williams' comments. He hoped the board will stand in support of the voice and opinion of residents in the community.

10. EXECUTIVE DIRECTOR'S REPORT

- Participating in an 8 week "Conflict Resolution – Organizational Development" course from Center of Justice. Currently in week 4.
- Stay at Home Order has been lifted – agency operations will remain closed to the public at this time.
- Tomorrow is the launch of the new resident focused website.
- Resident Services Conference was held virtually last week.
- Beautify Fresno will hold an event that will feature the Parkway Corridor on February 20, 2021.
- NAHRO Online Washington Conference is on March 2-4, 2021.
- New Hires:
 - o Marcella Lopez, HMIS Coordinator
 - o Kiana Quiocho, Resident Empowerment Intern
- Promotions:
 - o Gracie Bachicha, Area Manager
 - o Gary Shipman, Maintenance Supervisor
 - o Samuel Ramos, Maintenance Supervisor

11. 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 8:22 p.m.

Preston Prince, Secretary to the Boards of Commissioners

BOARD MEMO

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F (559) 445-8981

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

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TO: Boards of Commissioners

Fresno Housing

FROM: Preston Prince

CEO/Executive Director

DATE: February 18, 2021

BOARD MEETING: February 23, 2021

AGENDA ITEM: 6b

AUTHOR: Emily De La Guerra

SUBJECT: Consideration of the 2021 Salary Schedule

Executive Summary

The purpose of this memo is to ask the Boards of Commissioners to consider and adopt the attached resolution approving the 2021 Salary Schedule. Two separate salary schedules are presented for the Boards of Commissioners: one for non-represented employees and one for employees represented under the Memorandum of Understanding with Local SEIU Chapter 521. California Public Employees' Retirement System (CalPERS) requires that this Salary Schedule be approved and adopted by the employer's governing bodies. The salaries included in this schedule are for current positions, budgeted openings, and/or positions that could be budgeted in the future.

On a regular basis, the Agency performs a detailed analysis of its job descriptions, job classifications and compensation levels for each position. Using a third-party consultant, salary and compensation information is compiled from other local governmental agencies, national non-profits and for-profit companies, and Public Housing Authorities (PHA's) across the United States. The information is consolidated, analyzed, and compared to current salary levels and job descriptions. The final report is then used to create the attached Salary Schedule for non-represented employees, which helps to guide the Agency in its decisions around appropriate compensation levels. In addition, a salary "step" schedule is produced for employees represented by SEIU to include any updates associated with represented positions, taking into account activities such as department changes, job title changes or labor negotiations. It is important that the Agency takes these factors into consideration to ensure Fresno Housing is attracting and retaining the most talented employees and ensuring that our organization stays competitive with other similar employers.

Recommendation

It is recommended that the Boards of Commissioners approve and adopt the attached 2021 Salary Schedule.

Fresno Housing Authority

2021 Salary Schedule

<u>Classification / Position Title</u>	<u>Annual Minimum</u>	<u>Annual Maximum</u>
Chief Executive Officer	\$247,399	
Deputy Executive Director	\$127,000	\$228,400
Chief	\$108,000	\$194,400
Chief Administrative Officer		
Chief Business Officer		
Chief Real Estate Officer		
Chief Financial Officer		
Chief Diversity Officer		
Chief of Staff		
Chief Program Officer		
Chief Operations Officer		
Director	\$86,000	\$150,500
Director of Administrative Services		
Director of Finance		
Director of Housing Choice		
Director of Human Resources		
Director of Property Management		
Director of Real Estate Development		
Director of Strategic Initiatives		
Assistant Director	\$78,000	\$132,600
Assistant Director - Administrative Services		
Assistant Director - Finance		
Assistant Director - Housing Choice Voucher Program		
Assistant Director - Human Resources		
Assistant Director - Innovation and Technology		
Assistant Director - Property Management		
Assistant Director - Real Estate Development		
Assistant Director - Special Programs		
Assistant Director - Strategic Initiatives		
Controller		
Senior Manager	\$72,000	\$119,000
Senior Manager - Asset Management		
Senior Manager - Finance		
Senior Manager - Housing Choice		
Senior Manager - Housing Programs/Community Engagement		
Senior Manager - Human Resources		
Senior Manager - Information Technology/Systems		
Senior Manager - Property Management		
Senior Manager - Real Estate Development		
Senior Manager - Strategic/Neighborhood Initiatives		
Manager II	\$68,000	\$108,800
Accounting Manager		
Communications Manager		
Construction Operations Manager		
Development Finance Manager		
District Manager		
Diversity, Equity & Inclusion Manager		
Executive Operations Manager		

<u>Classification / Position Title</u>	<u>Annual Minimum</u>	<u>Annual Maximum</u>
Finance Manager		
Housing Programs Manager		
Human Resources Manager		
Information Technology/Information Systems Manager		
Neighborhood Initiatives Manager		
Manager I	\$58,000	\$92,800
Area Manager		
Asset Manager		
Housing Programs Manager		
Maintenance Manager		
Property Operations Manager		
Quality Assurance Manager		
Real Estate Development Manager		
Resident Services Manager		
Senior Analyst	\$54,000	\$83,700
Assistant Manager - Homeless Initiatives		
Assistant Manager - Housing Choice		
Assistant Manager - Maintenance		
Assistant Manager - Resident Services		
Construction Project Manager		
Senior Accountant		
Senior Analyst - Asset Management		
Senior Analyst - Diversity, Equity & Inclusion		
Senior Analyst - Housing Programs		
Senior Analyst - Human Resources		
Senior Analyst - Quality Assurance		
Senior Analyst- Property Operations		
Senior Analyst - Real Estate Development		
Senior Database Administrator		
Senior Development Analyst - Special Projects		
Senior Financial Analyst		
Senior Impact Analyst		
Senior Policy Analyst		
Senior Project Manager		
Senior Quality Assurance Analyst - HMIS		
Senior Systems Administrator		
Analyst	\$50,000	\$78,500
Accountant		
Asset Management Analyst		
Business Operations Analyst		
Communications Project Manager		
Community Development Analyst		
Community Planning Analyst		
Database Administrator & Report Writer		
Diversity, Equity & Inclusion Analyst		
Financial Analyst		
Human Resources Analyst		
Impact Analyst		
Maintenance Supervisor		
Policy Analyst		
Program Analyst		
Project Manager		

<u>Classification / Position Title</u>	<u>Annual Minimum</u>	<u>Annual Maximum</u>
Project Coordinator HAC		
Property Manager		
Property Operations Analyst		
Quality Assurance Analyst		
Homeless Management Information System (HMIS) Analyst		
Supervisor - Inspections		
Supervisor - Intake, Leasing & Case Management		
Systems Administrator		
Training and Development Analyst		
Coordinator	\$44,000	\$66,500
Accounting Coordinator		
Administrative Coordinator		
Asset Management Coordinator		
Assistant Project Manager		
Communications Coordinator		
Community Coordinator		
Community Development Coordinator		
Development Services Coordinator		
Fiscal Services Coordinator		
Human Resources Coordinator		
Information Technology/Help Desk Coordinator		
Operations Coordinator		
Payroll Coordinator		
Procurement Coordinator		
Quality Assurance Coordinator		
Homeless Management Information System (HMIS) Coordinator		
Resident Services Coordinator		
Training Coordinator		
Clerical/Asst	\$34,000	\$49,000
Administrative Assistant - Accounting		
Administrative Assistant - Executive Office		
Administrative Assistant - Real Estate Development		
Administrative Assistant - Human Resources		
Outreach & Communications Assistant		
Intern	\$25,000	\$41,600
Accounting Intern		
Business Operations Intern		
CCRH (California Coalition for Rural Housing) Intern		
Communications/Marketing Intern		
Construction Management Intern		
Finance Intern		
HMIS (Homeless Management Information Systems) Intern		
Human Resources Intern		
Information Technology & Systems Intern		
Property Operations Intern		
Research Data Analysis Intern		
Resident Services Intern		

2021 Salary Schedule - SEIU Bargaining Unit					
Classification	Step 1	Step 2	Step 3	Step 4	Step 5
Housing Navigator	49,880.77	52,374.81	54,993.55	57,743.23	60,630.39
HQS Enforcement Specialist	49,880.77	52,374.81	54,993.55	57,743.23	60,630.39
Maintenance Lead	49,880.77	52,374.81	54,993.55	57,743.23	60,630.39
Maintenance Specialist	49,880.77	52,374.81	54,993.55	57,743.23	60,630.39
Senior Client Services Specialist	49,880.77	52,374.81	54,993.55	57,743.23	60,630.39
Senior Housing Quality Inspector	49,880.77	52,374.81	54,993.55	57,743.23	60,630.39
Senior Housing Specialist	49,880.77	52,374.81	54,993.55	57,743.23	60,630.39
Senior Leasing Specialist	49,880.77	52,374.81	54,993.55	57,743.23	60,630.39
Senior Property Specialist	49,880.77	52,374.81	54,993.55	57,743.23	60,630.39
Client Services Specialist	47,505.61	49,880.89	52,374.94	54,993.68	57,743.37
Housing Quality Inspector	47,505.61	49,880.89	52,374.94	54,993.68	57,743.37
Leasing Specialist	47,505.61	49,880.89	52,374.94	54,993.68	57,743.37
Market Specialist	47,505.61	49,880.89	52,374.94	54,993.68	57,743.37
Housing Specialist	43,926.11	46,122.41	48,428.53	50,849.96	53,392.46
Maintenance Technician	43,926.11	46,122.41	48,428.53	50,849.96	53,392.46
Owner Services Specialist	43,926.11	46,122.41	48,428.53	50,849.96	53,392.46
Program Integrity Specialist	43,926.11	46,122.41	48,428.53	50,849.96	53,392.46
Property Specialist II	43,926.11	46,122.41	48,428.53	50,849.96	53,392.46
Wait List Specialist	43,926.11	46,122.41	48,428.53	50,849.96	53,392.46
Accounting Specialist	43,492.54	45,667.16	47,950.52	50,348.05	52,865.45
Property Specialist I	41,819.75	43,910.73	46,106.27	48,411.58	50,832.16
Quality Assurance Specialist	41,819.75	43,910.73	46,106.27	48,411.58	50,832.16
HQS Inspections Scheduler	37,481.97	39,356.07	41,323.88	43,390.07	45,559.57
Maintenance Assistant	37,481.97	39,356.07	41,323.88	43,390.07	45,559.57
Office Assistant II- QA/Operations	37,481.97	39,356.07	41,323.88	43,390.07	45,559.57
Office Assistant II- Rcrds, Waitlist, Case Mgmt, QA	37,481.97	39,356.07	41,323.88	43,390.07	45,559.57
Property Assistant	37,481.97	39,356.07	41,323.88	43,390.07	45,559.57
Receptionist	37,481.97	39,356.07	41,323.88	43,390.07	45,559.57
Custodian	34,867.56	36,610.94	38,441.48	40,363.56	42,381.74

RESOLUTION NO. _____

**BEFORE THE BOARDS OF COMMISSIONERS OF THE
HOUSING AUTHORITY OF THE CITY OF FRESNO**

RESOLUTION TO APPROVE AND ADOPT THE 2021 SALARY SCHEDULE

WHEREAS, the California Public Employees' Retirement System (CalPERS) requires participating agencies to have a publicly available pay schedule that is duly approved and adopted by the Agency's governing body; and

WHEREAS, the Fresno Housing Authority, in conjunction with SEIU Local 521, have historically agreed upon represented salary schedules; and

WHEREAS, the salary schedule for non-represented employees is compiled as part of a classification and compensation analysis; and

NOW, THEREFORE, BE IT RESOLVED that the Board of Commissioners of the Housing Authority of the City of Fresno does hereby approve and adopt the 2021 Salary Schedule.

PASSED AND ADOPTED THIS 23rd DAY OF February, 2021. 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 BOARDS OF COMMISSIONERS OF THE
HOUSING AUTHORITY OF FRESNO COUNTY

RESOLUTION TO APPROVE AND ADOPT THE 2021 SALARY SCHEDULE

WHEREAS, the California Public Employees' Retirement System (CalPERS) requires participating agencies to have a publicly available pay schedule that is duly approved and adopted by the Agency's governing body; and

WHEREAS, the Fresno Housing Authority, in conjunction with SEIU Local 521, have historically agreed upon represented salary schedules; and

WHEREAS, the salary schedule for non-represented employees is compiled as part of a classification and compensation analysis; and

NOW, THEREFORE, BE IT RESOLVED that the Board of Commissioners of the Housing Authority of Fresno County does hereby approve and adopt the 2021 Salary Schedule.

PASSED AND ADOPTED THIS 23rd DAY OF February, 2021. 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

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TO: Boards of Commissioners
Fresno Housing
DATE: February 18, 2021
BOARD MEETING: February 23, 2021
FROM: Preston Prince
CEO/Executive Director
AGENDA ITEM: 6c
AUTHOR: Emily De La Guerra

SUBJECT: Consideration of Loan Agreement between the Housing Relinquished Fund Corporation and the Kresge Foundation

Executive Summary

The purpose of this memo is to ask the Boards of Commissioners to consider and approve a loan agreement between the Kresge Foundation and the Housing Relinquished Fund Corporation (HRFC), a non-profit, instrumentality of the Housing Authority of Fresno County and the Housing Authority of the City of Fresno. The Kresge Foundation, a private, national foundation, was established in 1924 to expand opportunities in American cities through grantmaking and social investing in arts and culture, education, environment, health, human services and community development. In alignment with the mission of Fresno Housing, Kresge collaborates with partners to improve the life circumstances and economic opportunities for people with low incomes.

Kresge is proposing to make a Program Related Investment (PRI) into HRFC. PRI is structured like a loan, which must be repaid, but also provides far more favorable terms than traditional financial institutions. The total loan amount would be \$2 million dollars, at 2% interest rate with interest-only payments for the first four years of the five-year term. At least half of the loan proceeds must be solely used for the purpose of financing affordable housing in "neighborhoods of opportunity". The remaining proceeds can be used to finance other affordable housing priorities including, but not limited to, homeownership, motel conversion, and housing development in rural areas.

Recommendation

It is recommended that the Boards of Commissioners adopt a resolution authorizing Preston Prince, CEO/Executive Director, and/or his designee, to finalize and execute the loan agreement between the Kresge Foundation and the Housing Relinquished Fund Corporation (HRFC).

Fiscal Impact

The Loan is evidenced by a promissory note which, if executed, shall include a maximum principal amount of Two Million Dollars (\$2,000,000.00), bearing interest at the rate of two percent (2%) per annum from the date thereof on the unpaid principal balance from time to time outstanding under the Note.

Payments of interest only on the Note shall be made quarterly in arrears on the last day of March, June, September, and December, and any accrued but unpaid interest shall be due on the Maturity Date. The outstanding principal balance of the Loan shall be due and payable in two installments:

- (a) The first installment of one-half of the principal amount outstanding as of the Origination End Date shall be due on the fourth anniversary of the Closing Date; and
- (b) The second installment of the lesser of (i) one-half of the principal amount outstanding as of the Origination End Date and (ii) the principal balance outstanding shall be due on the fifth anniversary of the Closing Date (the “Maturity Date”).

Background Information

Over the past year, Fresno Housing has been working in partnership with several non-profit foundations to advocate for affordable housing issues in Fresno County through initiatives like the Shared Prosperity Partnership, the DRIVE Initiative, and the Fresno Revitalization Fund. As part of these conversations, FH developed a relationship with The California Endowment (TCE) and the Kresge Foundation as they explored various ways to support the Fresno community.

Initial conversations around a PRI loan to Fresno Housing began with TCE. After several meetings on FH’s strategic vision and goals, as well as site visits, reference checks with community leaders and financial due diligence, TCE proposed to make a Program Related Investment (PRI) into the Housing Relinquished Fund Corp (HRFC), FH’s jointly owned, non-profit. Later, the Kresge Foundation, a close partner of TCE, asked if they could participate in the investment, as well. These two PRI loans, totaling \$5 million dollars, would provide additional cash flow to HRFC to support FH’s continued work around neighborhoods of opportunity, supportive housing, and rural development. Furthermore, these strategic partnerships may also open the door to other funding opportunities with private foundations, including additional PRI or grants. Staff believes this is an incredible opportunity and a significant next step as the Agency continues its efforts to diversify its partners and funding sources.

LOAN AGREEMENT
between
THE KRESGE FOUNDATION
and
HOUSING RELINQUISHED FUND CORPORATION
Dated as of February __, 2021

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LOAN AGREEMENT

THIS LOAN AGREEMENT (“Agreement”), dated as of February __, 2021, is made and entered into by and between THE KRESGE FOUNDATION, a nonprofit public benefit corporation (“Lender” or the “Foundation”), and HOUSING RELINQUISHED FUND CORPORATION, a California nonprofit public benefit corporation (“Borrower”), with offices at 1331 Fulton St, Fresno, CA 93721.

RECITALS

WHEREAS, Lender’s mission is to improve the life circumstances and economic opportunities for people with low incomes

WHEREAS, Borrower is a California nonprofit public benefit corporation organized, as stated in its Articles of Incorporation, “for public and charitable purposes within the meaning of Section 501(c)(3) and Section 501(c)(4) of the Internal Revenue Code” and for the specific purpose to receive, invest and maintain funds on behalf of the Fresno City Housing Authority and the Fresno County Housing Authority (together referred to herein as the “Housing Authority”) and has been recognized by the Internal Revenue Service (the “IRS”) as a tax-exempt social welfare organization described in Section 501(c)(4) of the Internal Revenue Code of 1986, as amended (the “Code”);

WHEREAS, Borrower’s mission is to promote social welfare by assisting low to moderate income housing projects, including, but not limited to, providing financing to low to moderate income housing projects which could not otherwise be acquired and/or properly maintained;

WHEREAS, the Borrower’s has a board of directors comprised of the Chair of the Board of Commissioners of the Housing Authority of the City of Fresno, the Chair of the Board of Commissioners of the Fresno County Housing Authority, and the Executive Director of the Fresno City and Fresno County Housing Authorities (together referred to herein as the “Housing

Authority Directors”) and up to six additional directors appointed by the Housing Authority Directors;

WHEREAS, Borrower has requested a \$2 million program-related investment loan from Lender to support affordable housing developments in high opportunity areas and to finance mission-aligned affordable housing programmatic priorities of the City and County of Fresno (the “Program”); and

WHEREAS, Lender desires to make the requested loan as part of its portfolio of program-related investments;

NOW, THEREFORE, the parties hereto agree as follows:

ARTICLE 1 THE LOAN

Section 1.1 The Loan. Lender agrees, upon the terms and subject to the conditions set forth in this Agreement, to make a general recourse program-related investment loan (the “Loan”) to Borrower in the aggregate principal amount of up to Two Million Dollars (\$2,000,000.00)]. The Loan shall bear interest at the rate of two percent (2%) per annum on the unpaid principal balance from time to time outstanding under the Loan.

Section 1.2 Disbursements. The Loan may be made in one or multiple disbursement(s), as requested by Borrower and subject to the conditions set forth in Section 4.1 and Section 4.2, provided that:

1.2.1 No disbursement will be made after the first anniversary of the Closing Date (the “Origination End Date”);

1.2.2 Each disbursement must be in an amount that is \$250,000 or greater; and

1.2.3 Borrower must request a disbursement from Lender at least fourteen calendar days prior to the date on which the Borrower would like the disbursement to be made, provided, however, that if Borrower requests a disbursement to be made on a day on which the offices of Lender are closed, the disbursement will be made on the first day Lender's offices open for business following the requested disbursement date. Requests for disbursement cannot be made (and will not be received by Lender) during Lender's annual shutdown period, which occurs from approximately December 23 to January 2 each year.

Section 1.3 The Closing. The closing of the Loan (the "Closing") shall occur on March __, 2021, or such other date as the parties may mutually agree (the "Closing Date"), by delivery of the documents as set forth below. If all of the conditions set forth in Section 4.1 and Section 4.2 have been satisfied, Lender will make available to Borrower the Loan amount, in accordance with Section 1.2, by wire transfer to be deposited as instructed by Borrower.

Section 1.4 The Note; Maturity Date. The Loan shall be evidenced by a promissory note in the form attached hereto as Exhibit A (the "Note"), payable to the order of Lender, duly executed on behalf of Borrower, dated the date of issuance, in the maximum principal amount of Two Million Dollars (\$2,000,000.00), bearing interest at the rate of two percent (2%) per annum from the date thereof on the unpaid principal balance from time to time outstanding under the Note. The Note shall be issued and delivered simultaneously with the Agreement prior to the Closing. Whenever any payment to be made under the Note shall be due on a Saturday, Sunday or public holiday under the laws of the State of California, the payment may be made on the next succeeding business day.

1.4.1 Interest. Payments of interest only on the Note shall be made quarterly in arrears on the last day of March, June, September and December, commencing on December 31, 2020, and any accrued but unpaid interest shall be due on the Maturity Date. Interest shall be calculated on the basis of a year of three hundred sixty (360) days consisting of twelve (12), thirty (30) day months.

1.4.2 Principal. The outstanding principal balance of the Loan shall be due and payable in two installments:

- (a) The first installment of one-half of the principal amount outstanding as of the Origination End Date shall be due on the fourth anniversary of the Closing Date; and
- (b) The second installment of the lesser of (i) one-half of the principal amount outstanding as of the Origination End Date and (ii) the principal balance outstanding shall be due on the fifth anniversary of the Closing Date (the "Maturity Date").

Section 1.5 Default Rate of Interest; Late Penalty. Any overdue principal and, to the extent permitted by law, any overdue interest on the Loan shall, beginning ten (10) days following the due date for payment of such principal or interest, bear interest at the rate specified in Section 1.4, above, plus three percent (3%), payable upon demand, for each day until paid. Notwithstanding anything to the contrary set forth herein, in no event shall the amounts paid hereunder exceed the highest rate permitted under applicable usury laws. If any amounts collected by Lender hereunder exceed such highest rate, such excess amounts shall be applied to the reduction of the outstanding principal balance due under this Agreement and not to the payment of interest, or, if such excess amounts exceed the unpaid balance of principal then due under the Loan, such excess amounts shall be refunded to Borrower.

Section 1.6 Optional Prepayment. Borrower may, upon ten (10) business days' prior written notice to Lender, prepay the Loan, in whole or in part, without premium or penalty, at any time or from time to time, together with accrued interest to the date of the prepayment on the amount prepaid. Any prepayment pursuant to this Section 1.6 shall be applied first to the interest accrued but unpaid to the date of the prepayment, and then to the unpaid principal balance on the Loan. Amounts prepaid hereunder, in whole or in part, prior to the Maturity Date may not be reborrowed.

ARTICLE 2 PURPOSE AND USE OF PROCEEDS OF THE LOAN

Section 2.1 Purpose. The purpose of the Loan is to provide Borrower with funds to support programs of affordable housing financing that (i) are confirmed by the Housing Authority to be in furtherance of the charitable, public governmental purposes of the City and County of Fresno and (ii) further the charitable, exempt purposes (as defined in Code Sections 501(c)(3) and 170(c)(2)(B) and the regulations thereunder) of combatting community deterioration, providing relief to the poor and distressed and lessening the burdens of government. In making the Loan, Lender does not have as a significant purpose the production of income or the appreciation of property or the accomplishment of any purposes described in Section 170(c)(2)(D) of the Code.

Section 2.2 Use of Proceeds. The proceeds of the Loan shall be used solely for the purposes described in Section 2.1 and, particularly, in furtherance of those purposes: (i) at least 50% of the Loan proceeds shall be used to finance affordable housing in areas of the City and County of Fresno that qualify as "high opportunity" areas according to the analytical framework

used by the nonprofit Opportunity Insights (ii) 50% may be used to finance other affordable housing programmatic priorities identified by Code Section 509(a)(1) and 509(a)(2) (which priorities may include, but is not limited to, homeownership, motel conversion, and housing development in rural areas); provided, however, that the Loan proceeds may not be used to pay for operating expenses.

Section 2.3 No Control. Borrower and Lender acknowledge that (a) no agreement or understanding exists between Borrower and Lender whereby Lender may cause the selection of any recipient of assistance out of the proceeds of the Loan, and (b) Lender shall not, by reason of anything contained in this Agreement or in any other agreement or document executed in connection herewith, or by reason of any transaction pursuant hereto or thereto, possess or acquire, directly or indirectly, any right or power to vote or otherwise to direct or cause the direction of the management and policies of Borrower with respect to the use of the proceeds of the Loan.

ARTICLE 3 REPRESENTATIONS AND WARRANTIES

Borrower represents and warrants to Lender that:

Section 3.1 Organization and Powers. Borrower is a nonprofit public benefit corporation duly organized, validly existing and in good standing under the laws of California. Borrower has all requisite power and authority to own and operate its assets and properties and to carry on its activities as now conducted and proposed to be conducted. Borrower is duly qualified or licensed and in good standing as a foreign corporation authorized to conduct its activities in all jurisdictions in which the character of the assets and properties owned or the

nature of the activities conducted makes such qualification or licensing necessary, except where the failure of which would not reasonably be expected to result in a material adverse change in the activities, operations, assets or properties or in the condition, financial or otherwise, of Borrower or impair the ability of Borrower to perform its obligations under this Agreement or the Note (collectively, the “Loan Documents”) or prevent the use of the proceeds of the Loan as contemplated by the Loan Documents (collectively, a “Material Adverse Effect on Borrower”).

Section 3.2 Authorization; Binding Agreement. The execution, delivery and performance by Borrower of the Loan Documents, the borrowing hereunder and the use by Borrower of the proceeds of the Loan as contemplated by the Loan Documents are within Borrower’s powers and have been duly authorized by all requisite corporate action. The Loan Documents have been duly executed and delivered on behalf of Borrower, and constitute the legal, valid and binding obligations of Borrower enforceable in accordance with their respective terms.

Section 3.3 Title to Properties. Borrower has good title to its assets and properties free and clear of any mortgage, deed of trust, pledge, security interest, lien, charge or encumbrance of any nature (each, a “Lien”), except as shown on Borrower’s financial statements or on the Disclosure Schedule (Schedule 1).

Section 3.4 Litigation. There is no judgment, action, suit or claim, or legal, administrative or arbitral proceeding or investigation, pending, or, to the best of Borrower’s knowledge, threatened or anticipated, against or involving Borrower before any federal, state or local court or arbitration tribunal or governmental or administrative body or agency (each, a “Governmental Entity”), nor, to the best of Borrower’s knowledge, is there any basis for any

judgment, action, suit or claim, or legal, administrative or arbitral proceeding or investigation, that might reasonably be expected to result in a Material Adverse Effect on Borrower.

Section 3.5 No Conflicts. The execution, delivery and performance by Borrower of the Loan Documents, the borrowing hereunder and the use by Borrower of the proceeds of the Loan as contemplated by the Loan Documents will not (a) violate any provision of law or any judgment, writ, injunction, decree, order, rule or regulation of any Governmental Entity; (b) violate any provision of the Articles of Incorporation or Bylaws of Borrower; (c) conflict with, result in a breach of or constitute (with notice or lapse of time or both) a default under any indenture, agreement or instrument to which Borrower is a party or by which any of its assets or properties are bound; or (d) result in the creation or imposition of any Lien upon any of the assets or properties of Borrower except as otherwise permitted, required or contemplated by the Loan Documents. Borrower is not a party to any indenture, agreement or instrument or subject to any restriction that might reasonably be expected to have a Material Adverse Effect on Borrower. Borrower is not in default or alleged to be in default, nor has any condition occurred or alleged to have occurred that with notice or lapse of time or both would constitute a default, under any indenture, agreement or instrument to which Borrower is a party or to which any of its assets or properties are bound and under which a default might reasonably be expected to result in a Material Adverse Effect on Borrower.

Section 3.6 Financial Statements. Borrower's most recent audited financial statements, the unaudited financial statements of Borrower as of the end of its most recent Quarterly Period (as defined below), and the related balance sheet and income statement for the Quarterly Period then ended, previously delivered to Lender, are complete and correct and fairly

present the financial position of Borrower as of the relevant date and the results of its operations for the Quarterly Period then ended in accordance with generally accepted accounting principles consistently applied, subject to normal year-end adjustments and to the addition of footnote disclosure. There has been no material adverse change in the financial position of Borrower from that set forth in such unaudited financial statements.

Section 3.7 Taxes. Borrower has filed all tax and information returns required to be filed in any jurisdiction and has paid all taxes, assessments, fees or other governmental charges or levies upon Borrower or upon any of its assets or income that have become due and payable. There is no tax audit currently being conducted in respect of Borrower.

Section 3.8 Consents. No consent, license, approval, authorization, exemption, franchise, permit or order of, notice to or declaration or filing with, any third party, including, without limitation, any Governmental Entity, is required on the part of Borrower for the valid execution, delivery and performance by Borrower of the Loan Documents, the borrowing hereunder or the use by Borrower of the proceeds of the Loan as contemplated by the Loan Documents.

Section 3.9 Compliance with Governmental Regulations. Borrower has obtained all necessary consents, licenses, approvals, authorizations, exemptions, franchises, permits and orders from all appropriate Governmental Entities, except for those the failure of which to obtain would not reasonably be expected to result in a Material Adverse Effect on Borrower. Borrower is not in violation of, or alleged to be in violation of, any law, judgment, writ, injunction, decree, order, rule or regulation of any Governmental Entity, the violation of which might reasonably be expected to result in a Material Adverse Effect on Borrower.

Section 3.10 No Default. Borrower is in compliance with all of the terms and provisions set forth in the Loan Documents on its part to be observed or performed, and no Event of Default, or any event that with notice or lapse of time or both would constitute an Event of Default, has occurred under the Loan Documents.

Section 3.11 Indebtedness. Except as set forth in the Disclosure Schedule (Schedule 1) or the financial statements delivered to Lender, Borrower has no outstanding Indebtedness. For purposes of this Agreement, Indebtedness shall be defined as: (i) liabilities, including but not limited to recoverable grants, for borrowed money or for the deferred purchase price of property or services other than wages, lease payments other than capital lease payments, and trade accounts payable that provide for the payment thereof within ninety (90) days of the incurrence thereof, in each case incurred in the ordinary course of business; (ii) liabilities secured by any Lien existing on real or personal property owned or leased (whether or not the liabilities have been assumed); (iii) obligations (whether or not due) under conditional sales or other title retention agreements; (iv) indebtedness of others that is guaranteed or endorsed by Borrower, or with respect to which Borrower is otherwise contingently liable; (v) obligations as lessee under capital leases, except under non-material capital leases for routine office equipment; and (vi) any other obligations (other than deferred taxes, if any) that are required by generally accepted accounting principles to be shown as liabilities on Borrower's balance sheet.

Section 3.12 Insurance. Borrower has in full force and effect such insurance coverage in such amounts as is customarily maintained by organizations engaged in similar activities.

Section 3.13 Full Disclosure. There is no fact that Borrower has not disclosed in writing to Lender that might reasonably be expected to result in a Material Adverse Effect on

Borrower. No representation or warranty of Borrower contained in the Loan Documents or in any certificate or other document furnished by Borrower pursuant to any of the Loan Documents contains any untrue statement of material fact or omits to state a material fact necessary in order to make the representation or warranty not misleading in light of the circumstances in which it was made.

ARTICLE 4 CONDITIONS OF LENDER'S OBLIGATIONS

Section 4.1 Loan Commitment. The obligation of Lender to make the Loan is subject to the fulfillment, as determined in the sole discretion of Lender, of the following conditions precedent:

4.1.1 Delivery of Documents. Borrower shall have delivered to Lender the following documents, each of which shall be in full force and effect:

- (a) This Agreement and the Note, each duly executed by Borrower and dated the Closing Date;
- (b) A certificate in the form attached hereto as Exhibit B, signed on behalf of Borrower by Borrower's Secretary or Assistant Secretary and dated the Closing Date, together with certified copies of the attachments described therein;
- (c) Audited financial statements for the fiscal year ended December 31, 2019, and unaudited financial statements for the nine-month period ended September 30, 2020;
- (d) A completed Internal Revenue Service ("IRS") Form W-9; and

(e) Instructions necessary to effectuate the wire transfer of any funds to be disbursed under the Loan, including the bank's name, address and ABA number, and the name and number of Borrower's account (*e.g.*, a bank deposit slip, cancelled check, *etc.*).

4.1.2 Legal Matters. All legal matters in connection with the Loan shall be satisfactory to Lender, Lender shall have received from its counsel any opinions that Lender shall require, including, without limitation, as to any federal income tax matters relating to the Loan Documents and the transactions contemplated thereby, and Lender shall have received copies of all other documents that it may reasonably request in connection with any opinions required hereunder.

4.1.3 Representations and Warranties. The representations and warranties set forth in Article 3 shall be true and correct on and as of the Closing Date.

Section 4.2 Disbursements. The obligation of Lender to make each Disbursement is subject to the following conditions precedent, each of which shall be fulfilled on or prior to the date of the funding of the Disbursement:

4.2.1 Request for a Disbursement. Borrower shall have delivered a Disbursement Certificate in the form attached hereto as Exhibit I, executed by the Executive Director of Borrower and certifying Borrower's compliance with all of the conditions precedent set forth in this Section 4.2.

4.2.2 Representations and Warranties. The representations and warranties set forth in Article 3 of this Agreement shall be true and correct on and as of the date of the funding of the Disbursement with the same effect as though the representations and warranties had been

made on and as of those dates. In the event any of the representations and warranties are not true as of the date of the funding of a Disbursement, Lender shall have approved of any such inaccuracy in writing.

4.2.3 No Default. Borrower shall be in compliance with all of the terms, covenants and conditions of the Loan Documents to be complied with, and no Event of Default, or any event that with notice or lapse of time or both would constitute an Event of Default, shall have occurred and be continuing as of the date of the funding of the Disbursement.

ARTICLE 5 AFFIRMATIVE COVENANTS

Borrower covenants and agrees that, until payment in full of the principal of and interest on the Loan, and all other amounts payable under the Loan Documents, unless Lender shall otherwise consent in writing, Borrower shall act as follows:

Section 5.1 Use of Proceeds of the Loan. Borrower shall use the proceeds of the Loan solely for the charitable purposes set forth in Article 2, in accordance with the restrictions set forth in such Article and on the terms, in the manner, and subject to the limitations set forth in the Loan Documents.

Section 5.2 Disqualified Persons. No disqualified person with respect to Lender shall benefit, directly or indirectly, from the use of the proceeds of the Loan by Borrower.

Section 5.3 Reporting Requirements. Borrower shall furnish, or cause to be furnished, to Lender the following:

5.3.1 Within forty-five (45) days after the end of each quarterly period ending March 31, June 30, September 30 and December 31 of each year during the term of the Loan (each, a “Quarterly Period”):

(a) an unaudited financial statement as of the end of the Quarterly Period and the related balance sheet and income statement, all in reasonable detail and as prepared by management;

(b) a certificate of Borrower signed by Borrower’s Executive Director, in the form attached hereto as Exhibit G stating that (i) the financial statements and related statements accurately present the financial position of Borrower as at the end of the Quarterly Period and the results of its operations for the period then ended, subject to normal year-end adjustments and to the addition of footnote disclosure, (ii) [financial covenants/Covenant Compliance Worksheet is accurately presented] (iii) Borrower is in compliance with all the terms and provisions set forth in the Loan Documents and (iv) no Event of Default, or event that with notice or lapse of time or both would constitute an Event of Default, has occurred or, if any Event of Default or other event has occurred, specifying such Event of Default or other event;

(c) a completed Covenant Compliance Worksheet, in the form attached hereto as Exhibit C, showing calculations that confirm Borrower’s compliance with the covenants in this Agreement for the Quarterly Period then ended; and

(d) a Portfolio Quality Report, as customarily prepared for Borrower's lenders, to the satisfaction of Lender, in the form attached hereto as Exhibit D, including but not limited to information about real estate portfolio growth and performance; and

(f) a narrative report describing the projects funded during the quarter and the pipeline of projects anticipated to be funded.

5.3.2 As soon as available but in no event more than one hundred twenty (120) days after the end of each fiscal year:

(a) an unaudited financial statement as of the end of the fiscal year and the related balance sheet, income statement and statement of cash flows for the fiscal year, all in reasonable detail and stating in comparative form the respective figures for the corresponding date and period in the prior fiscal year, prepared by independent certified public accountants selected by Borrower ("Borrower's Accountants") and as to which Borrower's Accountants shall expressed a written opinion that such financial statements fairly present the financial position of Borrower for the period then ended and have been prepared in accordance with generally accepted accounting principles consistently applied (except for changes in application in which Borrower's Accountants concur); provided, however, that if Borrower does obtain audited financial statements, copies of such statement shall be promptly delivered to Lender,

(b) a certificate of Borrower signed by Borrower's Executive Director, in the form attached hereto as Exhibit G stating that (i) the financial statements and related statements accurately present the financial position of Borrower as at the end of the fiscal

year and the results of its operations for the fiscal year then ended, (ii) [financial covenants/Covenant Compliance Worksheet is accurately presented] (iii) Borrower is in compliance with all the terms and provisions set forth in the Loan Documents and (iv) no Event of Default, or event that with notice or lapse of time or both would constitute an Event of Default, has occurred or, if any Event of Default or other event has occurred, specifying such Event of Default or other event;

(c) a completed Covenant Compliance Worksheet, in the form attached hereto as Exhibit C, showing calculations that confirm Borrower's compliance with the covenants in this Agreement for the annual period then ended; and

(d) a completed Social Impact Report in the form attached hereto as Exhibit E, signed by the Executive Director of Borrower, which describes the use of the Loan proceeds during that fiscal year and cumulatively and evaluates the progress of Borrower toward achieving the purposes described in Article 2 and the contribution of the Loan thereto, with a special focus on program status and major program achievements, difficulties and challenges, and including description of any management changes or changes in key personnel.

5.3.3 Promptly after their preparation and finalization, Borrower's most current annual operating budget and any strategic plan adopted; and

5.3.4 Any other information respecting the operations, activities and financial condition of Borrower as Lender may, from time to time, reasonably request and any additional information that Lender may reasonably request with respect to the Loan.

Section 5.4 Key Person. At all times during the term of the Loan, Preston Prince shall serve as Borrower's Executive Director.

Section 5.5 Existence and Properties. Borrower shall preserve and maintain its corporate existence and good standing under the laws of California and qualify and remain qualified as a foreign corporation in each jurisdiction in which qualification is necessary. Borrower shall (a) comply or cause compliance with all laws, judgments, writs, injunctions, decrees, orders, rules and regulations of every Governmental Entity applicable to it and the use, occupancy and ownership of its properties including, without limitation, all building, fire, health and safety codes; and (b) obtain and maintain in full force and effect all consents, licenses, approvals, authorizations, exemptions, franchises, permits and orders of all Governmental Entities necessary for the performance of any act, the carrying on of any activity or the entering into of any transaction applicable to Borrower or necessary in connection with the use, occupancy and ownership of its properties.

Section 5.6 Payment of Indebtedness and Taxes. Borrower shall (a) pay all of its Indebtedness and obligations promptly and in accordance with the terms thereof; (b) promptly file all federal, state and local tax or information returns that are required to be filed by it; and (c) pay and discharge promptly any taxes, assessments, fees and other governmental charges or levies imposed upon it or its assets or income, or upon any part thereof, before the same shall become in default, as well as all lawful claims for labor, materials and supplies or otherwise that, if unpaid, might become a Lien upon any property of Borrower, or any part thereof; provided, however, that Borrower shall not be required to pay and discharge any Indebtedness, obligation, tax, assessment, fee, charge, levy or claim as long as (i) the validity or amount thereof shall be

contested or litigated in good faith by appropriate proceedings, and (ii) Borrower shall have set aside on its books adequate reserves.

Section 5.7 Financial Covenants. Borrower shall comply with the financial covenants and ratios set forth in this section. Terms used but not specifically defined in this section shall have the meanings ascribed to them under United States Generally Accepted Accounting Principles (“GAAP”) consistently applied.

5.7.1 Unrestricted Net Asset Ratio. The ratio of Borrower’s net assets without donor restrictions to total assets, as measured as of the last day of each fiscal quarter, shall be greater than or equal to 20%.

5.7.2 Liquidity. As of the end of each fiscal year, the two-year average of Borrower’s unrestricted cash on hand shall be at least \$3,500,000.

5.7.3 Profitability. As of the end of each fiscal year, the average change in net assets without donor restrictions, measured over a two-year period, shall be greater than zero.

5.7.4 Leverage. At all times, the ratio of Borrower’s aggregate senior debt to Borrower’s total net assets shall not be more than 4.00:1.00.

Section 5.8 Compliance with Anti-Terrorism Requirements. Borrower shall use the proceeds of the Loan in compliance with all applicable U.S. anti-terrorist financing and asset control laws, regulations, rules and executive orders, including, but not limited to, the USA Patriot Act of 2001 and Executive Order No. 13224. Borrower shall take all reasonable steps to ensure that no person or entity expected to receive any funds in connection with the

accomplishment of the charitable purposes for which the Loan is being made, or otherwise in connection with the Loan, is named on any list of suspected terrorists or blocked individuals maintained by the U.S. government, including, but not limited to, (a) the Annex to Executive Order No. 13224 and (b) the List of Specially Designated Nationals and Blocked Persons maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury.

Section 5.9 Notice to Lender. As soon as possible and in any event within ten (10) business days after Borrower learns of the following or causes any of the following to occur, Borrower shall promptly notify Lender in reasonable detail of any of the following events:

5.9.1 Any material change in the positions or responsibilities held by Preston Prince.

5.9.2 Any material action, suit or proceeding instituted or threatened against Borrower in or before any Governmental Entity or in any way relating to the properties of Borrower or any adverse regulatory action taken or proposed to be taken by any Governmental Entity against Borrower.

5.9.3 Any material adverse change in the activities, operations, assets or properties or in the condition, financial or otherwise, of Borrower.

5.9.4 Any material change in the circumstances of Borrower that would cause the Loan to no longer serve the purposes set forth in Section 2.1 of this Agreement.

5.9.5 Any Event of Default or event that with notice or lapse of time or both would constitute an Event of Default.

Section 5.10 Books and Records. Borrower shall maintain books and records adequate to provide the information specified in Section 5.3, retain the books and records and copies of the reports and statements referred to in Section 5.3 for a period of at least four (4) years after repayment of the Loan and make such books and records available for inspection and copying by Lender and its agents and representatives at reasonable times.

ARTICLE 6 NEGATIVE COVENANTS

Borrower covenants and agrees that, until payment in full of the principal of and interest on the Loan, and all other amounts payable under the Loan Documents, unless Lender shall otherwise consent in writing, Borrower shall act as follows:

Section 6.1 Charter Amendments. Borrower shall not amend or cause to be amended its Articles of Incorporation or Bylaws in any manner that would cause it to be in violation of any provision of the Loan Documents, that would jeopardize its ability to perform its obligations under the Loan Documents or that would cause it to no longer be controlled by the Housing Authority.

Section 6.2 Tax Matters. Borrower shall not expend any proceeds of the Loan or any income from the investment thereof (a) for any activity described in Section 170(c)(2)(D) of the Code; (b) to (i) carry on propaganda or otherwise attempt to influence legislation (within the meaning of Section 4945(d)(1) of the Code), (ii) participate in or intervene in (including the publishing or distributing of any statements) any political campaign on behalf of (or in opposition to) any candidate for public office or (iii) attempt to influence the outcome of any specific public election, or carry on, directly or indirectly, any voter registration drive (within the

meaning of Section 4945(d)(2) of the Code); (c) to promote or engage in violence, terrorism, bigotry or the destruction of any State, or to provide funds to any entity or individual that promotes or engages in such activities; or (d) to further any purpose other than a purpose described in Section 170(c)(2)(B) of the Code.

Section 6.3 No Material Change. Borrower shall not make any material changes in the nature of its activities as presently conducted that might reasonably be expected to have a Material Adverse Effect on Borrower.

ARTICLE 7 EVENTS OF DEFAULT AND REMEDIES

Section 7.1 Events of Default. Borrower shall be deemed to be in default under this Agreement upon the occurrence of any of the following events (each, an “Event of Default”):

7.1.1 Borrower fails to pay principal of or interest on the Note when due and payable whether at the Maturity Date, at a required payment or prepayment date or by declaration or acceleration.

7.1.2 Borrower fails to observe or perform any covenant contained in Article 2, uses any portion of the proceeds of the Loan for a purpose or in a manner other than as specifically authorized by Article 2 or fails to observe any covenant contained in Section 6.2.

7.1.3 Any representation or warranty made in the Loan Documents or in any report, certificate, financial statement or instrument now or hereafter furnished in connection with the Loan Documents shall prove to have been false, incomplete or misleading in any material respect when made.

7.1.4 Borrower fails to observe or perform any other covenant contained in the Loan Documents, or any agreement on the part of Borrower to be observed or performed pursuant to the Loan Documents, other than those specifically referred to in this Section 7.1, and the failure shall continue unremedied for sixty (60) days.

7.1.5 The occurrence of any of the events described in Sections 5.9.1 through 5.9.4 that results in a Material Adverse Effect on Borrower.

7.1.6 Borrower shall (i) have an order of relief entered against it under Title 11 of the U.S. Code, (ii) admit in writing its inability to pay its debts as they mature, or (iii) make an assignment for the benefit of creditors, (iv) apply for or consent to the appointment of a receiver, trustee or similar officer for it or for all or a substantial part of its property; (v) suffer the appointment of a receiver, trustee or similar officer without the application or consent of Borrower and the appointment shall continue undischarged for a period of sixty (60) days; (vi) commence (by petition, application, answer, consent or otherwise) any bankruptcy, insolvency, reorganization, arrangement, readjustment of debt, dissolution, liquidation or similar proceeding relating to it under the laws of any jurisdiction; or any such proceeding shall be commenced (by petition, application or otherwise) against Borrower and shall remain undismissed or unstayed for a period of sixty (60) days; or (vii) by any act indicates its consent to, approval of, or acquiescence in such proceeding or the appointment of any receiver of or any trustee for Borrower or a substantial part of its properties.

7.1.7 Borrower shall fail to pay when due, after the expiration of any applicable grace periods, any amounts owing in respect of any Indebtedness of Borrower, or any event or condition referred to in any indenture, instrument or agreement evidencing, securing or relating

to any Indebtedness shall have occurred, if the effect of such failure or occurrence is to accelerate the maturity of such Indebtedness.

7.1.8 One or more judgments for the payment of money in excess of an aggregate of Two Hundred Fifty Thousand Dollars (\$250,000.00) shall be rendered against Borrower and each judgment shall not have been discharged or bonded on appeal and the execution thereof effectively stayed within sixty (60) days of the date of entry of such judgment.

7.1.9 One or more attachments of property of Borrower shall be made in amounts exceeding in the aggregate Two Hundred Fifty Thousand Dollars (\$250,000.00), and each attachment shall not have been discharged or bonded within sixty (60) days of the date of such attachment.

Section 7.2 Remedies. If an Event of Default exists:

7.2.1 At the option of Lender, Lender may, by written notice to Borrower, declare the Note, and any and all other Indebtedness of Borrower to Lender, to be immediately due and payable, whether or not the Note or the other Indebtedness shall otherwise be due and payable and whether or not Lender shall have initiated any other action for the collection of the Note or the other Indebtedness and whereupon the Note and the other Indebtedness shall become due and payable, as to the principal, interest and any other amounts payable, without presentment, demand, protest or notice of any kind, all of which are hereby expressly waived by Borrower.

7.2.2 Lender shall have no obligation to make a disbursement under the Loan.

7.2.3 Lender may pursue any and all remedies available at law or in equity for the collection of the Note and any other Indebtedness and for the enforcement of the provisions of the Loan Documents.

7.2.4 No course of dealing on the part of Lender or any delay or failure on the part of Lender to exercise any right shall operate as a waiver of the right or otherwise prejudice Lender's rights, powers and remedies. Upon the occurrence of any Event of Default, Borrower shall pay to Lender, to the extent permitted by law, an amount sufficient to cover reasonable costs and expenses of collection, including, without limitation, reasonable attorneys' fees incurred by Lender in collecting any sums due on the Note or any other Indebtedness or otherwise in enforcing any of its rights under the Loan Documents.

ARTICLE 8 MISCELLANEOUS

Section 8.1 Entire Agreement. This Agreement (including the Recitals hereto), the Schedules and Exhibits attached hereto, and the Note constitute the entire agreement between the parties with respect to the transactions contemplated hereby and supersede all prior agreements or understandings, written or oral, in respect thereof. The Schedules and Exhibits attached hereto are incorporated in and made a part of this Agreement. All references to Sections and Articles shall be deemed to refer to Sections and Articles of this Agreement unless otherwise specifically stated herein.

Section 8.2 Notices. Any notice or communication given pursuant hereto by either party shall be in writing and delivered by hand, mailed by certified or registered mail, return receipt requested, or delivered by overnight courier addressed as follows:

If to Borrower at:

1331 Fulton St,
Fresno, CA 93721
Attn: Emily De La Guerra
Email: emilydelaguerra@fresnohousing.org
Tel: 559-457-4266

If to Lender at:

The Kresge Foundation
3215 W. Big Beaver Road
Troy, MI 48084

Tel: 248-643-9630

or to any other address or addresses as the addressee may have specified in a notice duly given to the sender. Except as otherwise specified herein, all notices and other communications shall be deemed to have been duly given (a) on the date of delivery, if delivered by hand or by overnight courier, or (b) three (3) business days after the date of mailing, if duly transmitted by mail.

Section 8.3 Payment Instructions. All payments by Borrower required hereunder shall be sent to Lender in accordance with the following Bank Information:

Beneficiary Information:
Beneficiary Name:
Address:

Beneficiary Bank Information:
Bank Name:
Bank Address:
Bank Routing Number:
Bank Account Number:

Section 8.4 Waivers. No delay or failure on the part of Lender in exercising any right, power or privilege, and no partial or single exercise by Lender of any right, power or

privilege, shall constitute a waiver of that right, power or privilege or of any other right, power or privilege. No waiver by Lender of any term of the Loan Documents shall be effective unless in writing and signed by Lender.

Section 8.5 Binding Effect; Assignment. This Agreement shall be binding upon and inure to the benefit of the parties and their respective successors and assigns. The rights of Lender under this Agreement may be assigned or otherwise transferred by Lender at any time in accordance with applicable law subject to the prior written consent of Borrower which consent shall not be unreasonably withheld, conditioned or delayed. Notwithstanding the foregoing, the rights and obligations of Borrower under this Agreement may not be assigned or transferred without the prior written consent of Lender.

Section 8.6 Headings. The headings contained in this Agreement are for convenience of reference only and shall not affect the meaning or interpretation of this Agreement.

Section 8.7 Indemnification. Borrower shall and hereby does agree to indemnify, defend and hold harmless Lender and its trustees, directors, officers, agents, employees, counsel and other professionals, contractors, subcontractors, licensees, invitees, successors and assigns (collectively, the “Indemnitees”) from and against any and all losses, claims, damages, liabilities, penalties, demands, actions, deficiencies, judgments, costs and expenses (collectively, “Losses”) incurred by an Indemnatee arising out of or in any way related to (a) this Agreement, the Note or the transactions contemplated hereby or thereby, (b) any actual or proposed use by Borrower of the proceeds of the Loan or (c) Lender’s entering into the Loan Documents, including, without limitation, reasonable amounts paid in settlement, court costs and the fees and disbursements of counsel or other professionals incurred in connection with any litigation, investigation, claim or

proceeding, except to the extent that any of such Losses are finally judicially determined to have resulted from the gross negligence or willful misconduct of the Indemnitee. If and to the extent that the obligations of Borrower under this Section are unenforceable for any reason, Borrower hereby agrees to make the maximum contribution to the payment and satisfaction of the obligations that is permissible under applicable law. Borrower's obligations under this Section shall survive any termination of this Agreement and the payment in full of the Loan, and are in addition to, and not in substitution of, any other of its obligations set forth in this Agreement.

Section 8.8 Counterparts. This Agreement may be executed in multiple counterparts, each of which shall constitute an original and all of which, when taken together, shall constitute one agreement.

Section 8.9 Governing Law. This Agreement (including this choice-of-law provision) and the rights and obligations of the parties hereunder shall be governed by and construed, and all controversies and disputes arising under, in connection with or relating to this Agreement shall be resolved, in accordance with the laws of the State of California and the United States of America applicable to contracts made and to be wholly performed within such State.

Section 8.10 Severability. If any provision of this Agreement shall for any reason be held to be illegal, invalid or unenforceable, the illegal, invalid or unenforceable provision shall not affect any other provision of this Agreement, but this Agreement shall be construed as if the illegal, invalid or unenforceable provision had never been contained herein.

Section 8.11 Modification; Amendment. The written consent of Lender shall be required for all amendments and modifications to the Loan Documents.

Section 8.12 Other Parties. Nothing in this Agreement shall be construed as giving any person, firm, corporation or other entity, other than the parties hereto, any right, remedy or claim under or in respect of this Agreement or any provision hereof.

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement as of the date first above written.

LENDER:

THE KRESGE FOUNDATION
a non-profit public benefit corporation

By: _____
Name: _____
Title: _____

BORROWER:

**HOUSING RELINQUISHED FUND
CORPORATION**
a California non-profit public benefit corporation

By: _____
Name: _____
Title: _____

LIST OF SCHEDULES AND EXHIBITS

Schedule 1	Disclosure Schedule
Exhibit A	Promissory Note
Exhibit B	Secretary's Certificate of Borrower
Exhibit C	Form of Covenant Compliance Worksheet
Exhibit D	Form of Loan Portfolio Quality Report
Exhibit E	Form of Social Impact Report
Exhibit F	Reporting Checklist
Exhibit G	Form of Quarterly/Annual Certification
Exhibit I	Form of Disbursement Certificate

SCHEDULE 1

DISCLOSURE SCHEDULE

[Borrower to confirm nothing to disclose]

DRAFT

EXHIBIT A

PROMISSORY NOTE

(See Attached)

PROMISSORY NOTE

\$2,000,000.00

February __, 2021

FOR VALUE RECEIVED, HOUSING RELINQUISHED FUND CORPORATION, a California non-profit public benefit corporation (“Borrower”), promises to pay to the order of **THE KRESGE FOUNDATION**, a non-profit public benefit corporation (“Lender”), at 3215 W. Big Beaver Road, Troy, MI 48084, or at any other place designated in writing from time to time by the holder of this Note, the principal sum of Two Million Dollars (\$2,000,000.00), or so much thereof that is advanced from time to time, with interest accruing at the annual rate of two percent (2%) on the unpaid principal balance from the date of disbursement until fully paid.

This Note evidences a loan made to Borrower by Lender pursuant to a certain Loan Agreement, dated as of February __, 2021, (the “Agreement”), between Lender and Borrower and the holder hereof is entitled to the benefits of the Agreement and may enforce the provisions thereof and exercise the remedies provided thereby or otherwise available in respect thereof. Capitalized terms used in this Note and not defined herein shall have the same meaning assigned to them as in the Agreement.

Principal and interest under this Note shall be paid as and when provided in the Agreement, and the terms therefor provided therein are incorporated herein. In all other respects this Note is subject to the terms and conditions provided in the Agreement.

Payments of interest and principal shall be made in lawful money of the United States of America.

Borrower hereby waives presentment, demand for payment, notice of dishonor, protest and notice of protest of this Note.

Borrower agrees to perform and comply with each of the covenants, conditions, provisions and agreements of Borrower contained in the Agreement. No waiver of any provision of this Note or the Agreement, made by agreement of the holder hereof or any other person or party, shall constitute a waiver of any other term hereof, or otherwise release or discharge the liability of Borrower under this Note.

This Note is governed by and is to be construed in accordance with the laws of the State of California.

IN WITNESS WHEREOF, Borrower has signed and delivered this Note.

**HOUSING RELINQUISHED FUND
CORPORATION**

By: _____

Name:

Title:

DRAFT

SECRETARY'S CERTIFICATE OF BORROWER

I, _____, do hereby certify that I am the duly elected, qualified and acting Secretary (or Assistant Secretary) of HOUSING RELINQUISHED FUND CORPORATION ("Borrower"), and that as the Secretary (or Assistant Secretary) of Borrower I am authorized to execute this certificate on behalf of Borrower. I further certify as follows:

1. This certificate is delivered pursuant to Section 4.1 of the Loan Agreement (the "Agreement"), dated as of December __, 2020, by and between THE KRESGE FOUNDATION and Borrower. All capitalized terms used herein without definition shall have the meanings set forth in the Agreement.

2. Attached hereto as Attachment A is a true, complete and correct copy of the Articles of Incorporation of Borrower certified by the Secretary of State of the State of California. The Articles of Incorporation was accepted for filing by the Secretary of State of the State of California on [_____] and has not been amended, modified, revoked or rescinded, and remains in full force and effect on the date hereof.

3. Attached hereto as Attachment B is a true, complete and correct copy of the Bylaws of Borrower as in effect since _____, and the Bylaws have not been amended, modified, revoked or rescinded and have been in full force and effect in the attached form at all times from and after that date, to and including the date hereof.

4. Attached hereto as Attachment C is a true, complete and correct copy of resolutions duly adopted by the Board of Directors of Borrower on _____, approving the Agreement and the transactions contemplated thereby, which resolutions are the only resolutions relating to the subject matter thereof adopted by the Board of Directors, have not been amended, modified, revoked or rescinded since the date of their adoption, remain in full force and effect on the date hereof and are not inconsistent or in conflict with any other currently effective resolutions of the Board of Directors.

5. Borrower is in good standing under the laws of the State of California. Attached hereto as Attachment D is a Certificate of the Secretary of State of the State of California, dated within thirty (30) days of the date hereof, certifying as to the valid existence and good standing of Borrower in the State of California.

IN WITNESS WHEREOF, I have executed this certificate as of _____, 2018.

HOUSING RELINQUISHED FUND
CORPORATION

By: _____

Name:

Title:

I, _____, do hereby certify that I am the duly elected, qualified and acting Executive Director of Borrower and do hereby further certify that _____ is the duly elected, qualified and acting Secretary of Borrower and that the signature set forth above is known to me to be his or her genuine signature.

Name: Preston Prince

Title: Executive Director

COVENANT COMPLIANCE WORKSHEET

(See Attached)

DRAFT

FORM OF PORTFOLIO QUALITY REPORT

(See Attached)

DRAFT

EXHIBIT E
FORM OF ANNUAL SOCIAL IMPACT REPORT

DRAFT

Loan Agreement between The Kresge Foundation and the Housing Relinquished Fund Corporation

Reporting Checklist

For the quarter ended _____ / _____ / _____.

Quarterly Reports: Due within 45 days after the end of each Quarterly Period (March 31st, June 30th, September 30th, December 31st):

- _____ Unaudited financial statement as of the end of the Quarterly Period and related balance sheet and income statement.
- _____ Certificate of Borrower, signed by Borrower's Chief Financial Officer, stating that (a) the financial statements and related statements of Borrower materially present the financial position of Borrower and (b) Borrower is in compliance with all terms of the Loan Documents and commenting on any Events of Default.
- _____ Covenant Compliance Worksheet setting forth Borrower's performance with respect to the covenants in the Agreement.
- _____ Loan Qualify Portfolio Report
- _____ Narrative Report of loans funded and in pipeline.

Annual Reports: Due within 120 days after the end of each fiscal year:

Due within 120 days after the end of each fiscal year:

- _____ Social Impact Report, signed by a duly authorized officer of Borrower, containing information that describes the use of the Loan proceeds during the preceding year and evaluates the progress of Borrower toward achieving the purposes described in Article 2 and the contribution of the Loan thereto.
- _____ Audited financial statements of Borrower, including the related balance sheet, income statement and statement of cash flows for the fiscal year with comparative figures for the prior fiscal year.
- _____ Certificate of Borrower, signed by an authorized officer of Borrower, stating that (a) the financial statements and related statements of Borrower accurately reflect the financial position of Borrower and (b) Borrower is in compliance with all terms of the Loan Documents and commenting on any Events of Default.

_____ Covenant Compliance Worksheet setting forth Borrower's performance with respect to the covenants in the Agreement.

Promptly after their preparation and finalization:

_____ Borrower's current annual operating budget.

_____ Any newly adopted strategic plan.

Notices to the Foundation: Borrower shall promptly notify the Foundation in reasonable detail of any of the following events (please check box & provide response if an event has occurred):

_____ Any material change in the positions or responsibilities held by key personnel of Borrower

_____ Any action, suit or proceeding instituted or threatened against Borrower in or before any Governmental Entity or in any way relating to the properties of Borrower or any adverse regulatory action taken or proposed to be taken by any Governmental Entity against Borrower.

_____ Any material adverse change in the activities, operations, assets or properties or in the condition, financial or otherwise, of Borrower.

_____ Any material change in the circumstances of Borrower that would cause the Loan to no longer serve the purposes set forth in Section 2.1 of the Agreement.

_____ Any Event of Default or event that with notice or lapse of time or both would constitute an Event of Default.

EXHIBIT G

Loan Agreement between The Kresge Foundation and Housing Relinquished Fund Corporation

Form of QUARTERLY/ANNUAL CERTIFICATION

For the quarter/fiscal year ended ____ / ____ / ____.

The attached un/audited financial statements and related statements accurately present the financial position and the results of operations of Housing Relinquished Fund Corporation, for the period ended _____. The financial statements and any supporting schedules were prepared in accordance with generally accepted accounting principles consistently applied, subject to normal year-end adjustments and to the addition of footnote disclosure.

Housing Relinquished Fund Corporation is in compliance with all terms and provisions set forth in the Loan Documents and no Event of Default, or any event that with notice or lapse of time or both would constitute an event of default, has occurred.

By: _____
Name:
Title:

Date: _____

EXHIBIT I
Form of DISBURSEMENT CERTIFICATE

I, _____, do hereby certify that I am the duly elected, qualified and acting Executive Director of Housing Relinquished Fund Corporation (“Borrower”), and that as the Executive Director I am authorized to execute this certificate on behalf of Borrower. I further certify as follows:

1. This certificate is delivered pursuant to Section 4.2 of the Loan Agreement (the “Agreement”), dated as of February __, 2021, between THE KRESGE FOUNDATION and Borrower. All capitalized terms used herein without definition shall have the meanings set forth in the Agreement.

2. Borrower is requesting a disbursement in the amount of \$_____ to be disbursed on _____.

3. The representations and warranties set forth in Article 3 of the Agreement are true and correct on and as of the date hereof with the same force and effect as though made on the date hereof.

6. As of the date hereof, (a) Borrower is in compliance with all of the terms, covenants and conditions of the Loan Documents to be complied with, and (b) no Event of Default, or any event that with notice or lapse of time or both would constitute an Event of Default, has occurred and is continuing.

IN WITNESS WHEREOF, I have executed this certificate as of _____.

HOUSING RELINQUISHED FUND
CORPORATION

By: _____

Name:

Title: Executive Director

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

RESOLUTION NO. ____

**RESOLUTION AUTHORIZING A LOAN AGREEMENT FROM THE KRESGE
FOUNDATION TO THE HOUSING RELINQUISHED FUND CORPORATION**

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

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

WHEREAS, the mission of The Kresge Foundation (“Kresge”) is to improve the life circumstances and economic opportunities for people with low incomes; and

WHEREAS, the Corporation has requested a program-related investment loan from Kresge to support affordable housing developments in high opportunity areas and to finance mission-aligned affordable housing programmatic priorities of the City and County of Fresno (the “Program”); and

WHEREAS, Kresge desires to make the requested loan as part of its portfolio of program-related investments; and

WHEREAS, The Loan is evidenced by a promissory note which, if executed, shall include a maximum principal amount of Two Million Dollars (\$2,000,000.00), bearing interest at the rate of two percent (2%) per annum from the date thereof on the unpaid principal balance from time to time outstanding under the Note. Payments of interest only on the Note shall be made quarterly in arrears on the last day of March, June, September and December, and any accrued but unpaid interest shall be due on the Maturity Date. The outstanding principal balance of the Loan shall be due and payable in two installments:

- (a) The first installment of one-half of the principal amount outstanding as of the Origination End Date shall be due on the fourth anniversary of the Closing Date; and
- (b) The second installment of the lesser of (i) one-half of the principal amount outstanding as of the Origination End Date and (ii) the principal balance outstanding shall be due on the fifth anniversary of the Closing Date (the “Maturity Date”); and

NOW THEREFORE, BE IT RESOLVED that the Board of Commissioners of the Housing Authority of the City of Fresno, CA hereby authorizes a loan from the Kresge Foundation to the Housing Relinquished Fund Corporation for up to \$2,000,000 and authorizes Preston Prince, the CEO/Executive Director, Tracewell Hanrahan, Deputy Executive Director, and/or their designee to negotiate and execute all agreements and ancillary documents in connection therewith.

PASSED AND ADOPTED THIS 23rd DAY OF FEBRUARY, 2021. 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

RESOLUTION NO. ____

**RESOLUTION AUTHORIZING A LOAN AGREEMENT FROM THE KRESGE
FOUNDATION TO THE HOUSING RELINQUISHED FUND CORPORATION**

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

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

WHEREAS, the mission of The Kresge Foundation ("Kresge") is to improve the life circumstances and economic opportunities for people with low incomes; and

WHEREAS, the Corporation has requested a program-related investment loan from Kresge to support affordable housing developments in high opportunity areas and to finance mission-aligned affordable housing programmatic priorities of the City and County of Fresno (the "Program"); and

WHEREAS, Kresge desires to make the requested loan as part of its portfolio of program-related investments; and

WHEREAS, The Loan is evidenced by a promissory note which, if executed, shall include a maximum principal amount of Two Million Dollars (\$2,000,000.00), bearing interest at the rate of two percent (2%) per annum from the date thereof on the unpaid principal balance from time to time outstanding under the Note. Payments of interest only on the Note shall be made quarterly in arrears on the last day of March, June, September and December, and any accrued but unpaid interest shall be due on the Maturity Date. The outstanding principal balance of the Loan shall be due and payable in two installments:

- (a) The first installment of one-half of the principal amount outstanding as of the Origination End Date shall be due on the fourth anniversary of the Closing Date; and
- (b) The second installment of the lesser of (i) one-half of the principal amount outstanding as of the Origination End Date and (ii) the principal balance outstanding shall be due on the fifth anniversary of the Closing Date (the "Maturity Date"); and

NOW THEREFORE, BE IT RESOLVED that the Board of Commissioners of the Housing Authority of Fresno County hereby authorizes a loan from the Kresge Foundation to the Housing Relinquished Fund Corporation for up to \$2,000,000 and authorizes Preston Prince, the CEO/Executive Director, Tracewell Hanrahan, Deputy Executive Director, and/or their designee to negotiate and execute all agreements and ancillary documents in connection therewith.

PASSED AND ADOPTED THIS 23rd DAY OF FEBRUARY, 2021. 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) 445-8981

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

www.fresnohousing.org

TO: Boards of Commissioners
Fresno Housing
FROM: Preston Prince
Executive Director

DATE: February 18, 2021
BOARD MEETING: February 23, 2021
AGENDA ITEM: 9a
AUTHOR: Kelli Furtado

SUBJECT: 2020 Highlights

Executive Summary

The purpose of this Board Memo is to provide the Boards with an update on the attached 2020 agency highlights. The Executive Director will present an overview of highlighted activities.

Recommendation

This item is informational and no further action is requested by the Boards of Directors.

2020 HIGHLIGHTS

JANUARY

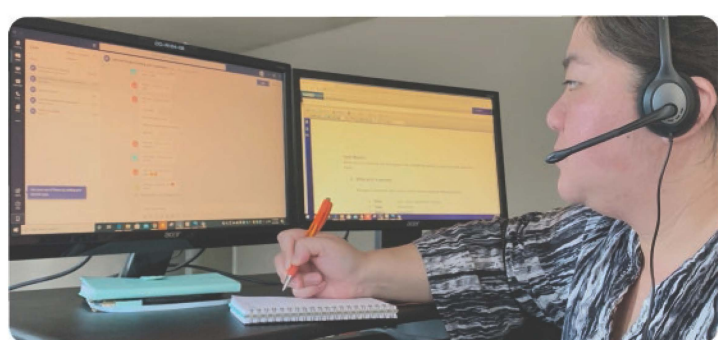


- Groundbreaking of Linnaea Villas in Kingsburg and Solivita Commons in Clovis

FEBRUARY

- HUD Director of Public Housing Gerard Windt recognized Fresno Housing as the 2020 Public Housing Program of the Year
- Hosted Distinguished Fellow of the Economic Policy Institute and author of The Color of Law, Richard Rothstein

MARCH



- Fresno Housing offices closed to the public, and staff was mobilized to provide services in safe and remote locations

APRIL

- Dedicated staff worked to move-in nearly 100 families to our Parlier Migrant Center
- Our inspections team started virtual inspections

MAY/JUNE

- Resources shared with residents, including workforce development, scholarships, mental health services, testing sites, food distribution and much more



JULY

- Opened Education Advancement Scholarship application for residents with the new virtual process, receiving highest application rate to date
- Awarded over \$26 million for two affordable housing developments along Blackstone Corridor in Fresno
- 5th Annual Fresno Housing Summer Tech Camp (virtual)
- Call to local artists for mural designs at The Villages at Broadway in Downtown Fresno

AUGUST

- Back to School Supply Drive-Thru for Housing Choice Voucher residents
- Began accepting applications for affordable housing in Southeast Fresno

SEPTEMBER



- The Monarch @ Chinatown Virtual Groundbreaking
- Fresno Housing awarded more than \$7.6 million through Homekey Program to provide high-quality housing to the most vulnerable at underutilized motels located along Parkway Corridor

OCTOBER

- In collaboration with Wells Fargo and T-Mobile, distributed tablets to improve the digital divide for our veteran residents
- Workforce development partner, HOPE Builds, hosted a pop-up booth near Edison High School to assist with career path and business start-up goals
- Began enrolling HCV families in the Family Self Sufficiency Program
- Awarded additional \$16.5 million as part of the Homekey efforts to provide safe and affordable housing options along the Parkway Corridor
- Conducted Resident Safety Survey



NOVEMBER

- Fresno Housing selected as the only public housing agency for the 2021 HUD Innovation in Affordable Housing Student Design
- Chosen by the National Association of Housing and Redevelopment Officials as a 2020 Award of Excellence winner for the work at Renaissance at Parc Grove, serving veterans

DECEMBER



- Expanded broadband efforts to improve Digital Equity through the Lift Zones program with Comcast and Boys and Girls Clubs of Fresno County
- Awarded \$450,000 through Choice Neighborhoods Planning Grant for the California Avenue Neighborhood
- Alegre Commons started construction near Blackstone/Barstow in Fresno
- Awarded over \$11.3 million for Corazón de Valle Commons in Huron
- Began repairs at four motels along Parkway Corridor

BOARD MEMO

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

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

www.fresnohousing.org

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

DATE: February 18, 2021
BOARD MEETING: February 23, 2021
AGENDA ITEM: 9b
AUTHOR: Michael Duarte

SUBJECT: Real Estate Development Update: Project Homekey

Executive Summary

Staff will make a presentation on all the renovation and lease up of Project Homekey Motels.

Recommendation

None at this time. Informational only.

BOARD MEMO

O (559) 443-8400

F (559) 445-8981

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

www.fresnohousing.org

TO: Boards of Commissioners
Fresno Housing Authority
DATE: February 18, 2021
BOARD MEETING: February 23, 2021
FROM: Preston Prince
CEO/Executive Director
AGENDA ITEM: 10a
AUTHOR: Scott Berry

SUBJECT: Approval to Submit Funding Applications for Esperanza Commons (fka Mendota Farm Labor)

Executive Summary

The purpose of this Board memo is to request certain approvals from the Boards of Commissioners related to the substantial rehabilitation of Esperanza Commons (fka Mendota Farm Labor) (the "Property"), an existing affordable housing property. The subject Property is located at 241 Tuft Street, Mendota, California. In June of 2020, Staff requested authorization to apply for various potential funding sources, notably a Low-Income Housing Tax Credit (LIHTC) application to the California Tax Credit Allocation Committee (CTCAC). LIHTC financing will enable the property to be repositioned and preserve the property and further secure its continued affordability. Though the application in July of 2020 was unsuccessful in receiving LIHTC's, Staff is currently in the process of reapplying for LIHTC's in the March 2021 funding round.

At the June 23, 2020 meeting, the Board authorized the submittal of a 9% LIHTC application and commitment of a net FH land/building donation of \$2,450,000 (appraised value in 2020) and a project reserves loan of up to \$700,000 for the development. Staff submitted an LIHTC application in July, 2020; however, the tiebreaker score was not sufficient to be competitive. Staff is seeking approval to resubmit a 9% LIHTC application in March, 2021. In addition to the LIHTC application submission, staff is requesting that the Board approve increasing the net combined FH land/building donation and reserves loan for up to \$5,000,000 for the proposed development. The increased amount of the FH donation is simply to reflect the anticipated increased property value of the property in 2021.

Though the scope of the rehabilitation and the general structure of the financing plan remains the same as June 2020, the property is anticipated to have an updated appraisal in February 2021 that demonstrates an increased land and building value of approximately \$4,800,000. Thus, current projections anticipate a net land/building donation of approximately \$4,242,000 (based on an appraisal of \$4,800,000 minus a reamortized USDA loan currently estimated at \$558,000), plus project reserves of approximately \$702,000. The increase in the property's valuation offers the opportunity for a larger donation value that would provide for a more competitive CTCAC tiebreaker and/or sales proceeds back to FH;

therefore staff is requesting that the Board allow for a combined net land building donation and project reserves loan of up to \$5,000,000.

Recommendation

It is recommended that the Boards of Commissioners of the Fresno Housing Authority adopt the attached resolutions approving the necessary actions needed to move forward with funding application submissions for the Esperanza Commons project (APN 012-190-39-S), and authorize Preston Prince, CEO/Executive Director, Tracewell Hanrahan, Deputy Executive Director, and/or their designee, to negotiate and execute documents in connection with the approved actions.

1. Authorize approval of a donation of land, buildings and/or available project reserves from the Housing Authority of Fresno County to Silvercrest, Inc. as Managing General Partner of the to-be-formed-limited partnership for the benefit of redeveloping Esperanza Commons for a donation value (net of the re-amortized USDA loan) of up to \$5,000,000.
2. Authorize Preston Prince, the CEO/Executive Director, Tracewell Hanrahan, Deputy Executive Director, and their designees to execute documents on behalf of the Housing Authority of Fresno County, CA; and in the name of the Administrative General Partner, on its own behalf; and as administrative general partner of the Partnership; and
3. Provide for other matters related thereto.

Fiscal Impact

The \$2,000 CTCAC application fee and other due diligence is budgeted from the current approved predevelopment budget. Predevelopment financing would be necessary until the close of construction/permanent financing should the TCAC application be successful. All predevelopment funds would be fully reimbursed once the construction/permanent financing close occurs.

Background Information

Esperanza Commons is an existing 60-unit farmworker, multifamily low-income property on approximately 8.56 acres in Mendota, CA. The property was initially developed by Fresno Housing Authority (FH) with financial assistance from the United States Department of Agriculture (USDA). USDA provided a loan and rental assistance and staff is working with USDA to secure new financing commitments including a new rental assistance contract to preserve the affordability of the property.

Staff is proposing to complete substantial rehabilitation of the existing 60-unit complex, reconfiguring an existing community building on the property to include a shared laundry facility, and to convert one of the units into an onsite property manager's unit.

Past Board Actions

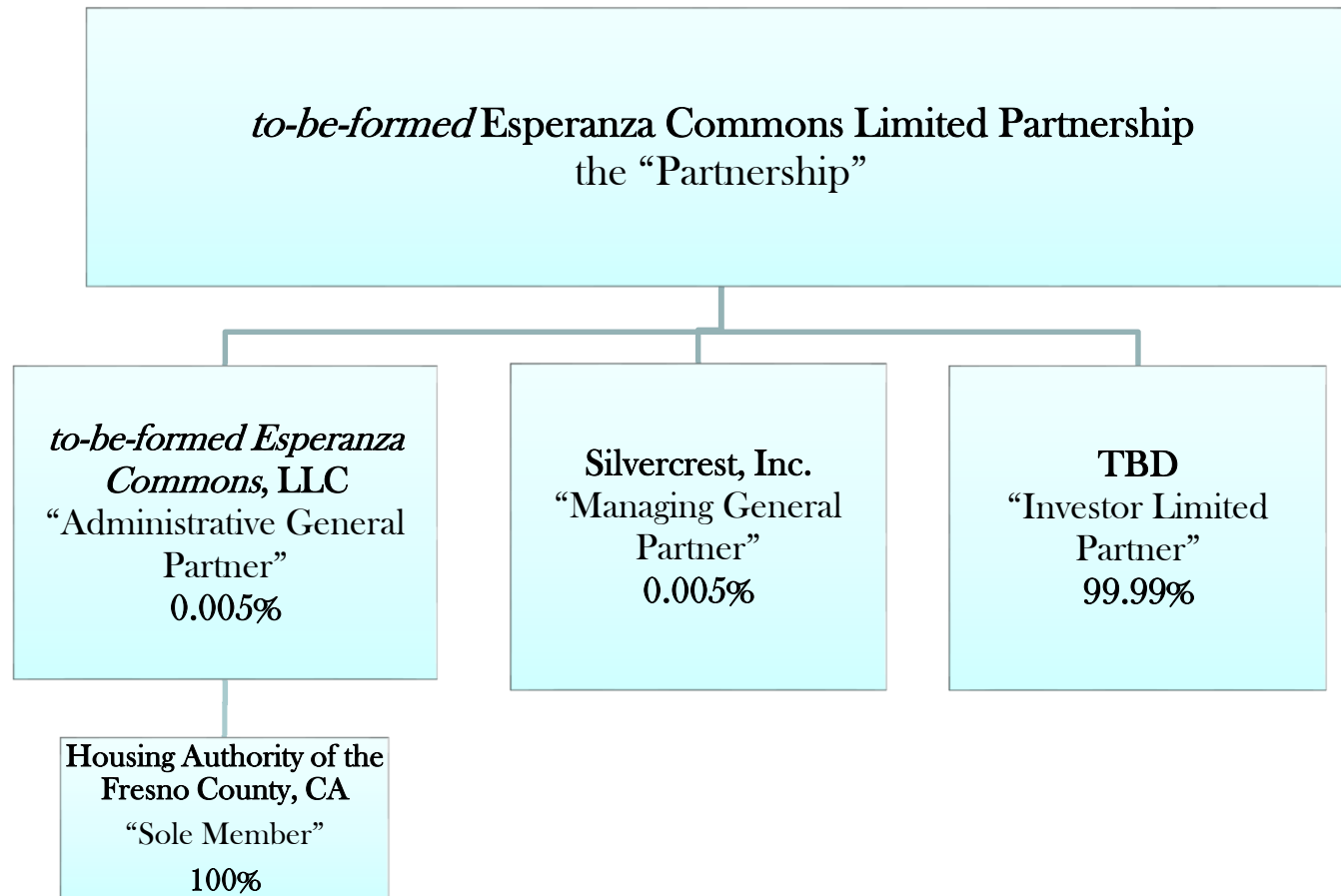
- June 23, 2020 – Approval to Submit Funding Application to California Tax Credit Allocation Committee (CTAC) for a 9% Low-Income Housing Tax Credit Allocation and Authorization for a Land/Building Donation and Project Reserves Loan of up to \$3,750,000

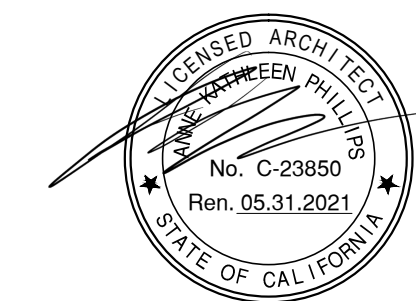
Attachments: Exhibit A – Organizational Chart

Exhibit B – Site Plan
Exhibit C – Sources and Uses

Ownership Structure

ESPERANZA COMMONS





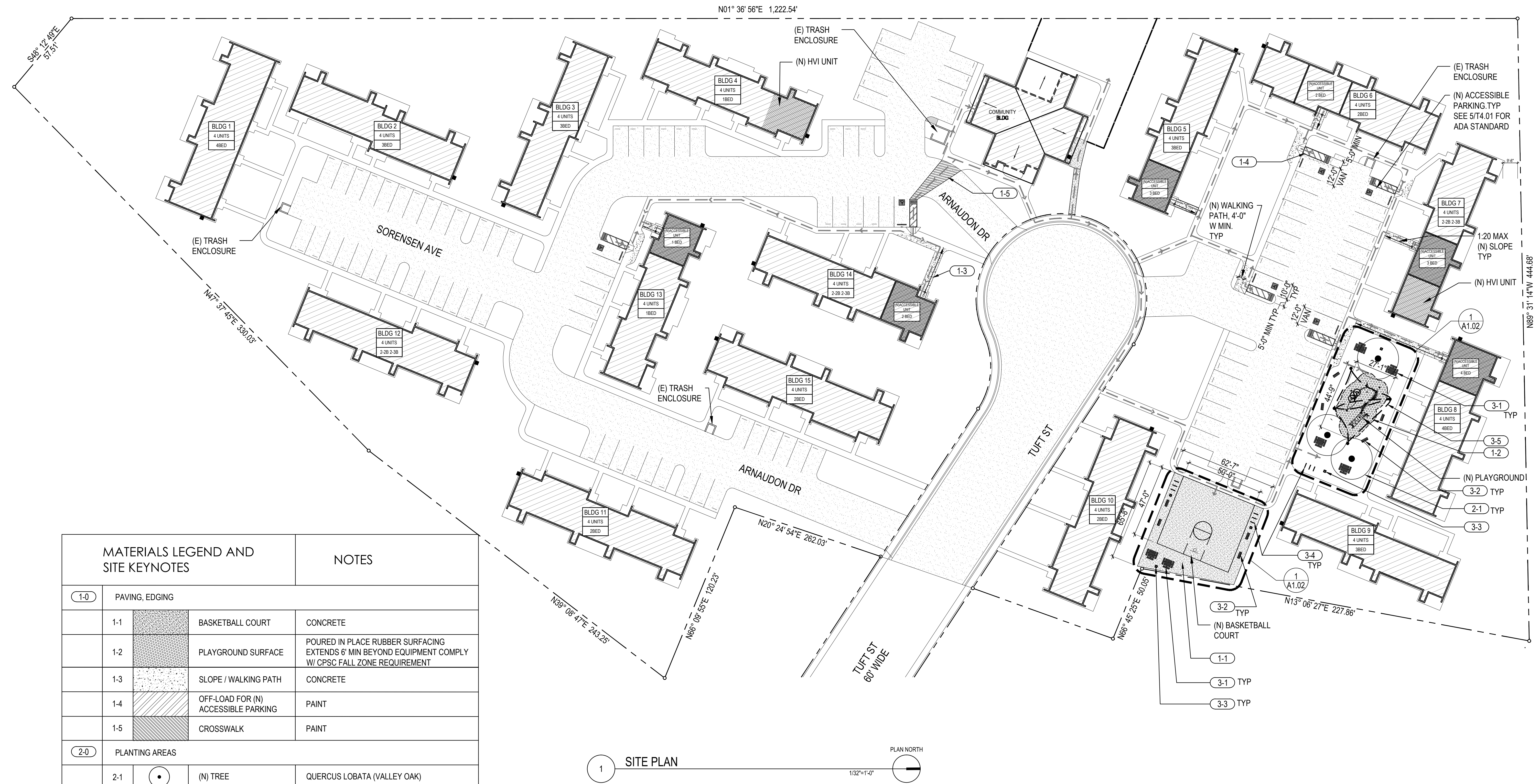
MENDOTA FARM LABOR HOUSING
241 TUFT STREET
MENDOTA, CA 93640

07.01.2020	TCAC

PROPOSED
SITE PLAN

DATE: _____
CHECKED BY: _____
JOB: _____ 20-05

A1.01



MATERIALS LEGEND AND SITE KEYNOTES				NOTES
1-0	PAVING, EDGING			
1-1		BASKETBALL COURT	CONCRETE	
1-2		PLAYGROUND SURFACE	POURED IN PLACE RUBBER SURFACING EXTENDS 6' MIN BEYOND EQUIPMENT COMPLY W/ CPSC FALL ZONE REQUIREMENT	
1-3		SLOPE / WALKING PATH	CONCRETE	
1-4		OFF-LOAD FOR (N) ACCESSIBLE PARKING	PAINT	
1-5		CROSSWALK	PAINT	
2-0	PLANTING AREAS			
2-1		(N) TREE	QUERCUS LOBATA (VALLEY OAK)	
2-2		-		
3-0	SITE FURNISHINGS			
3-1		ACCESSIBLE PICNIC TABLE	DUMOR MO: 76-33PL, SURFACE MOUNT	
3-2		BENCH WITH BACKREST	MMCITE MO: LV 150	
3-3		TRASH/RECYCLING BIN	MMCITE MO: CRYSTAL- CP110	
3-4		BIKE RACK	MADRACK ORION. SQUARE TUBE. SURFACE MOUNT	
3-5		SHADE STRUCTURE W/ MTL POSTS	SHADE COMFORTS: SHADE SAIL 4-POINT, HYDAR STRUCTURE	
4-0	PLAYGROUND EQUIPMENT			
4-1		PLAYGROUND	EVOS INCL. 'WOBBLE POD', 'POWER LIFTER, E-POD'	

SYMBOLS LEGEND	
	BLDG A — BLDG NAME 20 UNITS — NUMBERS OF UNIT
	ACCESSIBLE PATH OF TRAVEL
	(N) ADA UNIT
	(N) HVI UNIT

EXHIBIT C
Esperanza Commons Pro Forma
Residential

Development Sources and Uses		
Sources of Funds	<i>Amount on July 2020</i>	<i>Amount on February 2021</i>
Conventional Perm Loan	\$ 1,438,000	\$ 913,000
USDA 514 Recast Loan	\$ 550,278	\$ 557,907
Project Reserves	\$ 702,978	\$ 701,699
Donated Land & Building*	\$ 2,449,722	\$ 4,242,093
LIHTC Equity	\$ 10,607,246	\$ 11,481,649
Total Sources of Funds	\$ 15,748,224	\$ 17,896,348
Uses of Funds	<i>Amount</i>	<i>Amount</i>
Acquisition Costs (Land/Building)	\$ 3,000,000	\$ 4,800,000
Construction Costs**	\$ 7,097,500	\$ 7,451,934
Hard/Soft Cost Contingencies	\$ 904,360	\$ 904,360
Permits/Impact Fees/etc.	\$ 45,000	\$ 45,000
Professional Fees	\$ 496,100	\$ 496,100
Relocation	\$ 900,000	\$ 900,000
Loan Fees and other Soft Costs	\$ 1,071,250	\$ 1,065,000
Reserves	\$ 706,461	\$ 706,461
Developer Fee	\$ 1,527,553	\$ 1,527,493
Total Uses of Funds	\$ 15,748,224	\$ 17,896,348

Draft as of 02/17/2021

**Total land and building acquisition cost (\$4,800,000) less remaining USDA debt (\$557,907)*

***Construction subject to State Prevailing Wage*

Non-Residential

Development Sources and Uses		
Sources of Funds	<i>Amount on July 2020</i>	<i>Amount on February 2021</i>
LIHTC Equity	\$ 115,000	\$ 115,000
Total Sources of Funds	\$ 115,000	\$ 115,000
Uses of Funds	<i>Amount</i>	<i>Amount</i>
Day Care Facility Rehab	\$ 100,000	\$ 100,000
Day Care Facility Contingency	\$ 15,000	\$ 15,000
Total Uses of Funds	\$ 115,000	\$ 115,000

RESOLUTION NO. _____

BEFORE THE BOARD OF COMMISSIONERS OF THE

HOUSING AUTHORITY OF FRESNO COUNTY, CALIFORNIA

RESOLUTION AUTHORIZING THE SUBMISSION OF A 9% LOW INCOME HOUSING TAX CREDIT ("LIHTC") APPLICATION AND A LAND/BUILDING DONATION OF ESPERANZA COMMONS, FKA "MENDOTA FARM LABOR" (APN: 012-190-39-S)

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

WHEREAS, the Authority desires to facilitate the redevelopment of real property located at 241 Tuft Street, Mendota CA, 93640 (APN 012-190-39-S), and the improvements located thereon into a 60-unit apartment complex (collectively, the Property); and,

WHEREAS, the project's financing structure calls for the submission of a 9% LIHTC application to facilitate the 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, and/or their designee, to undertake the following actions needed to move forward with funding application submissions for the Esperanza Commons project:

1. Authorize approval of a net land/building donation and project reserves loan from the Housing Authority of Fresno County to a to-be-formed Limited Partnership for the benefit of redeveloping the Esperanza Commons property for a combined net value of up to \$5,000,000.
2. Authorize approval for the Housing Authority of Fresno County to re-amortize the existing USDA 514 loan in the amount of up to \$558,000 for a new 33-year maximum term and concurrently enter into a new rental assistance contract for 21 units.
3. Authorize the undertaking of all actions necessary to develop the Project, and assemble various financing sources, which may include, but are not limited to: (a) submission of an application for 9% LIHTC equity, (b) submission of an Affordable Housing Program

(AHP) application to the Federal Home Loan Bank of San Francisco, (c) submission of an application for County of Fresno HOME funds, and (d) grants, operating subsidies and/or private loans and such other sources identified by the CEO/Executive Director.

4. Authorize Preston Prince, the CEO/Executive Director, Tracewell Hanrahan, Deputy Executive Director, and/or their designees to execute documents on behalf of the Housing Authority of Fresno County, CA; and in the name of the Administrative General Partner, on its own behalf; and as administrative general partner of the Partnership; and
5. Provide for other matters related thereto.

PASSED AND ADOPTED THIS 23th DAY OF FEBRUARY, 2021. 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

BOARD MEMO

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

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

www.fresnohousing.org

TO: Boards of Commissioners
Fresno Housing Authority
DATE: February 18, 2021
BOARD MEETING: February 23, 2021
FROM: Prestone Prince
CEO/Executive Director
AGENDA ITEM: 10b
AUTHOR: Francisco Nuñez

SUBJECT: Approval to Submit Funding Applications for The Arthur at Blackstone

Executive Summary

The purpose of this Board memo is to request updated approvals from the Board of Commissioners related to the development of an affordable housing property being contemplated at 3039 N. Blackstone Avenue, Fresno, CA (APNs: 443-104-08, 443-104-09, 443-104-10, & 443-104-23). The requested action includes authorization of funding applications, which will include the submission of a Low-Income Housing Tax Credit (LIHTC) application to the California Tax Credit Allocation Committee (CTCAC) and a Fresno Housing Authority (FH) Capital Funds loan commitment.

At the June 23, 2020 meeting, the Board authorized the submittal of a 9% LIHTC application and a funding commitment from FH of up to \$3,000,000 of available Capital Funds for the development. Staff submitted an LIHTC application in July, 2020, which scored sufficiently for the project to be placed on a waiting list. The available LIHTC funds were allocated prior to the project receiving an allocation. Staff is seeking the approval to resubmitt a 9% LIHTC application in March, 2021. In additon to the LIHTC application submission, staff is requesting that the Board approve maintaining the committed funding from FH of up to \$3,000,000 of available Capital Funds to the proposed development.

At the January 22, 2019 meeting, the Board authorized entering into a Memorandum of Understanding with the County of Fresno Department of Behavioral Health, (DBH) to collaborate on the development of permanent supportive housing for Fresno County residents. At the December 17, 2019 Board meeting, the Boards approved the submission of an application for The Arthur at Blackstone development for competitive funding to the No Place Like Home Program (NPLH) administered by the State of California Housing and Community Development Department (HCD). The County of Fresno Department of Behavioral Heatlh (DBH) served as the lead applicant and service provider, and FH's role is the development sponsor and project owner/borrower. Subsequently, the project has been successful in securing a funding award totaling \$5,450,087 from the competitive NPLH program.

In order to fully finance the project, it is necessary to submit a funding application to the California Tax Credit Allocation Committee (CTCAC) for an allocation of 9% Low-Income Housing Tax Credits (LIHTC). Staff has been working with design teams as well as service providers to ensure the project has the necessary approvals to submit the funding application. The recommended action in this memo is to authorize the submission of a funding application to CTCAC for The Arthur at Blackstone project and to commit FH Capital Funds to the project along with other related actions.

Recommendation

It is recommended that the Board of Commissioners of the Fresno Housing Authority adopt the attached resolution approving the necessary actions needed to move forward with funding application submissions for The Arthur at Blackstone project (APN 443-104-08, 443-104-09, 443-104-10, & 443-104-23), and authorize Preston Prince, CEO/Executive Director, Tracewell Hanrahan, Deputy Executive Director, and/or their designee, to negotiate and execute documents in connection with the approved actions.

1. Authorize approval of a funding commitment from the Fresno Housing Authority Capital Fund in an amount up to \$3,000,000 for the development of The Arthur at Blackstone project. The most recent development pro forma (Exhibit B) is attached.
2. Authorize the undertaking of all actions necessary to secure financing for the Project, and assemble various financing sources, which may include, but are not limited to: (a) submission of an application to the California Tax Credit Allocation Committee (b) submission of a funding request to the County of Fresno Department of Behavioral Health (c) submission of an application for California Housing Finance Agency (CalHFA) funding, (d) submission of an Affordable Housing Program (AHP) application to the Federal Home Loan Bank of San Francisco, (e) submission of an application for City of Fresno HOME funds, and (f) other grants, operating subsidies and/or private loans and such other sources identified by the CEO/Executive Director.
3. Authorize Preston Prince, the CEO/Executive Director, Tracewell Hanrahan, Deputy Executive Director, and/or their designees to negotiate and execute documents on behalf of the Housing Authority of the City of Fresno, CA; and in the name of the Administrative General Partner, on its own behalf; and as administrative general partner of the Partnership; and
4. Provide for other matters related thereto.

Fiscal Impact

Staff is requesting a Fresno Housing commitment of Capital Funds of up to \$3,000,000. The current financing proposal allows for the use of Capital Funds, which is a more restrictive source of funds, and is beneficial for the agency. A \$2,000 CTCAC application fee and other due diligence costs are budgeted from the current approved predevelopment budget. The current approved predevelopment financing from the Housing Relinquished Fund Corporation would be utilized to fund due diligence activities until finance closing should the CTCAC application be successful. The predevelopment funds would be fully reimbursed upon finance closing by Capital Funds and other construction sources.

Background Information

The Arthur at Blackstone site (APNs: 443-104-08 thru 443-104-10, & 443-104-23) is an existing commercial/retail site along the Blackstone corridor in close proximity to Manchester Transit Center on approximately 0.83 acres in Fresno, CA. The project site is located in an area of high demand. The property was acquired by the Housing Authority of the City of Fresno, California in November 2017 for \$1,142,000. The current site plan envisions a 41-unit community with approximately 3,800 square feet of community space and approximately 4,200 square feet of renovated commercial space. The community would serve both families (one-, two-, and three- bedroom units) and a transitional aged youth population (studios and one-bedroom units) in partnership with the County of Fresno DBH.

Past Board Actions

- March 21, 2017 – Approval Authorizing Assignment of Purchase & Sale Agreement
- June 27, 2017 – Approval of Site Acquisition and HRFC Funding
- December 19, 2017 – Approval of Increased HRFC Commitment & Submission of Grant Funding Applications
- January 23, 2018 – Approval of GCCM Contract Award
- December 17, 2019 – Approval to Submit Funding Application to the No Place Like Home Program
- December 17, 2019 – Approval of Allocation of Twenty (20) Project-Based Vouchers
- January 22, 2020 – Approval to Submit Funding Application to the Infill Infrastructure Grant (IIG) Program
- June 23, 2020 – Approval to Submit Funding Application to California Tax Credit Allocation Committee (CTAC) for a 9% Low-Income Housing Tax Credit Allocation and Approval of a Fresno Housing Capital Funds Commitment of \$3,000,000

Attachments: Exhibit A – Organizational Chart
Exhibit B – Development Pro Forma
Exhibit C – Site Plan

Ownership Structure

THE ARTHUR AT BLACKSTONE

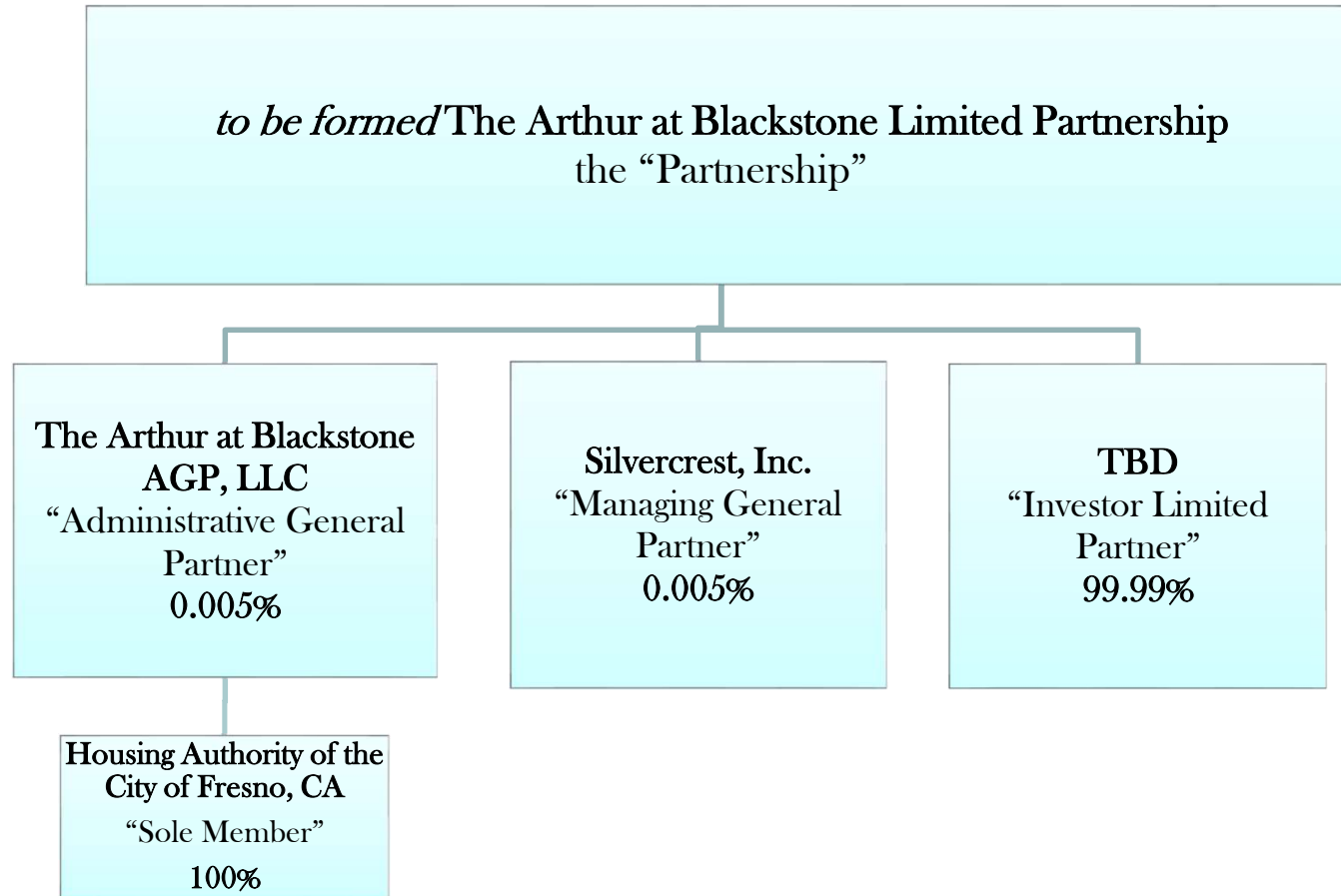


EXHIBIT B
The Arthur at Blackstone Pro Forma
Residential

Development Sources and Uses		
Sources of Funds	<i>Amount 6/18/2020</i>	<i>Amount 2/17/2021</i>
No Place Like Home (NPLH) Loan	\$ 3,499,685	\$ 3,499,685
Deferred Developer Fee	\$ 900,000	
City of Fresno HOME		\$ 1,633,112
Fresno HA Capital Funds	\$ 3,000,000	\$ 1,000,000
Accrued Deferred Interest-FHA Loan	\$ 87,041	
LIHTC Equity	\$ 11,708,008	\$ 13,758,953
Total Sources of Funds	\$ 19,194,734	\$ 19,891,750
Uses of Funds	<i>Amount</i>	<i>Amount</i>
Acquisition Costs	\$ 1,142,000	\$ 1,142,000
Construction Costs*	\$ 11,205,799	\$ 11,955,081
Contingencies	\$ 659,500	\$ 659,500
Permits/Impact Fees/etc.	\$ 437,526	\$ 491,125
Professional Fees	\$ 1,323,500	\$ 1,323,500
Relocation	\$ 40,000	\$ 40,000
Interest/Loan Fees/Soft Costs	\$ 1,584,661	\$ 1,584,624
Reserves	\$ 601,748	\$ 495,920
Developer Fee	\$ 2,200,000	\$ 2,200,000
Total Uses of Funds	\$ 19,194,734	\$ 19,891,750

* State Prevailing Wage

The Arthur at Blackstone Pro Forma
Non-Residential

Development Sources and Uses		
Sources of Funds	<i>Amount 6/18/2020</i>	<i>Amount 2/17/2021</i>
HCD IIG (Sponsor Loan)		\$ 1,833,700
LIHTC Equity	\$ 4,094,356	\$ 2,364,819
Total Sources of Funds	\$ 4,094,356	\$ 4,198,519
Uses of Funds	<i>Amount</i>	<i>Amount</i>
Community Common Area Construction	\$ 1,840,501	\$ 1,944,664
Commercial Space T.I. Construction	\$ 200,000	\$ 200,000
Off-Site Construction	\$ 1,833,700	\$ 1,833,700
Contingencies	\$ 220,155	\$ 220,155
Total Uses of Funds	\$ 4,094,356	\$ 4,198,519

DP REVISED EXHIBIT
OCT. 29, 2019

COPYRIGHT GGLO. ALL RIGHTS RESERVED.
ORIGINAL SHEET SIZE IS 30"x42"

86

PROJECT:

**D FRESNO HOUSING
AUTHORITY -
BLACKSTONE SITE**

PROJECT ADDRESS

3039 N BLACKSTONE AVE
FRESNO, CA
93704

OWNER:

FRESNO HOUSING AUTHORITY
1331 Fulton Mall
FRESNO, CA
93721

1

GENERAL SITE PLAN NOTES

1. SITE INFORMATION CONTAINED HEREIN, INCLUDING BUT NOT LIMITED TO DIMENSIONS AND LOCATIONS OF EXISTING UTILITIES, IS BASED ON THE SURVEY ON SHEET V-01. NO WARRANTY IS PROVIDED FOR INFORMATIONAL PURPOSES ONLY. THE ARCHITECT TAKES NO RESPONSIBILITY FOR ITS ACCURACY.
2. VERIFY LOCATION OF ALL EXISTING UTILITIES. DO NOT DAMAGE OR DISTURB EXISTING UTILITIES.
3. ALL ITEMS NOT MARKED AS EXISTING, (E), ARE PROPOSED.
4. SEE CITY OF FRESNO STANDARD NOTES, SHEET G-001 FOR ADDITIONAL REQUIREMENTS.

DWELLING UNIT COUNT

STUDIO	9
1 BR	18
2 BR	8
3 BR	6
<hr/>	
TOTAL	41

PARKING DATA

NUMBER OF PARKING SPACES REQUIRED:
(PER AFFORDABLE HOUSING TRANSIT-SERVICED DEVELOPMENT REDUCTION)
0.5 STALLS/UNIT x 41 UNITS = 21 STALLS RESIDENTIAL
8,914 SF x 1 STALL/600 SF = 15 STALLS COMMERCIAL
= 36 STALLS TOTAL

NUMBER OF PARKING SPACES PROVIDED: = 22 STALLS RESIDENTIAL
= 2 STALLS COMMERCIAL OFF-STREET
= 18 STALLS COMMERCIAL ON-STREET
= 42 STALLS TOTAL

NUMBER OF ACCESSIBLE PARKING SPACES REQUIRED / PROVIDED: = 2 / 2 STALLS

PARKING RATIO: = 1 STALL / 845 SF

NUMBER OF BICYCLE PARKING SPACES REQUIRED / PROVIDED
0 FOR MULTI-FAMILY, 2 MIN. FOR RETAIL = 2 SHORT-TERM
0 FOR RETAIL 1 PER 15 DWELLING UNITS = 3 LONG-TERM

	MARK	DATE	DESCRIPTION
B	REVISONS		
E		10/29/2019	REVIS EXHIBIT
D		06/18/2019	REVISED EXHIBIT - SITE PLAN
C		06/14/2019	REVISED EXHIBIT
B		10/16/2017	DP SUBMITTAL
A		09/27/2017	DRC AGENDA SUBMITTAL
	MARK	DATE	DESCRIPTION
	ISSUE INFORMATION		

2017045

PROJECT NO.:	2017040
GGLO PRINCIPAL IN CHARGE:	JF
GGLO PROJECT MANAGER:	SFC
OWNER APPROVAL:	

--	--

A _____
SHEET TITLE
SITE PLAN

SHEET NO.

A-101

COPYRIGHT GGLO. ALL RIGHTS RESERVED.
ORIGINAL SHEET SIZE IS 30x

A1 SITE PLAN
1" = 10'-0"

NOT FOR CONSTRUCTION



RESOLUTION NO. _____

BEFORE THE BOARD OF COMMISSIONERS OF THE

HOUSING AUTHORITY OF CITY OF FRESNO, CALIFORNIA

RESOLUTION AUTHORIZING THE SUBMISSION OF FUNDING APPLICATIONS FOR THE ARTHUR AT BLACKSTONE PROJECT (APN: 443-104-08, 443-104-09, 443-104-10, & 443-104-23), CAPITAL FUND COMMITMENT AND OTHER MATTERS RELATED THERETO

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 City of Fresno, California (“the County”); and,

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

WHEREAS, The Arthur at Blackstone site located at 3039 N. Blackstone Avenue, Fresno, CA (APNs: 443-104-08, 443-104-09, 443-104-10, & 443-104-23) is located in an area with high demand for housing and is generally in line with the Authority’s housing and development goals; and,

WHEREAS, a project concept and architectural plan envisions up to 40 low income units, 1 manager’s unit and approximately 5,000 square feet of community and office space and approximately 3,000 square feet of commercial space; and,

WHEREAS, The Arthur at Blackstone development was successful in receiving a No Place Like Home Program (NPLH) funding allocation of \$5,450,087 from the State of California Housing and Community Development Department (HCD); and,

WHEREAS, the Authority desires to commit available Low Income Public Housing Capital Funds (“Capital Funds”) in an amount up to \$3,000,000 to The Arthur at Blackstone project; and

WHEREAS, the project’s financing structure calls for the submission of a 9% LIHTC application to facilitate the development;

NOW THEREFORE, BE IT RESOLVED that the Board of Commissioners of the Housing Authority of City of Fresno, CA hereby authorizes Preston Prince, the CEO/Executive Director, Tracewell Hanrahan, Deputy Executive Director, and/or their designee, to undertake the following actions needed to move forward with funding application submissions for The Arthur at Blackstone project:

1. Authorize approval of a funding commitment from the Fresno Housing Authority Capital Fund in an amount up to \$3,000,000 for the development of The Arthur at Blackstone project.
2. Authorize the undertaking of all actions necessary to secure financing for the Project, and assemble various financing sources, which may include, but are not limited to: (a) submission of an application to the California Tax Credit Allocation Committee (b) submission of a funding request to the County of Fresno Department of Behavioral Health (c) submission of an application for California Housing Finance Agency (CalHFA) funding, (d) submission of an Affordable Housing Program (AHP) application to the Federal Home Loan Bank of San Francisco, (e) submission of an application for City of Fresno HOME funds, and (f) other grants, operating subsidies and/or private loans and such other sources identified by the CEO/Executive Director.
3. Authorize Preston Prince, the CEO/Executive Director, Tracewell Hanrahan, Deputy Executive Director, and their designees to execute documents on behalf of the Housing Authority of the City of Fresno, CA; and in the name of the Administrative General Partner, on its own behalf; and as administrative general partner of the Partnership; and
4. Provide for other matters related thereto.

PASSED AND ADOPTED THIS 23rd DAY OF FEBRUARY, 2021. 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

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

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

www.fresnohousing.org

EXECUTIVE DIRECTOR'S REPORT

TO: Boards of Commissioners

Fresno Housing

FROM: Preston Prince

CEO/Executive Director

DATE: February 18, 2021

BOARD MEETING: February 23, 2021

AGENDA ITEM: 11

AUTHOR: Staff

SUBJECT: Directors Report – February 2021

Executive Summary

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

PLACE

Overview

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

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

Development Project Overview

Name of Property	Status/Type	Address	Total Units	Percent Complete
------------------	-------------	---------	-------------	------------------

The Villages at Paragon	Under Construction	4041 Plaza Drive West, Fresno, CA	28	60%
Linnaea Villas	Under Construction	2530 Sierra Street, Kingsburg, CA	47	85%
Solivita Commons	Under Construction	725 W Alluvial Avenue, Clovis, Ca	60	86%
The Villages at Broadway	Under Construction	1828 Broadway Street, Fresno, CA	26	50%
The Monarch @ Chinatown	Under Construction	1101 F Street, Fresno, CA	57	10%
Alegre Commons	Under Construction	130 W Barstow Avenue, Fresno, CA	42	5%
The Arthur @ Blackstone (<i>fka Blackstone/Simpson</i>)	Pre-Development 2020 NPLH, IIG Awarded HOME Award Pending Potential 1 st Round 2021 TCAC	3039 N Blackstone Avenue, Fresno, CA	41	N/A
Esperanza Commons (<i>fka Mendota Farm Labor</i>)	Pre-Development Potential 1 st Round 2021 TCAC	241 Tuft Street, Mendota, CA	60	N/A
Corazón del Valle Commons (<i>fka Huron RAD</i>)	Pre-Development MHP Awarded 1 st Round 4% TCAC Pending	Fresno and 12 th Street, Huron, CA	61	N/A
La Joya Commons (<i>fka Firebaugh Family</i>)	Pre-Development	1501 Clyde Fannon Road, Firebaugh, CA	68	N/A
Avalon Commons (<i>fka Chestnut/Alluvial</i>)	Pre-Development	Chestnut and Alluvial Avenues, Fresno, CA	105	N/A
California Avenue Neighborhood	Pre-Development Planning CNI Awarded	Southwest Fresno - TBD	TBD	N/A

Project Highlights

None at this time.

PEOPLE

Overview

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

Executive Summary

FRESNO HOUSING PORTFOLIO - MANAGED ASSETS, 01/01/2021 – 1/31/2021			
	Total No. of Units	Total Vacant	Current Occupancy
CITY OF FRESNO			
City of Fresno	980	10	98.57%
COUNTY OF FRESNO			
County of Fresno	1263	19	98.41%
COUNTY OF FRESNO - SEASONAL			
Seasonal Properties	193	187	3.10%

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.

Efforts are ongoing and we will report on those items as outcomes are achieved.

PARTNERSHIP

Overview

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

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

Project	Organization	Role
844 S. Chance Avenue	Habitat for Humanity Fresno City College	Partner in the rehabilitation of a Neighborhood Stabilization Program (NSP) property to provide a homeownership opportunity for a low-income family
The Villages at Paragon	Fresno County Department of Behavioral Health	Partner in application to the No Place Like Home program to provide housing and services to homeless populations

The Villages at Broadway	Fresno County Department of Behavioral Health	Partner in application to the No Place Like Home program to provide housing and services to homeless populations
Alegre Commons (<i>fka Barstow Commons/The Villages at Barstow</i>)	Fresno County Department of Behavioral Health	Partner in application to the No Place Like Home program to provide housing and services to homeless populations
The Arthur @ Blackstone (<i>fka Blackstone/Simpson</i>)	Fresno County Department of Behavioral Health	Partner in application to the No Place Like Home program to provide housing and services to homeless populations
Project Homekey	City of Fresno Turning Point Fresno County	Partner in application to the Homekey program and operational funding to provide housing to populations most vulnerable to COVID-19

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

The Human Resources Department is currently recruiting for positions within the Property Management, Housing Choice, and Administrative Services Department.

Promotions:

- Kayla Giosa, Human Resources Analyst

New Hires:

- Daniel Guerra, Project Manager (rehire)

During the month of January and February, Training and Development was able to design, develop and implement the “COVID-19 Awareness 2021” online course which was launch and completed by all

employees. This course addressed risk assessment based on CDC guidelines and highlighted the Agency's "Purple Tier" protocols. Employees were provided practical procedures for working in an office, from the field, and working from home. It also provided additional resources, tools and links for employees to use in the fight against COVID. This course was provided as a webinar for the Maintenance team in order to facilitate their stringent schedule on the Homekey Initiative.

Structure

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

Efforts are ongoing and we will report on those items 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.

Efforts are ongoing and we will report on those items as outcomes are achieved.

In Recognition of Service



Paul Marquez

- Maintenance Technician
- 30 years of service to FH and the Parlier community





Real Estate Development Update

February 23, 2021

Boards of Commissioners Meeting



FRESNO VIBRANT
COMMUNITIES
QUALITY HOUSING **HOUSING** ENGAGED
RESIDENTS



Getting Here

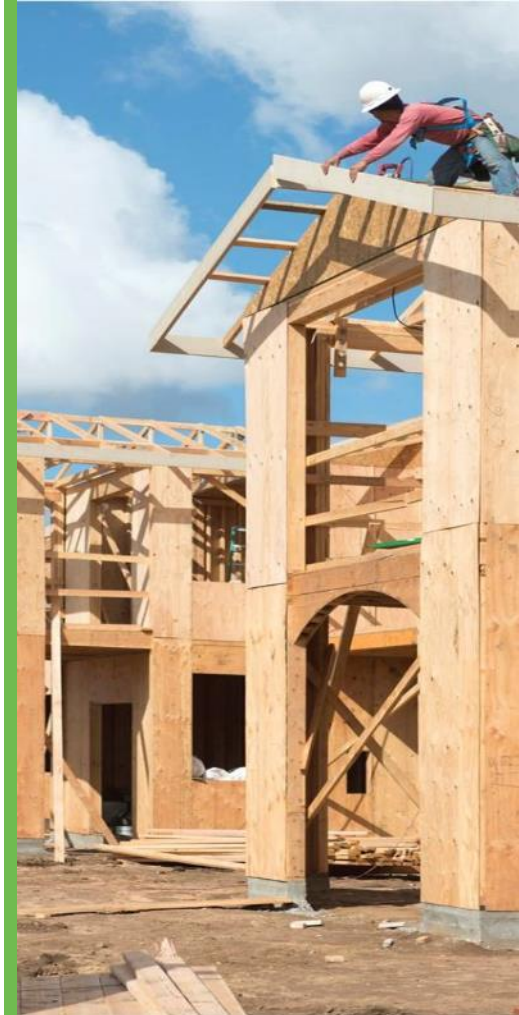
- Vision & Opportunity
- Board Support & Decisions
- Staff Commitment
- Partners
- People Served

Homekey Properties

- Golden State Triage Center (fka Parkside Inn) – 48 rooms
- Journey Home (fka Welcome Inn) – 80 rooms
- Step Up On 99 (fka Motel 99) – 99 rooms
- Sun Lodge (fka Day's Inn) – 98 rooms

Sun Lodge (fka Day's Inn)

- A few before, during, and after pictures to see the transformation through early renovations





FRESNO HOUSING

Before...



FRESNO HOUSING



After...





FRESNO HOUSING

Engagement Strategy

- Low barrier emergency/transitional housing
 - People, Partners, Pets
- On site services
 - Assessment for Diversion services
 - Support services with focus on safe exits to stable housing options; including housing search

Engagement Strategy

- Exit strategies
 - Creating housing opportunities through turnover in existing supportive housing inventory
 - Project Ignite

Questions?



Real Estate Development Action Items

February 23, 2021

Boards of Commissioners Meeting



FRESNO VIBRANT
COMMUNITIES
QUALITY HOUSING **HOUSING** ENGAGED
RESIDENTS



Consideration of Funding Application Submissions

- Esperanza Commons (fka Mendota Farm Labor)
- The Arthur @ Blackstone (fka Blackstone & Simpson)

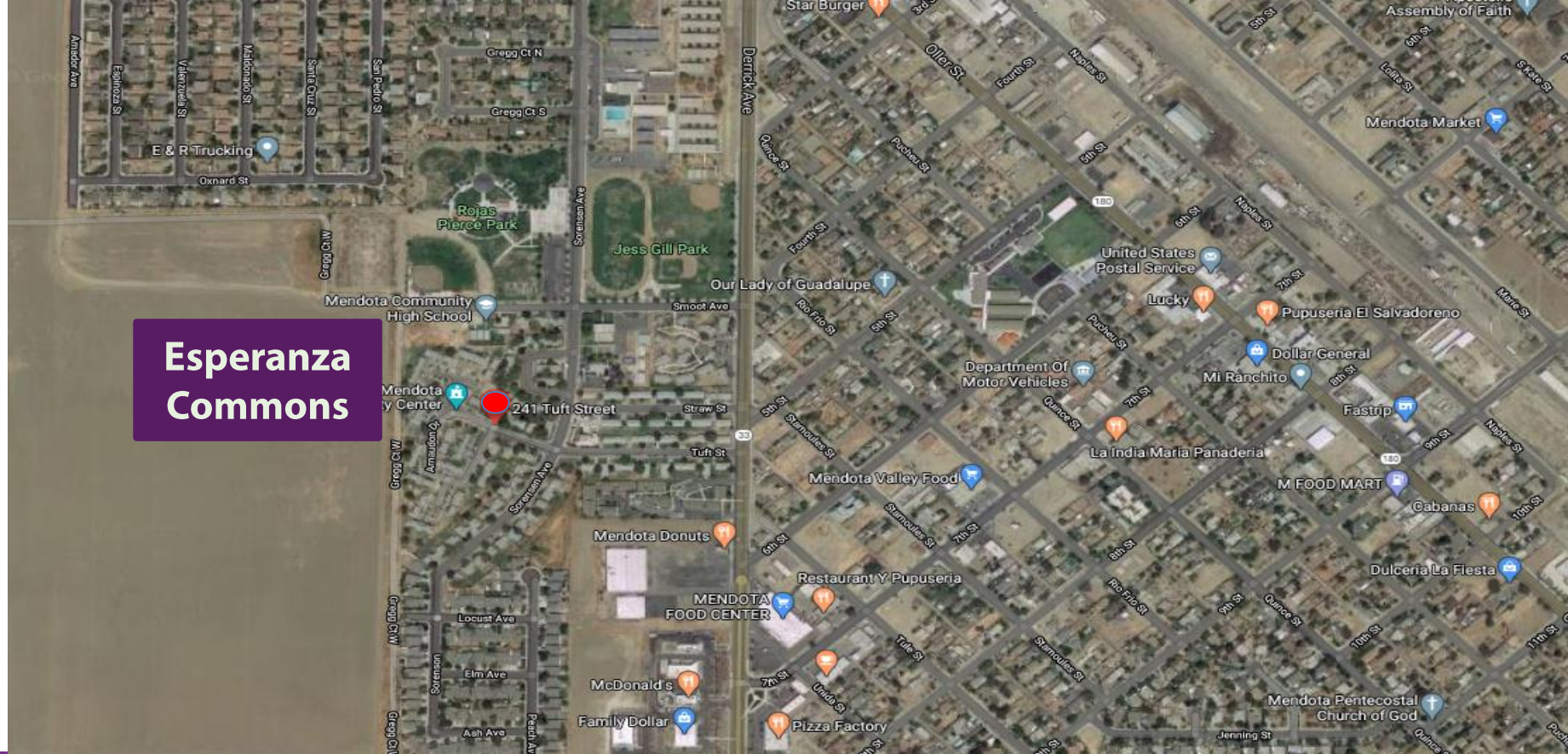
Esperanza Commons

(fka Mendota Farm Labor)

- Project is an existing 60-unit multifamily USDA development located in Mendota, CA
- Proposed for rehabilitation and refinancing utilizing 9% tax credits
- Staff has been working with Anne Phillips Architecture on rehab scope
- *Proposed 1st Round 2021 9% LIHTC application*



Esperanza Commons (Mendota) Aerial



**Esperanza
Commons**

FRESNO HOUSING



FRESNO HOUSING

Esperanza Commons Sources & Uses

EXHIBIT C

Esperanza Commons Pro Forma

Residential

Development Sources and Uses

Sources of Funds	Amount on July 2020	Amount on February 2021
Conventional Perm Loan	\$ 1,438,000	\$ 913,000
USDA 514 Recast Loan	\$ 550,278	\$ 557,907
Project Reserves	\$ 702,978	\$ 701,699
Donated Land & Building*	\$ 2,449,722	\$ 4,242,093
LIHTC Equity	\$10,607,246	\$ 11,481,649
Total Sources of Funds	\$15,748,224	\$ 17,896,348
Uses of Funds	Amount	Amount
Acquisition Costs (Land/Building)	\$ 3,000,000	\$ 4,800,000
Construction Costs**	\$ 7,097,500	\$ 7,451,934
Hard/Soft Cost Contingencies	\$ 904,360	\$ 904,360
Permits/Impact Fees/etc.	\$ 45,000	\$ 45,000
Professional Fees	\$ 496,100	\$ 496,100
Relocation	\$ 900,000	\$ 900,000
Loan Fees and other Soft Costs	\$ 1,071,250	\$ 1,065,000
Reserves	\$ 706,461	\$ 706,461
Developer Fee	\$ 1,527,553	\$ 1,527,493

Draft as of 02/17/2021

*Total land and building acquisition cost (\$4,800,000) less remaining USDA debt (\$557,907)

**Construction subject to State Prevailing Wage

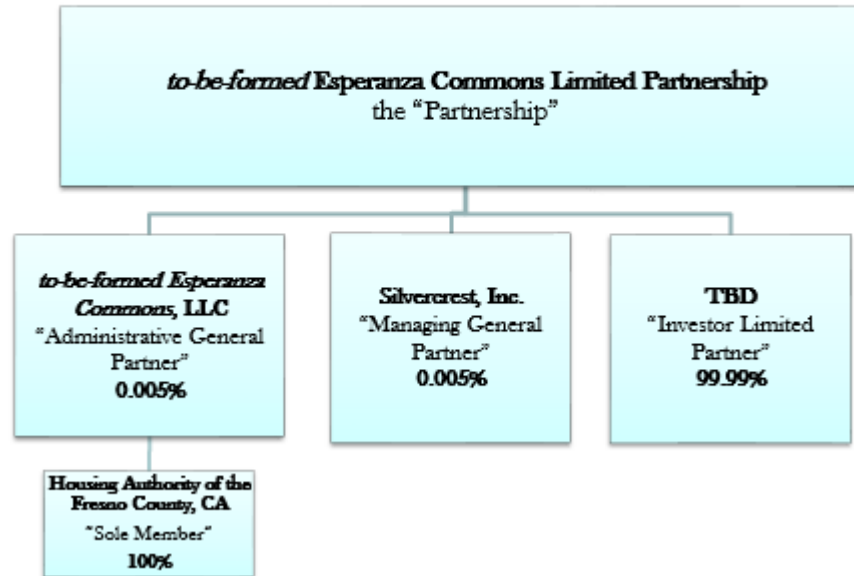
Non-Residential

Development Sources and Uses

Sources of Funds	Amount on July 2020	Amount on February 2021
LIHTC Equity	\$ 115,000	\$ 115,000
Total Sources of Funds	\$ 115,000	\$ 115,000
Uses of Funds	Amount	Amount
Day Care Facility Rehab	\$ 100,000	\$ 100,000
Day Care Facility Contingency	\$ 15,000	\$ 15,000
Total Uses of Funds	\$ 115,000	\$ 115,000

Esperanza Commons Org Chart

Ownership Structure ESPERANZA COMMONS



Action Items for Consideration:

- Approval of a donation of land/buildings and loan of available project reserves of up to a net value of \$5M
- Approve submission of funding applications
- Authorize execution of documents on behalf of HAFC as Administrative General Partner of to-be-formed LP

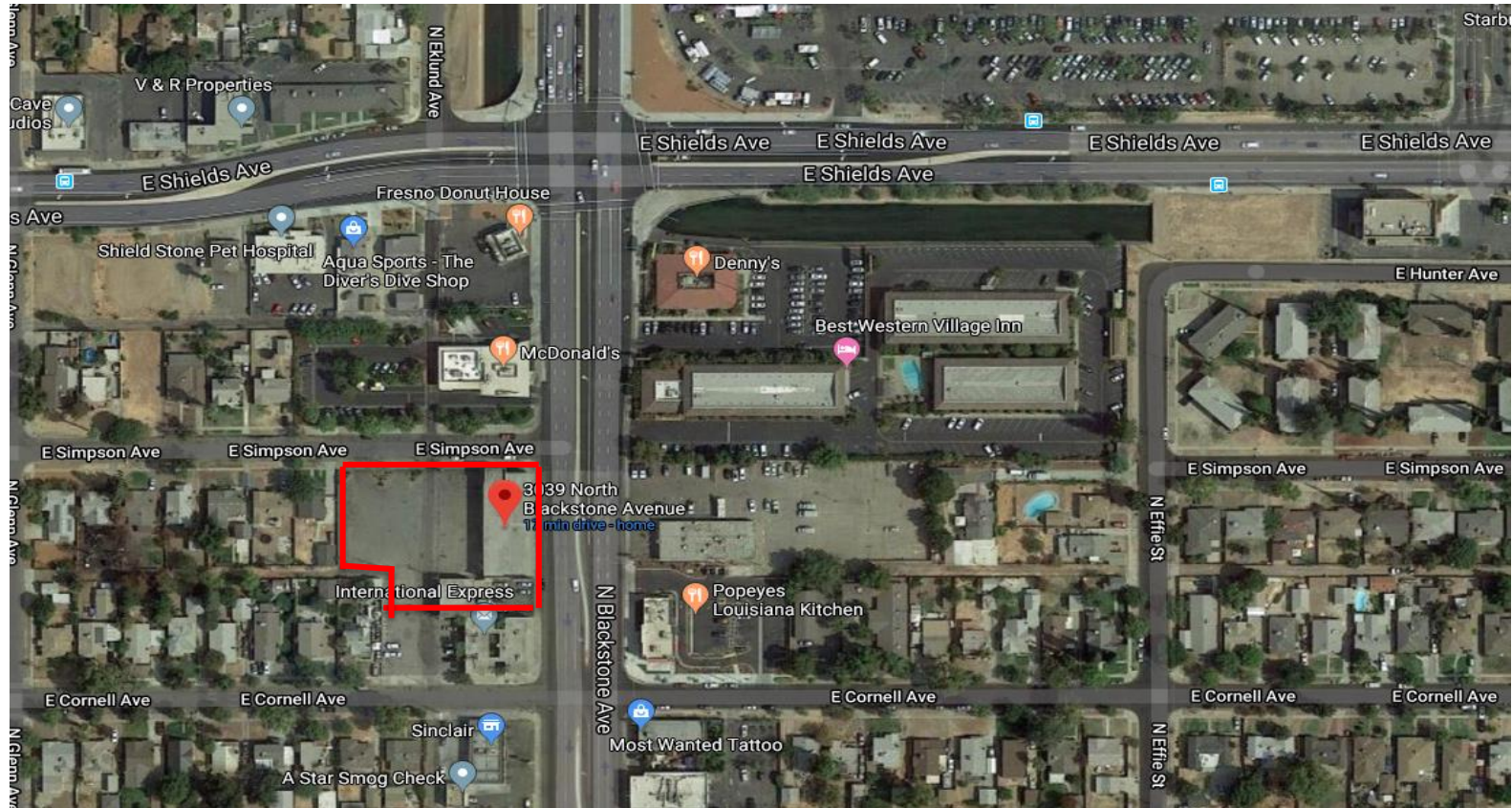


The Arthur @ Blackstone (Fresno)

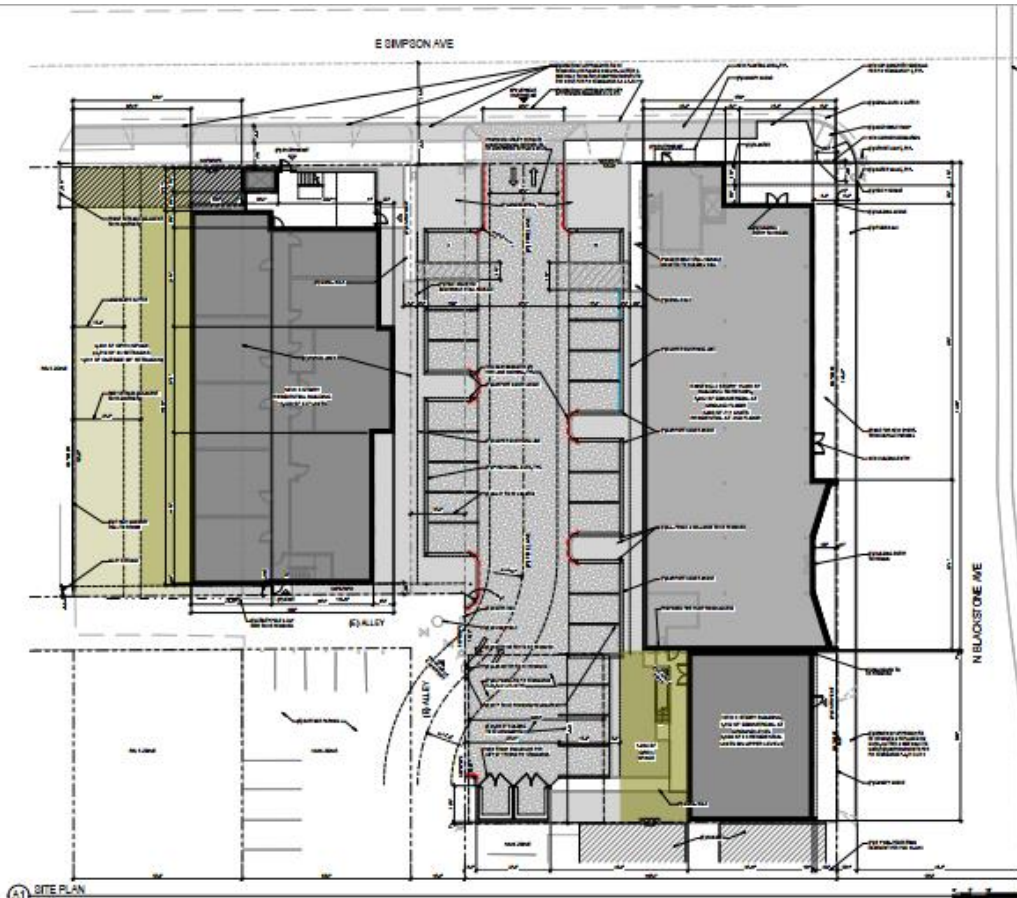
- Proposed 41 unit integrated multifamily and PSH located at 3039 N. Blackstone Avenue, Fresno
- NPLH funding application in Dec 2019 for 20 units (awarded)
- Infill Infrastructure Grant application in Feb 2020 (awarded)
- RAD Transfer of Assistance
- Pending City HOME Funds award
- *Proposed 1st Round 2021 9% LIHTC application*



The Arthur @ Blackstone Aerial



The Arthur @ Blackstone (Fresno) Site Plan



① SITE PLAN

The Arthur @ Blackstone Rendering (Fresno)



FRESNO HOUSING

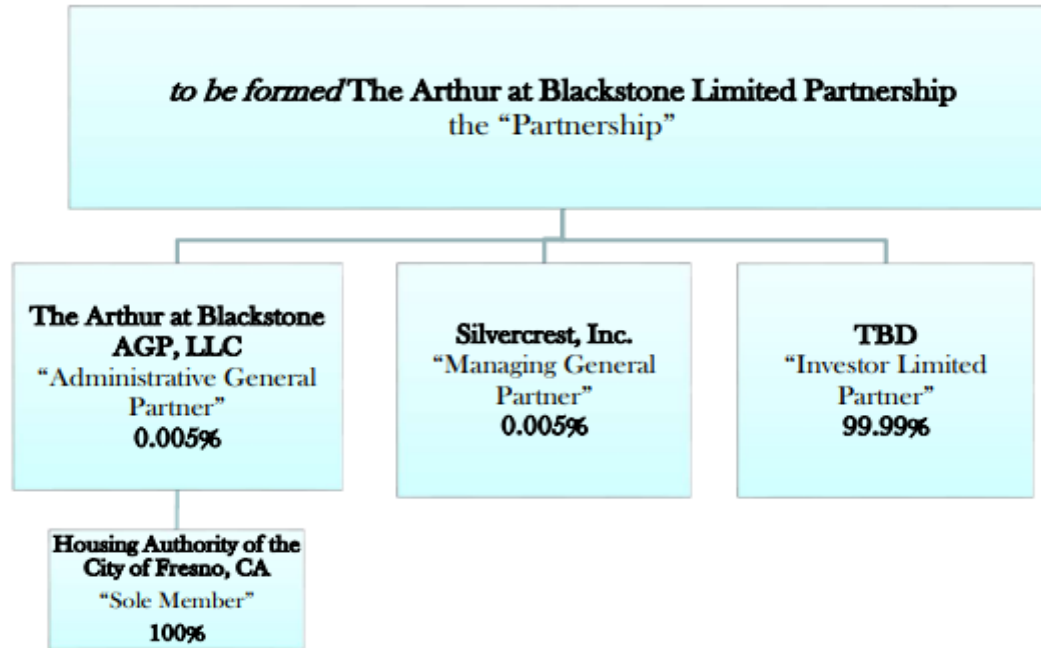
The Arthur @ Blackstone Rendering (Fresno)



FRESNO HOUSING

The Arthur @ Blackstone Org Chart

Ownership Structure THE ARTHUR AT BLACKSTONE



The Arthur @ Blackstone Sources & Uses

EXHIBIT B

The Arthur at Blackstone Pro Forma Residential

Development Sources and Uses		
Sources of Funds	Amount 6/18/2020	Amount 2/17/2021
No Place Like Home (NPLH) Loan	\$ 3,499,685	\$ 3,499,685
Deferred Developer Fee	\$ 900,000	
City of Fresno HOME		\$ 1,633,112
Fresno HA Capital Funds	\$ 3,000,000	\$ 1,000,000
Accrued Deferred Interest-FHA Loan	\$ 87,041	
LIHTC Equity	\$ 11,708,008	\$13,758,953
Total Sources of Funds	\$ 19,194,734	\$19,891,750
Uses of Funds	Amount	Amount
Acquisition Costs	\$ 1,142,000	\$ 1,142,000
Construction Costs*	\$ 11,205,799	\$11,955,081
Contingencies	\$ 659,500	\$ 659,500
Permits/Impact Fees/etc.	\$ 437,526	\$ 491,125
Professional Fees	\$ 1,323,500	\$ 1,323,500
Relocation	\$ 40,000	\$ 40,000
Interest/Loan Fees/Soft Costs	\$ 1,584,661	\$ 1,584,624
Reserves	\$ 601,748	\$ 495,920
Developer Fee	\$ 2,200,000	\$ 2,200,000
Total Uses of Funds	\$ 19,194,734	\$19,891,750

* State Prevailing Wage

The Arthur at Blackstone Pro Forma Non-Residential

Development Sources and Uses		
Sources of Funds	Amount 6/18/2020	Amount 2/17/2021
HCD IIG (Sponsor Loan)		\$ 1,833,700
LIHTC Equity	\$ 4,094,356	\$ 2,364,819
Total Sources of Funds	\$ 4,094,356	\$ 4,198,519
Uses of Funds	Amount	Amount
Community Common Area Construction	\$ 1,840,501	\$ 1,944,664
Commercial Space T.I. Construction	\$ 200,000	\$ 200,000
Off-Site Construction	\$ 1,833,700	\$ 1,833,700
Contingencies	\$ 220,155	\$ 220,155
Total Uses of Funds	\$ 4,094,356	\$ 4,198,519

Action Items for Consideration:

- Approval of up to \$3M of FH Capital Funds
- Approval for submission of funding applications
- Authorize execution of documents on behalf of HACF as Administrative General Partner of to-be-formed LP



Questions?