

Boards of Commissioners Meeting

June 28, 2022

AGENDA

Regular Joint Meeting of the Boards of Commissioners of Fresno Housing

5:00 PM • JUNE 28, 2022

Per the Boards of Commissioners' adoption of a resolution pursuant to AB 361, this Board Meeting will be held via video and audio conferencing. The meeting can be accessed by members of the public as follows:

Meeting Location: 1260 Fulton Street (2nd Floor), Fresno, CA 93721

Via Zoom: <https://us06web.zoom.us/j/86995761295?pwd=MGNvNkFrOFhGOXJlUWkhDd1VPVnNwUT09>

To join via teleconference, call: (669) 900-6833. Meeting ID: 869 9576 1295.

Passcode: 570483.

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 or ExecutiveOffice@fresnohousing.org, TTY 800-735-2929.

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1. Call to Order and Roll Call

2. Approval of agenda as posted

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 and 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. Governance Matters

- a. CEO's Report – Presented by Tyrone Roderick Williams
- b. Commissioners' Report

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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 May 24, 2022

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<i>Approval of the minutes of the Board Meetings.</i>	
b. Consideration of the Rehire and Reinstatement Policy <i>Details TBD.</i>	19
c. Consideration of the Acceptance of Tax Credit Award – Citrus Gardens <i>Details TBD.</i>	25
d. Consideration of Various Funding Applications – Step Up on 99 <i>Details TBD.</i>	29
e. Consideration of Architectural Services Contract – Citrus Gardens <i>Details TBD.</i>	40
7. Staff Presentations and Discussion Items	
a. Update on Strategic Initiatives <i>An overview of the Agency's strategic initiatives and partnerships, including Diversity, Equity, and Inclusion.</i>	44
b. Real Estate Development Update <i>An overview of activities and deliverables to date.</i>	45
c. Overview of Financial Results for Mixed Finance Properties <i>An overview of the 2021 financial results and cash distributions for limited partnership developments.</i>	49
8. Actions	
a. Acceptance of the 2021 Year-End Financials for Fresno Housing Operations and Housing Assistance Payments (<i>Continued from May 24, 2022 Board Meeting</i>) <i>Approval and acceptance of the 2021 financial results.</i>	54
b. Consideration of Repair Services Agreement with the City of Fresno – Parkway Inn <i>Details TBD.</i>	60
9. Adjournment	

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

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

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CEO'S REPORT

TO: Boards of Commissioners
Fresno Housing
DATE: June 22, 2022
BOARD MEETING: June 28, 2022
FROM: Tyrone Roderick Williams
Chief Executive Officer
AGENDA ITEM: 5a
AUTHOR: Various Staff
SUBJECT: June 2022 – Chief Executive Officer's Monthly Report

Executive Summary

The Boards of Fresno Housing 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
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The Monarch @ Chinatown	Under Construction	1101 F Street Fresno, CA	57	72%
Alegre Commons	Under Construction	130 W Barstow Avenue Fresno, CA	42	95%
Esperanza Commons (<i>fka Mendota Farm Labor</i>)	Under Construction	241 Tuft Street Mendota, CA	60	14%
Corazón del Valle Commons (<i>fka Huron RAD</i>)	Under Construction	Fresno and 12 th Street Huron, CA	61	2%
The Arthur @ Blackstone (<i>fka Blackstone/Simpson</i>)	Under Construction	3039 N Blackstone Avenue Fresno, CA	41	0%
Sun Lodge (<i>fka Day's Inn</i>)	Under Construction	1101 N. Parkway Drive Fresno, CA	64	0%
Citrus Gardens	Pre-Development 2021 Joe Serna, Jr. Awarded 1 st Round 2022 TCAC Award December 2022 Closing	201 Citrus & 451 10 th St. Orange Cove, CA	30	N/A
La Joya Commons (<i>fka Firebaugh Family</i>)	Pre-Development 2021 Joe Serna, Jr. Awarded 2 nd Round TCAC Application Pending HCD HOME Application	1501 Clyde Fannon Road Firebaugh, CA	68	N/A
Avalon Commons Phase I (<i>fka Chestnut/Alluvial</i>)	Pre-Development Pending Non-Competitive NPLH Pending City of Fresno Award SuperNOFA MHP Application 2 nd Round TCAC Application	7521 N. Chestnut Ave. Fresno, CA	60	N/A
Step Up on 99 (<i>fka Motel 99</i>)	Pre-Development Homekey Awarded Pending HCD HHC Application Pending City of Fresno Award SuperNOFA MHP Application 2 nd Round TCAC Application	1240 & 1280 Crystal Ave Fresno, CA	63	N/A
Heritage Estates (<i>fka Florence & Plumas</i>)	Pre-development PLHA Awarded HOME Funds Awarded	Southwest Fresno-TBD	33	N/A

San Joaquin Commons-Phase I	Pre-Development	Corner of West Colorado Avenue & 5th Street, San Joaquin, CA 93660	51	N/A
California Avenue Neighborhood	Pre-Development Planning CNI Awarded	Southwest Fresno - TBD	TBD	N/A

Project Highlights

Citrus Gardens received a tax credit award from the California Tax Credit Allocation Committee on June 15, 2022. Finance closing and construction start is anticipated in December, 2022.

Property Management

FRESNO HOUSING PORTFOLIO - MANAGED ASSETS, 4/1/2022 – 4/30/2022			
	Total No. of Units	Total Vacant	Current Occupancy
CITY OF FRESNO			
City of Fresno	1114	9	98.65 %
COUNTY OF FRESNO			
County of Fresno	1170	27	97.52%%
COUNTY OF FRESNO - SEASONAL			
Seasonal Properties	193	38	80.31%
Hold/In Construction	209	63	69.85%

CCRM designees completed the continuing education required to retain their California Certified Residential Manager designation. These courses provide training in all aspects of rental property management, giving staff the skills they need to do business efficiently, effectively and in compliance with California Law. The in person, courses were held at Cedar Courts.



On June 3, 2022, in partnership with FH Safety Officer, Viking Village hosted a “Movie with a Cop” community event for a showing of the movie Sing 2. Residents enjoyed pizza, popcorn and beverages. The event was well attended.



Construction at Alegre Commons is scheduled to be completed in July. The on-site manager was hired earlier this month and is training with coworkers and her supervisor. We are working closely with HCV on lease-up and hope to have all units approved and ready for move-in the day we get keys.

Site and Maintenance Staff across the portfolio are preparing for National Night Out which will take place on Tuesday, August 2. A schedule of times and specific locations will be available at the next board meeting.

On May 31, 2022, staff at Wedgewood Commons held a birthday celebration in the Community Room for resident's June birthdays. The monthly celebration has been on hold for a couple of years due to COVID. Staff and residents alike were excited to bring back this tradition. The participants were treated to Subway sandwiches, chips, a drink, and cupcakes. Many other residents brought their own homemade side dishes to participate in the celebration.

PEOPLE

Overview

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

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

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
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 (fka Barstow Commons/The Villages at Barstow)	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 (fka Blackstone/Simpson)	Fresno County Department of Behavioral Health	Partner in application to the No Place Like Home program to provide housing and services to homeless populations
Avalon Commons Phase I (fka Chestnut/Alluvial)	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.

Accounting and Finance

The Accounting & Finance department received the Certificate of Achievement for Excellence in Financial Reporting by the GFOA (Government Financial Officers Association) for 2020 audits for Housing Authority of Fresno County and Housing Authority of the City of Fresno. This certificate recognizes the hard work and efficiency demonstrated by our dedicated Accounting and Finance team, and evidences the Agency's commitment to financial transparency. While the Accounting and Finance staff are celebrating the win, staff continue to discuss the importance and impact of their roles and how they relate to the quality controls and data integrity in the financial reporting process.

The Accounting leadership team also is pleased to announce the successful recruitment of a new Accountant whose first day with the Agency is scheduled for July 5th.

Administrative Services and Procurement

Procurement has been working on several projects ranging from simple solicitations such as "three quote projects" to more complex solicitations such as "Requests for Proposals" (RFPs).

"Three quote" projects include the following:

- **Wedgewood Flooring Installation** – Contract executed, and work began on June 13, 2022.

Procurement's formal solicitations such as Requests for Proposals (RFP) and Invitation for Bids (IFB) include the following:

1. **Housing Quality Standard Inspection Services (RFP)**: Solicitation posted on May 5, 2022. It was originally Scheduled to close on June 9, 2022, but was extended an additional week and now closes on June 16, 2022.
2. **PBV Program (RFP)**: Solicitation is currently in planning stages and is set to post in July, 2022.
3. **Parkway Inn GCCM for Repair & Rehab**: Solicitation was posted on June 15, 2022 and is set to close on July 14, 2022, allowing proposers the opportunity to review and submit proposals with four weeks.
4. **Wedgewood Commons Interior Rehab (IFB)**: Solicitation was posted on June 9, 2022 and is set to close on July 14, 2022, allowing bidders the opportunity to review and bid within five weeks.
5. **Wedgewood Commons Exterior Rehab (IFB)**: Solicitation was posted on June 9, 2022 and is set to close on July 14, 2022, allowing bidders the opportunity to review and bid within five weeks.

Piggyback Procurements include:

1. **Concur/Carahsoft Implementation**: A program that assists Accounting with expense reporting. FH piggybacked an "intergovernmental agreement" from GSA. The contract was set to commence on June 1, 2022.

2. **Appraisal Services:** Appraisal services requested by Real Estate Development to fulfill submission requirements from the California Tax Credit Allocation Tax Committee. FH piggybacked a contract that James G. Palmer Appraisals has with Fresno County. The contract is in route for signatures and pending execution.
3. **RentPlus Rent Reporting:** A program that will record residents' monthly rental payments on their credit report (tracks timely payments). FH plans to piggyback off of The Housing Authority of Cook County's agreement with Rent Dynamics. Currently waiting for procurement documentation from HACC.

Other Procurement Goals:

Procurement staff continues to make progress on refreshing our processes and procedures to ensure compliance with various program rules and efficient purchasing practices. These include:

- Working on implementing Yardi Contract Modules (a system to track contract values and renewals)
- Updating procurement solicitations to reflect DEI efforts and goals
- Micro-purchase contracts
- Managing complaints staff has with vendors.
- Updating contract renewal/procurement tracker spreadsheets

Information Technology and Information Systems

The Innovation and Technology Department continues to fortify our systems through various cybersecurity initiatives. By updating systems to protect from the latest vulnerabilities, creating cybersecurity training for staff, and implementing sophisticated Mobile Device Management software, the Agency continues to prioritize cybersecurity.

Assistant Director of Innovation and Technology, Bobby Coulter, continues to work closely with the Fresno Collalition for Digital Inclusion, is a unique cross-sector collective-impact effort committed to equitable access to affordable wireless internet services and high-quality broadband made possible by shared and/or open-access middle mile, sustainable last-mile services that fit the local context, Digital literacy/support so people can access digital services. In support of this collalition and FH's own digital inclusion efforts, Mr. Coutler and FH Leadership will be hosting leaders from the National Telecommunications & Information Administration, a branch of the U.S. Department of Commerce, in early July.

Human Resources

This month's employee safety topic is First Aid. Best practice informataion has been provided to employees in terms of rendering different types of first aid as well as reminding employees where they can find first aid kit at their location.

The third module of the initial Supervisor Academy titled "Performance Development and Management" was conducted this month. During this workshop, the participants developed a comprehnsive understanding of how the Agency Reviewer's Guide and Classificationj Plan support the performance development proces. Senior Human Resources Manager, Summer Nunes attended the first of three modules in the Core Labor Relations Academy conducted by the California Public Employers Labor Relations Association (CalPELRA).

Human Resources department is conducting 9 recruitments for the job titles noted below across the Accounting/Finance, Administrative Services, Office of Inclusion, Housing Choice, Human Resources, Property Management, and Resident Empowerment, and Innovation and Technology departments. Over the last month, 85 interviews have been conducted.

<u>Working Title</u>	<u>Internal/External?</u>	<u>Vacancies</u>	<u>Department</u>
Accountant	Both	1	Accounting/Finance
Chief of Housing Choice Programs and Initiatives	Both	1	Housing Choice
Compliance and Relocation Coordinator	Both	1	Property Management
Program Coordinator – Homeless Initiatives	Both	1	Resident Empowerment
Program Coordinator—Resident Empowerment	Both	1	Resident Empowerment
Senior Impact Analyst	Both	1	Admin Services
Maintenance Technician	Both	5	Property Management
Human Resources Assistant	Both	1	Human Resources
Senior Manager of Strategic Initiatives and Partnerships	Both	1	Office of Inclusion Initiatives & Resident Empowerment

The Human Resources department is proud to announce the following **new hires**:

Type	Date of Hire	Name	Title	Department	Location
New	6/13/2022	Serena Xiong	Resident Services Intern	Resident Empowerment	Cedar Courts
New	6/14/2022	Daniela Estrada	Property Specialist II	Property Management	Alegre Commons
New	6/20/2022	Jessica Diaz	Human Resources Analyst	Human Resources	Central Office
New	6/20/2022	Jose De La O	Maintenance Technician	Property Management	Orange Cove
New	7/05/2022	Harkiran Kaur	Assistant Project Manager	Real Estate Development	Twelve60
New	7/05/2022	Kerry Wiley	Procurement Analyst	Procurement	Central Office
New	7/05/2022	Breanne Wyse	Inclusion Analyst	Office of Inclusion Initiatives	Central Office
New	7/05/2022	Victoria Meyers	Housing Specialist	Housing Choice	Central Office
New	7/05/2022	Rebecca Verduzco	Housing Specialist	Housing Choice	Central Office
New	7/05/2022	Carlos Chavez	Accountant	Accounting & Finance	Central Office

The Human Resources department is proud to announce the following **promotions**:

Type	Effective Date	Name	Previous Title	New Title	Department
Promo	5/21/2022	Lela Schwartz	Assistant Project Manager	Project Manager	Real Estate Development

The Human Resources department is proud to announce the following **transfers**:

Type	Effective Date	Name	Previous Title	New Title	Department
Trnsfr	6/06/2022	Amber Lujano	Human Resources Coordinator	Executive Office Coordinator	Executive Office

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.

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

Tuesday, May 24, 2022

5:00 P.M.

The Boards of Commissioners of the Housing Authorities of the City and County of Fresno met in a regular joint session on Tuesday, May 24, 2022, at 1260 Fulton Street, Fresno, CA. The public was able to join in-person and via teleconference.

1. The regular joint meeting was called to order at 5:05 p.m. by Interim Board Chair, Commissioner Kelley, 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: Sabrina Kelley
 Sharon Williams
 Ruby Yanez
 Caine Christensen

ABSENT: Adrian Jones, Chair
 Stacy Vaillancourt, Vice Chair

The regular joint meeting was called to order at 5:05 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
 Sophia Ramos
 Joey Fuentes

ABSENT: Stacy Sablan

Also, in attendance were the following: Tyrone Roderick Williams, CEO, and Ken Price, Baker Manock and Jensen - General Counsel.

2. APPROVAL OF AGENDA AS POSTED (OR AMENDED)

Ken Price, General Counsel, recommended items 8a and 8c be removed from the agenda, item 6 – Consent Agenda to immediately follow item 2 – Approval of the Agenda, and item 8b be

moved to follow the Consent Agenda to ensure action could be taken by the City Board while there is a quorum.

There was no public comment.

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

MOTION PASSED: 5 – 0

CITY MOTION: *Commissioner Christensen moved, seconded by Commissioner Yanez to approve the agenda as amended.*

MOTION PASSED: 4 – 0

3. CONSENT AGENDA

- a. Governance: Consideration of the Minutes of April 26, 2022
- b. Consideration of Amended 2022 Agency Calendar
- c. Consideration of the Amended Conflict of Interest Policy
- d. Consideration of HUD Section 32 Application for HOP Homes
- e. Consideration of Approval to Apply for California Department of Housing and Community Development Super NOFA - Avalon Commons Phase I
- f. Consideration of Approval to Apply for California Department of Housing and Community Development Super NOFA - Step Up at 99
- g. Consideration of Approval to Apply for California Department of Housing and Community Development Super NOFA – La Joya Commons

There was no public comment.

COUNTY MOTION: *Commissioner Ramos moved, seconded by Commissioner Gallaher to approve the consent agenda.*

MOTION PASSED: 5 – 0

CITY MOTION: Commissioner Yanez moved, seconded by Commissioner Williams to approve the consent agenda.

MOTION PASSED: 4 – 0

4. ACTION – 8b. Consideration of Omnibus Resolution and Financing Commitments - The Arthur @ Blackstone

Michael Duarte, Chief Real Estate Officer, presented on this item.

There was no public comment.

COUNTY MOTION: Commissioner Fuentes moved, seconded by Commissioner Gallaher to approve the resolution as amended.

MOTION PASSED: 5 – 0

CITY MOTION: Commissioner Christensen moved, seconded by Commissioner Williams to approve the resolution as amended.

MOTION PASSED: 4 – 0

Commissioner Christensen left the meeting at 5:17 p.m.

5. PUBLIC COMMENT AND PRESENTATIONS

Jonisha Ruiz from a Sanger Fresno Housing property presented concerns about African Americans' safety in Sanger at Fresno Housing properties along with favoritism of specific races demonstrated by Fresno Housing staff. She explained that she has been consistently harassed by other residents at the property and reports made by her of these incidents have gone unanswered by Fresno Housing staff. She further explained that she doesn't see this same action being taken with her fellow residents so the only plausible reasoning she can come to for this treatment is based on racial discrimination as she is the only black individual at the property.

Commissioner Kelley informed Ms. Ruiz that Fresno Housing staff would reach out to her directly within the next 24 hours to follow up on these concerns.

6. POTENTIAL CONFLICTS OF INTEREST

There were no conflicts of interest announced at this time.

7. GOVERNANCE MATTERS

a. CEO's Report – presented by Tyrone Roderick Williams

In addition to the written report:

- Mr. Williams requested the Boards and everyone present at the meeting to observe a moment of silence for the lives lost in result of the school shooting that occurred at Robb Elementary School today in Uvalde, Texas.
- The Executive Committee meetings will move to Tuesday evenings, and be held two weeks prior to the Board meeting.
- Fresno Housing celebrated the grand opening for Villages at Broadway.
- Grand Reopening of 1331 Fulton Street Central Office lobby planned for July.
- Grand Opening for the Linnea Villas Senior Housing in Kingsburg on May 25, 2022 at 10:00 a.m.
- California State Budget has \$90 billion in surplus funding. California Legislature devoting the next month to completing the state budget by June 15th. The budget is projected at \$500 million, rental assistance budget projected at \$2.7 billion, some of the key homeless programs in the Governor's revision includes \$1.5 billion for quick and interim solutions to help the unhoused move into behavioral health shelters and treatment programs, \$700 million for crisis response and interim housing, a budget for the continued Homekey expansion of \$150 million, and more. Fresno Housing is looking forward to taking action once this budget is finalized.
- Fresno Housing joined a delegation of CAN supporters and engaged community leaders by visiting Jordan Downs in Los Angeles for a tour of a Choice Neighborhood Implementation Grant that resulted in 1,500 housing units being constructed. Deputy Mayor Matthew Grundy, Fresno Housing Commissioner, Sharon Williams, and other leaders were also present.
- May is Affordable Housing Month which marks an incredible month for advocacy and education across the country on affordable housing issues and policies.
- Fresno Housing podcast launch is being scheduled. Launch date to be released shortly.
- Culture of Innovation encourages staff to increase effectiveness and customer service and share those ideas with leadership. First winner is Julie Woodard, Property Manager. Her idea was to automate the inspections process for our property sites, with the new process to be launched in June. Ms. Woodard was congratulated on 39 years of service and commitment to the Agency.
- We have had several new hires, including:
 - o Melinda Rodriguez-Nunes
 - o Martine Baena
 - o Rafael Torres Ramos
- We also congratulate Joe Serrano on his promotion to Maintenance Lead.

b. Commissioners' Report

Joint Meeting

Action Minutes: 05.24.22 Minutes

Adopted:

Commissioner Williams made comments about her appreciation for the CAN Watts tour of the 1,500 units and the work being accomplished there. Some highlights spotlighted during the experience were the modern and functional design of the development, the fact that people in that community were not only housed in the new units but were also provided jobs that enabled them to start making living wages, and that this particular project did not require the people in the community to be displaced or relocated while the work was being done. Commissioner Williams expressed high expectations for the Agency's future developments.

Commissioner Catalano commented on his great experience at the dedication/ribbon cutting of the Villages at Broadway development and encouraged staff to attend future events.

A date and time was finalized for the special board meeting: May 31, 2022.

There was no public comment.

8. STAFF PRESENTATIONS AND DISCUSSION ITEMS

- a. Overview of "Affordable Housing Month" Campaign

Presented by Emily De La Guerra, Chief Business Officer.

- b. Update on Strategic Initiatives

Presented by Marc Bady, Chief Inclusion and Empowerment Officer.

- c. Real Estate Development Update

Presented by Michael Duarte, Chief Real Estate Officer.

There was no public comment.

9. ACTION

- a. Consideration of Omnibus Resolution and Financing

This item was presented on earlier in the meeting.

There was no public comment.

10. 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 6:02 p.m.

Tyrone Roderick Williams, Secretary to the Boards of Commissioners

BOARD MEMO

TO: Boards of Commissioners
FROM: Tyrone Roderick Williams, CEO
MEETING DATE: 06/28/2022
AGENDA ITEM: 6b
SUBJECT: Consideration of the Rehire and Reinstatement Policy

AUTHOR: Jeff Cardell
Director of Human Resources
DEPARTMENT: Human Resources
MEMO DATE: 06/14/2022

Executive Summary

The purpose of this memo is to ask the Boards of Commissioners to approve the Rehire and Reinstatement Policy. In so doing, the Board is approving the rules regarding a former employee's eligibility for rehire and reinstatement, as well as bridging of service for vacation accrual and length of service recognition.

In summary, when a former employee is seeking to be rehired or reinstated by the Agency, the CEO and other Agency staff, in consultation with legal counsel, where appropriate, shall review the prior employee's employment record, with the Agency before making a decision regarding a rehire or reinstatement. When a former employee who is rehired or reinstated within twelve of months of their separation their length of service will be bridged for the purpose of vacation accrual and length of service recognition.

Fresno Housing staff, along with General Counsel, have reviewed the Rehire and Reinstatement Policy to ensure it is consistent with applicable Federal and State law and is consistent with Human Resource best practices.

Recommendation

It is recommended that the Boards of Commissioners approve and adopt the Rehire and Reinstatement Policy.

Fiscal Impact

There is no fiscal impact associated with adoption of the Rehire and Reinstatement Policy.

Background Information

By approving the Rehire and Reinstatement Policy, the Agency is being transparent that it is in the sole discretion of the Agency to rehire or reinstate a former employee except for represented employees who are subject to the rules of reemployment as set forth in the Memorandum of Understanding between the Agency and the Union. In addition, this policy provides a clear understanding of when service is bridged for the purposes of vacation accrual and service recognition for employees who are rehired or reinstated.

The key elements of the Rehire and Reinstatement Policy are:

FRESNO HOUSING

- Former employees may be eligible for rehire with the Agency, in its sole discretion, which has been delegated to the Agency's Chief Executive Officer ("CEO"). In order to determine eligibility, the CEO and authorized Agency staff, in consultation with legal counsel where appropriate, shall review the prior employee's employment record with the Agency including any disciplinary actions, performance evaluations, and the existence, terms, and circumstances of any separation or termination agreements entered into during their employment with the Agency.
- Former employees may seek to be reinstated to their former position within twelve months following their employment separation from the Agency. If the position is vacant, the former employee may be reinstated to their former position, in the sole discretion of the Agency's CEO, without posting the open position or conducting a competitive process or interview.
- Former employees may be eligible for reinstatement with the Agency, in the CEO's sole discretion, in consultation with legal counsel, upon review of the former employee's employment record with the Agency including any disciplinary actions and performance evaluations during their employment with the Agency.
- An employee who leaves the Agency and subsequently returns to Agency employment may have their length of service bridged. In order to qualify for the bridging of service the length of separation of employment must be less than one year.

Rehire and Reinstatement Policy

Introduction

The Fresno Housing Authority (“Agency”) values the time, dedication and effort that each employee contributes to the Agency, the Agency’s mission and values, and the communities we serve. In that regard, the Agency will consider rehiring or reinstatement of former employees who may continue to provide valuable services to the Agency and its mission.

Purpose

This policy provides the rules regarding a former employee’s eligibility for rehire and reinstatement, as well as bridging of service for vacation accrual and length of service recognition (the “Policy”). Upon separation of employment, employees shall be advised of this Policy and their eligibility for rehire or reinstatement. Represented employees who were part of a layoff are not subject to this Policy, but instead are subject to the rules of reemployment as set forth in the Memorandum of Understanding between the Agency and the Union.

Eligibility for Rehire

Former employees may be eligible for rehire with the Agency, in its sole discretion, which has been delegated to the Agency’s Chief Executive Officer (“CEO”). In order to determine eligibility, the CEO and authorized Agency staff, in consultation with legal counsel where appropriate, shall review the prior employee’s employment record with the Agency including any disciplinary actions, performance evaluations, and the existence, terms, and circumstances of any separation or termination agreements entered into during their employment with the Agency. In order to be considered for rehire, the former employee, at a minimum, is required to submit an employment application for an open position and meet the minimum requirements of the job. If the former employee meets the minimum requirements of the job, they will be invited to participate in the selection process along with any other qualified candidate.

The Agency’s CEO, in his or her sole discretion, may or may not consider the former employee eligible for rehire. The former employee will be notified in writing of the Agency’s determination. The length of service of an employee that is rehired may be bridged as described below.

Reinstatement

Former employees may seek to be reinstated to their former position within twelve months following their employment separation from the Agency. If the position is vacant, the former employee may be reinstated to their former position, in the sole discretion of the Agency’s CEO,

without posting the open position or conducting a competitive process or interview. This process begins with the former employee submitting a letter to the Director of Human Resources clearly expressing an interest to return to the Agency. Following receipt of a reinstatement request, the Director of Human Resources will review the personnel file of the former employee and then confer with the applicable Chief in charge of the Department with the vacant position.

Former employees may be eligible for reinstatement with the Agency, in the CEO's sole discretion, in consultation with legal counsel, upon review of the former employee's employment record with the Agency including any disciplinary actions and performance evaluations during their employment with the Agency. If the former employee is granted reinstatement, they will be scheduled for new employee orientation. If the reinstatement request is not granted the former employee will be notified accordingly.

Bridging Service for Vacation Accrual and Recognition Purposes

Consistent with the Agency's desire to retain qualified individuals and to celebrate employee achievements, the Agency values and recognizes the length of service of its employees. In so doing, such recognition is based on the date of hire with the Agency, in any capacity, including time served as a temporary employee with a temporary agency, up to the date of their employment separation. An employee who leaves the Agency and subsequently returns to Agency employment may have their length of service bridged. In order to qualify for the bridging of service the length of separation of employment must be less than one year. Any bridging of service prior to the effective date of this Policy, which may or may not be consistent with this Policy, remains in effect for those employees.

RESOLUTION No. _____

BEFORE THE BOARD OF COMMISSIONERS OF THE

HOUSING AUTHORITY OF THE CITY OF FRESNO

RESOLUTION TO APPROVE THE REHIRE AND REINSTATEMENT POLICY

WHEREAS, it is the intent of the Authority to establish a policy that provides the rules regarding a former employee's eligibility for rehire and reinstatement, as well as bridging of service for vacation accrual and length of service recognition,

NOW, THEREFORE, BE IT RESOLVED THAT the governing body of the above agency does hereby approve the Rehire and Reinstatement Policy.

PASSED AND ADOPTED THIS 28th day of June, 2022, by the following vote, to wit:

AYES:

NOES:

ABSENT:

ABSTAIN:

Tyrone Roderick Williams, Secretary of the Board of Commissioners

RESOLUTION No. _____

**BEFORE THE BOARD OF COMMISSIONERS OF THE
HOUSING AUTHORITY OF THE COUNTY OF FRESNO**

RESOLUTION TO APPROVE THE REHIRE AND REINSTATEMENT POLICY

WHEREAS, it is the intent of the Authority to establish a policy that provides the rules regarding a former employee's eligibility for rehire and reinstatement, as well as bridging of service for vacation accrual and length of service recognition.

NOW, THEREFORE, BE IT RESOLVED THAT the governing body of the above agency does hereby approve the Rehire and Reinstatement Policy.

PASSED AND ADOPTED THIS 28th day of June, 2022, by the following vote, to wit:

AYES:

NOES:

ABSENT:

ABSTAIN:

Tyrone Roderick Williams, Secretary of the Board of Commissioners

BOARD MEMO

TO:	Boards of Commissioners	AUTHOR:	Scott Berry
FROM:	Tyrone Roderick Williams, CEO		Project Manager
MEETING DATE:	06/28/2022	DEPARTMENT:	Real Estate Development
AGENDA ITEM:	6c	MEMO DATE:	06/20/2022
SUBJECT:	Approval to Accept Low-Income Housing Tax Credit Award for Citrus Gardens		

Executive Summary

On February 22, 2022 the Board of Commissioners adopted resolutions approving the submission of a 9% Low-Income Housing Tax Credit (LIHTC) application for Citrus Gardens to the California Tax Credit Allocation Committee (CTCAC) for purposes of substantial rehabilitation and to secure new financing for the property. Citrus Gardens is an existing, 30-unit former USDA property located in Orange Cove, CA. The LIHTC program provides incentives for the utilization of private equity in the development of affordable housing. CTCAC administers the federal and state LIHTC programs in California.

In March 2022, Fresno Housing (FH) Staff submitted a funding application to CTCAC for 9% LIHTCs for Citrus Gardens. On June 15, 2022, CTCAC formally awarded a preliminary reservation for Citrus Gardens. The LIHTC reservation equates to approximately \$8,700,000 in tax credit equity towards the redevelopment of the project. Once CTCAC issues the Preliminary Reservation Letter, FH has approximately 20 days to accept the award and concurrently commit to start construction within approximately 180 days from award. The deadline to accept the award is July 5, 2022, and the 180 day readiness deadline is December 23, 2022.

Recommendation

It is recommended that the Boards of Commissioners accept the award from the California Tax Credit Allocation Committee for 9% Low-Income Housing Tax Credits for Citrus Gardens for the purpose of substantial rehabilitation and to secure new financing for the property, and further authorize Tyrone Roderick Williams, Chief Executive Officer, Emily De La Guerra, Chief Business Officer, Michael Duarte, Chief Real Estate Officer, and/or their designee to negotiate and execute all related documents therein.

Fiscal Impact

There is a \$41,074 Performance Deposit and a \$41,074 Allocation fee, for a total of \$82,148 to accept the CTCAC award. Both of these costs will be paid from the approved pre-development funds and will be reimbursed to the Agency at the time of financial closing from construction/permanent sources.

FRESNO HOUSING

Background Information

Citrus Gardens is an existing single & two story apartment complex with 30-units located at two separate sites in Orange Cove, CA. Staff is proposing the rehabilitation of the project. Citrus Gardens I contains 20 units located at 201 Citrus Avenue on a 1.73-acre parcel (APN:375-030-37T). Citrus Gardens II is located at 452 10th Street on a 0.74-acre parcel (APN:375-142-15T) and includes 10 units, for a total of 30 units. Of those 30 units, six (6) units will be renovated to be made fully accessible on the ground floor. The remaining 24 units will receive various upgrades in the kitchen; including new appliances, counters, and cabinets. Site upgrades at both locations will include a new community laundry building, outdoor playground, new trash enclosure, and parking lot restriping. New concrete will also be added to meet accessibility requirements.

Past Board Actions

- March 2021 – Approval to Submit Joe Serna, Jr. Farmworker Housing Grant & Authorization of Land/Building Contribution for Citrus Gardens Apartments
- January 2022 – Award of General Contractor/Construction Manager Contract
- February 2022 – Authorization for Funding Application to the California Tax Credit Allocation Committee

RESOLUTION NO. _____

BEFORE THE BOARD OF COMMISSIONERS OF THE

HOUSING AUTHORITY OF FRESNO COUNTY, CALIFORNIA

**RESOLUTION AUTHORIZING THE ACCEPTANCE OF LOW-INCOME HOUSING TAX
CREDITS AWARDED TO CITRUS GARDENS**

WHEREAS, the Housing Authority of Fresno County, California (the “Agency”) seeks to expand the availability of affordable rental housing and homeownership opportunities to low income persons within Fresno County; and

WHEREAS, the Agency desires to support housing opportunities for low and moderate income households within a variety of neighborhoods; and

WHEREAS, on February 22nd, 2022 the Board of Commissioners adopted a resolution approving the submission of a 9% Low-Income Housing Tax Credit (LIHTC) application for Citrus Gardens to the California Tax Credit Allocation Committee; and

WHEREAS, on March 1st, 2022, the Agency submitted a funding application to the California Tax Credit Allocation Committee for LIHTCs for the rehabilitation of Citrus Gardens; and

WHEREAS, on June 15th, 2022, Citrus Gardens received a Preliminary Reservation Letter for 9% LIHTCs from the California Tax Credit Allocation Committee and the Agency desires to accept the award; and

NOW THEREFORE, BE IT RESOLVED that the Board of Commissioners of the Housing Authority of Fresno County, California do hereby approve the acceptance of the award from the California Tax Credit Allocation Committee for 9% Low-Income Housing Tax Credits for Citrus Gardens and authorize Tyrone Roderick Williams, Chief Executive Officer, Emily De La Guerra, Chief Business Officer, Michael Duarte, Chief Real Estate Officer, and/or their designee to negotiate and execute all related documents therein.

PASSED AND ADOPTED THIS 28th DAY OF JUNE, 2022. 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:

Tyrone Roderick Williams, Secretary of the Boards of Commissioners

BOARD MEMO

TO:	Boards of Commissioners	AUTHOR:	Scott Berry
FROM:	Tyrone Roderick Williams, CEO		Project Manager
MEETING DATE:	06/28/2022	DEPARTMENT:	Real Estate Development
AGENDA ITEM:	6d	MEMO DATE:	06/20/2022
SUBJECT:	Request for Approval to Submit Various Funding Applications for the Step Up on 99 Development (Fresno, CA)		

Executive Summary

The purpose of this Board memo is to request certain approvals from the Boards of Commissioners related to the rehabilitation and conversion of a former motel currently operated as an emergency shelter known as Step Up on 99. Step Up on 99 consists of 98 former motel rooms located at 1240 & 1280 Crystal Ave, Fresno CA 93728 (APN's 449-232-01 & 02) ("The Property"). The site is approximately 2.15 acres. The proposed project plan is to convert the former motel property into an attractive apartment complex with a combination of adaptive reuse of the existing structures and addition of new construction. The redeveloped property is to include a total of 63 multifamily units with unit sizes ranging from studios to three-bedroom units. A new community building will be constructed along with other site amenities. Adaptive reuse will consist of improvements to reconfigure existing rooms into larger apartment units, adding kitchens and other amenities typical in apartment units.

Step Up on 99 has already received a tentative \$3,500,000 funding commitment from the City of Fresno and \$5,259,125 from the Department of Housing and Community Development's Homekey program. As part of the next phase in the Step Up on 99 development process, it is necessary for the Boards of Commissioners of the Housing Authority to adopt the attached board resolution that will allow the Agency to submit additional funding applications to the California Tax Credit Allocation Committee (CTCAC) for an allocation of 9% Low-Income Housing Tax Credits (LIHTC) and to the California Department of Housing and Community Development's (HCD's) Super NOFA to fully fund the development.

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 Step Up on 99 project, and authorize Tyrone Roderick Williams, Chief Executive Officer, Emily De La Guerra, Chief Business Officer, Michael Duarte, Chief Real Estate Officer, and/or their designee, to negotiate and execute documents in connection with the approved actions.

1. Authorize the Housing Authority of the City of Fresno to enter into a Memorandum of Understanding with Silvercrest, Inc. to co-develop the 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)

FRESNO HOUSING

submission of an application to the California Tax Credit Allocation Committee (b) submission of an application for California Housing Finance Agency (CalHFA) funding, (c) submission of an Affordable Housing Program (AHP) application to the Federal Home Loan Bank of San Francisco, (d) submission of an application for State of California Department of Housing and Community Development funds, (e) submission of an application for City of Fresno funding sources, and (f) other grants, operating subsidies and/or private loans and such other sources identified by the Chief Executive Officer.

3. Authorize Tyrone Roderick Williams, the Chief Executive Officer, Emily De La Guerra, Chief Business Officer, Michael Duarte, Chief Real Estate Officer, or 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.

Fiscal Impact

The \$2,000 CTCAC application fee and other due diligence are budgeted from the current approved predevelopment budget. There is no fee to submit the HCD Super NOFA application. Predevelopment financing would be necessary until the close of construction/permanent financing should the TCAC application be successful. All predevelopment funds are expected to be fully reimbursed once the construction/permanent financing close occurs.

Background Information

Step Up on 99 (fka Motel 99) 1240 & 1280 Crystal Ave, Fresno CA 93728 (APN's: 449-232-01 & 02) is an existing 98-unit commercial motel on approximately 2.15 acres in Fresno, CA. The property was purchased as part of the HCD Homekey program in August 2020. Minor rehabilitation work was performed, and the project leased all units in December 2020.

Past Board Actions

- August 25, 2020 – Approval to Ratify Purchase and Sale Agreement for Step Up on 99 (fka Motel 99)
- November 17, 2020 - Step Up on 99 (fka Motel 99) Omnibus Resolution assigning PSA to Silvercrest, Inc.; authorizing Silvercrest, Inc. to acquire the Property; and negotiate and execute the Homekey Standard Agreement and Grant Agreement
- June 28, 2021- Authorization to Submit City of Fresno HOME funds application

RESOLUTION NO. _____

**BEFORE THE BOARD OF COMMISSIONERS OF THE
HOUSING AUTHORITY OF THE CITY OF FRESNO, CA**

**RESOLUTION TO AUTHORIZE THE SUBMISSION OF A 9% LOW INCOME HOUSING
TAX CREDIT (“LIHTC”) APPLICATION AND OTHER VARIOUS FINANCING SOURCES
FOR THE DEVELOPMENT OF THE STEP UP ON 99 PROJECT, A 63 UNIT ADAPTIVE
REUSE DEVELOPMENT LOCATED AT 1240 & 1280 CRYSTAL AVE, FRESNO, CA (APNS:
449-232-01 & 449-232-02)**

WHEREAS, the Housing Authority of the City of Fresno, CA (HACF), seeks to expand the availability of affordable rental housing and homeownership opportunities to low income persons within Fresno County; and

WHEREAS, the proposed Step Up on 99 development (the “Project”) is located at 1240 & 1280 Crystal, Fresno CA 93728, on approximately 2.15 acres (APNs: 449-232-01 & 02); and

WHEREAS, the Step Up on 99 property was funded by the State of California’s Homekey program and provided for the acquisition of the property and is currently operated as an emergency shelter; and

WHEREAS, the redevelopment Project envisions a combination of new construction and adaptive reuse to create a total of 63 multifamily apartment units and a new community building; and

WHEREAS, the Step Up on 99 development was tentatively selected by the City of Fresno to receive a funding allocation of \$3,500,000; and,

WHEREAS, on March 30, 2022 the California Department of Housing and Community Development (the “Department”) issued a Notice of Funding Availability announcing the availability of funds under the California Department of Housing and Community Development Multifamily Housing Program (MHP) (the “SuperNOFA”); and

WHEREAS, in response to the 2022 SuperNOFA, HACF wishes to apply to the Department for, and receive an allocation of MHP funds for an amount of up to \$16,000,000 for Step Up on 99 development; 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 the City of Fresno, CA hereby authorizes Tyrone Roderick Williams, Chief Executive Officer, Emily De La Guerra, Chief Business Officer, Michael Duarte, Chief Real Estate Officer, and/or their designee, to negotiate and execute documents in connection with the approved actions.

1. Authorize the Housing Authority of the City of Fresno to enter into a Memorandum of Understanding with Silvercrest, Inc. to co-develop the 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 an application for California Housing Finance Agency (CalHFA) funding, (c) submission of an Affordable Housing Program (AHP) application to the Federal Home Loan Bank of San Francisco, (d) submission of an application for State of California Department of Housing and Community Development funds, (e) submission of an application for City of Fresno funding sources, and (f) other grants, operating subsidies and/or private loans and such other sources identified by the Chief Executive Officer.
3. Authorize Tyrone Roderick Williams, the Chief Executive Officer, Emily De La Guerra, Chief Business Officer, Michael Duarte, Chief Real Estate Officer, or 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 21st DAY OF JUNE, 2022. 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:

Tyrone Roderick Williams, Secretary of the Boards of Commissioners

RESOLUTION OF THE BOARD OF DIRECTORS OF Housing Authority of the City of Fresno, California

All of the commissioners of Housing Authority of the City of Fresno, California, a California **public body corporate and politic** (the "Corporation"), hereby consent to, adopt and ratify the following resolutions:

Multifamily Housing Program

WHEREAS the State of California Department of Housing and Community Development (the "Department") has issued a Notice of Funding Availability dated 3/30/2022 ("NOFA") under the Multifamily Housing Program ("MHP");

WHEREAS, the Corporation is authorized to do business in the State of California and it is in the best interests of the Corporation for the Corporation to act as the **sole member of Fresno Step Up at 99, AGP, LLC** (the "LLC") the **administrative** general partner of **Fresno Step Up at 99, Limited Partnership** (the "Borrower").

WHEREAS the Corporation is an Eligible Applicant/Sponsor under the MHP and was awarded an MHP loan in an amount not to exceed \$16,000,000 ("MHP Loan") under the above described NOFA.

NOW, THEREFORE, IT IS RESOLVED: That the Corporation is hereby authorized and directed to act on its own behalf and to act as the **sole member** of the LLC, the **administrative** general partner of the Borrower in connection with the Department's loan of MHP funds to the Borrower pursuant to the above mentioned NOFA in an amount not to exceed \$16,000,000.

RESOLVED FURTHER: The Corporation is hereby authorized and directed to act on its own behalf as well as act as **sole member** of the LLC as **administrative** general partner of the Borrower to cause the Borrower and itself to incur an obligation for the MHP Loan. That in connection with the MHP Loan, the Corporation, on its own behalf and as **sole member** of the LLC, as **administrative** general partner of the Borrower, is authorized and directed to enter into, execute, and deliver a State of California Standard Agreement in the amount not to exceed \$ 16,000,000 and any and all other documents required or deemed necessary or appropriate to carry into effect the full intent and purpose of the above resolution, in order to evidence the MHP Loan, the Borrower's obligations related thereto, and the Department's security therefore; including, but not limited to, a promissory note, a deed of trust and security agreement, a regulatory agreement, a development agreement and certain other documents required by the Department as security for, evidence of or pertaining to the MHP Loan, and all amendments thereto (collectively, the "MHP Loan Documents").

RESOLVED FURTHER: The Corporation shall be subject to the terms and conditions as specified in the Standard Agreement. Funds are to be used for allowable capital asset project expenditures to be identified in Exhibit A of the Standard Agreement. The application in full is incorporated as part of the Standard Agreement. Any and all activities funded, information provided, and timelines represented in the application are enforceable through the Standard Agreement. The Corporation hereby agrees to use the funds for eligible capital asset(s) in the manner presented in the application as approved by the Department and in accordance with the NOFA, Program Guidelines and application package.

RESOLVED FURTHER: That **Tyrone Roderick Williams, Chief Executive Officer** on behalf of the **Housing Authority of the City of Fresno, California** as **sole member** of the **Fresno Step Up at 99, AGP, LLC**, as **administrative** general partner of the Borrower **is** authorized and directed to execute the MHP Loan Documents, and any amendments thereto, on behalf of the Borrower

RESOLVED FURTHER: That this resolution shall take effect immediately upon its passage.

Passed and adopted, effective as of June 28th, 2022, by the consent of the Board of Directors of the Corporation by the following vote:

___AYES

___NAYS

___ABSTAIN

___ABSENT

Tyrone Roderick Williams, Secretary of the
Boards of Commissioners

CERTIFICATE OF THE SECRETARY

The undersigned, Secretary of the Corporation does hereby attest and certify that the **attached** Resolution is a true, full and correct copy of a resolution duly adopted at a meeting of said corporation which was duly convened and held on the date stated thereon, and that said document has not been amended, modified, repealed or rescinded since its date of adoption and is in full force and effect as of the date hereof.

DATE: _____

Tyrone Roderick Williams, Secretary of the Boards of
Commissioners

RESOLUTION OF THE MEMBERS OF

Housing Authority of the City of Fresno, California, a public body corporate and politic

Sole member and manager of Fresno Step Up at 99, AGP, LLC a California Limited Liability Company (the "Limited Liability Company"), hereby consent to, adopt and ratify the following resolutions:

Multifamily Housing Program

WHEREAS, the State of California Department of Housing and Community Development (the "Department") has issued a Notice of Funding Availability under its Multifamily Housing Program (the "MHP") dated **3/30/2022**; and

WHEREAS, the Limited Liability Company is authorized to do business in the State of California, and it is in the best interests of the Limited Liability Company and its **sole member and manager** for the Limited Liability Company to act as the **Administrative** General Partner of **Fresno Step Up at 99, Limited Partnership**, a California limited partnership (the "Borrower"); and

WHEREAS, the Borrower has either received, or been assigned, a conditional commitment of funds under the above-described Notice of Funding Availability.

NOW, THEREFORE, IT IS RESOLVED: That the Limited Liability Company is hereby authorized to act as the **administrative** General Partner of the Borrower in connection with the Department's loan of funds to the Borrower pursuant to the above-described Notice of Funding Availability in an amount not to exceed \$16,000,000 (the "MHP Loan")

RESOLVED FURTHER: That in connection with the Borrower's MHP Loan, the Limited Liability Company is authorized and directed to enter into, execute, and deliver, as the **administrative** General Partner of the Borrower, a State of California Standard Agreement, and any and all other documents required or deemed necessary or appropriate to carry into effect the full intent and purpose of the above resolution, in order to evidence the MHP Loan, the Borrower's obligations related thereto, and the Department's security therefore; including, but not limited to, a promissory note, a deed of trust and security agreement, a regulatory agreement, a development agreement and certain other documents required by the Department as security for, evidence of or pertaining to the MHP Loan, and all amendments thereto (collectively, the "MHP Loan Documents").

RESOLVED FURTHER: That **Tyrone Roderick Williams, Chief Executive Officer of the Housing Authority of the City of Fresno, CA, sole member of Fresno Step Up at 99, AGP, LLC** is hereby authorized to execute the MHP Loan Documents, and any amendment or modifications thereto, on behalf of the Limited Liability Company for itself and as the **administrative** General Partner of the Borrower.

RESOLVED FURTHER: That this resolution shall take effect immediately upon its passage.

Passed and adopted, effective as of June 28th, 2022 by the consent of the Members of the Limited Liability Company by the following vote:

___AYES

___NAYS

___ABSTAIN

___ABSENT

CERTIFICATE OF THE SECRETARY

The undersigned, Secretary of **Housing Authority of the City of Fresno, California, a public body corporate and politic, its sole member and manager of Fresno Step Up at 99, AGP, LLC** does hereby attest and certify that the **attached** Resolution is a true, full and correct copy of a resolution duly adopted at a meeting of the Limited Liability Company which was duly convened and held on the date stated thereon, and that said document has not been amended, modified, repealed or rescinded since its date of adoption and is in full force and effect as of the date hereof.

DATE: _____

Tyrone Roderick Williams, Secretary of the Boards of Commissioners

LOAN AUTHORIZATION OF **Fresno Step Up at 99, Limited Partnership**

The undersigned hereby **certifies** that it is the **administrative general partner** of **Fresno Step Up at 99, Limited Partnership**, a California limited partnership (the "Borrower"), and as such **makes** the following certifications and representations to the State of California Department of Housing and Community Development (the "Department"):

1. Under the Notice of Funding Availability, dated **03/30/2022**, issued by the Department under its Multifamily Housing Program ("MHP"), the Borrower has either received, or been assigned, a conditional commitment of funds pursuant to an Award Letter issued by the Department.

2. The Borrower is duly formed as a **limited** partnership in the state of California, is authorized to do business in the State of California, and has the power and authority to borrow the funds, which are the subject of conditional commitment of the Department, in an amount not to exceed \$16,000,000 (the "MHP Loan")

3. That in connection with the MHP Loan, the Borrower is authorized to enter into a State of California Standard Agreement, and any and all other documents required or deemed necessary or appropriate to evidence the MHP Loan, the Borrower's obligations related thereto, and the Department's security therefore; including, but not limited to, a promissory note, a deed of trust and security agreement, a regulatory agreement, a development agreement and certain other documents required by the Department as security for, evidence of or pertaining to the MHP Loan, and all amendments thereto (collectively, the "MHP Loan Documents") .

4. That **Tyrone Roderick Williams, Chief Executive Officer, Michael Duarte, Chief Real Estate Officer, or Emily De La Guerra, Chief Business Officer**, on behalf of the **Fresno Step Up at 99, AGP, LLC**, as **sole member** of the LLC, as **administrative** general partner of the Borrower **is** authorized and directed to execute the MHP Loan Documents, and any amendments thereto, on behalf of the Borrower.

Dated: _____

BORROWER:

Fresno Step Up at 99, Limited Partnership, a
California limited partnership

By: **Fresno Step Up at 99 AGP, LLC**, a California
limited liability company,

Its: Administrative General Partner

By: **Housing Authority of the City
of Fresno, California**, a public
body corporate and politic,

Its: **sole member and manager**

By: Tyrone Roderick Williams
Chief Executive Officer

BOARD MEMO

TO:	Boards of Commissioners	AUTHOR:	Scott Berry
FROM:	Tyrone Roderick Williams, CEO		Project Manager
MEETING DATE:	06/28/2022	DEPARTMENT:	Real Estate Development
AGENDA ITEM:	6e	MEMO DATE:	06/20/2022
SUBJECT:	Authorization to Enter into an Architectural Services Contract for Citrus Gardens		

Executive Summary

The Citrus Gardens housing development submitted an application for Low Income Housing Tax Credits (LIHTC's) in March, 2022, and received a confirmation letter from the California Tax Credit Allocation Committee (CTCAC) that the project received full points. The project received a reservation of LIHTC's at the June 2022 CTCAC committee meeting.

As the result of an Agency Request for Qualifications (RFQ No. Q16001) on March 6, 2017, Paul Halajian Architects was one of the selected successful proposers as part of a general architectural services vendor pool. Paul Halajian Architects was brought on board to complete preliminary architectural drawings for the submission of a site plan review to the City of Orange Cove for the Citrus Gardens development in 2020. As the project has received a reservation of tax credits, the design team would like to launch on full construction drawings in preparation for the December 2022 financial closing.

The purpose of this memo is to recommend an expansion of the Paul Halajian Architects contract for the development of detailed construction drawings and the construction administration of the Citrus Gardens housing development. The contract includes the services of an energy consultant to model the current and proposed energy efficiency of the Citrus Gardens building type, a requirement of the California Tax Credit Allocation Committee (CTCAC), as well as several engineers (Mechanical, Electrical, Plumbing, Civil, and Landscaping). The proposed contract totals \$113,005.

Recommendation

It is recommended that the Boards of Commissioners of the Fresno Housing Authority approve the proposed contract totaling \$113,005 with Paul Halajian Architects, to perform architectural services for the Citrus Gardens housing development and authorize Tyrone Roderick Williams, Chief Executive Officer, Michael Duarte, Chief Real Estate Officer, Emily De La Guerra, Chief Business Officer, and/or their designee to negotiate and execute all agreements and ancillary document in connection therewith.

Fiscal Impact

Staff is seeking approval for an architectural contract of \$113,005. The services will ultimately be paid for out of the development's construction sources; however, until the financial closing, the design contract work will be funded with the approved pre-development budget.

Background Information

Citrus Gardens is an existing single & two story apartment complex with 30-units located at two separate sites. Staff is proposing the rehabilitation of a split-site project. Citrus Gardens I contains 20 units and is located at 201 Citrus Avenue on a 1.73-acre parcel (APN:375-030-37T). Citrus Gardens II is located at 452 10th Street on a 0.74-acre parcel (APN:375-142-15T) and includes 10 units, for a total of 30 units. Of those 30 units, six (6) units will be renovated to be made fully accessible on the ground floor. The remaining 24 units will receive various upgrades in the kitchen; including new appliances, counters, and cabinets. Site upgrades at both locations will include a new community laundry building, outdoor playground, new trash enclosure, and parking lot restriping. New concrete will also be added to meet accessibility requirements.

Past Board Actions

- March 2021 – Approval to Submit Joe Serna, Jr. Farmworker Housing Grant & Authorization of Land/Building Contribution for Citrus Gardens Apartments
- January 2022 – Award a contract for General Contractor / Construction Manager
- March 2022 – Approval to submit an application for 9% Low-Income Housing Tax Credits to the California Tax Credit Allocation Committee

RESOLUTION NO. _____

BEFORE THE BOARD OF COMMISSIONERS OF THE

HOUSING AUTHORITY OF THE FRESNO COUNTY, CALIFORNIA

**RESOLUTION APPROVING AWARD OF ARCHITECTURAL CONTRACT TO PAUL
HALAJIAN ARCHITECTS FOR THE CITRUS GARDENS DEVELOPMENT LOCATED AT
201 CITRUS AVENUE AND 452 10TH STREET, ORANGE COVE, CALIFORNIA**

WHEREAS, the mission of the Housing Authority of Fresno County, California ("HAFC") includes the development and provision of affordable housing units within Fresno County and,

WHEREAS, HAFC is obligated to provide housing opportunities for low and moderate income households within a variety of neighborhoods; and,

WHEREAS, a reservation of Low Income Housing Tax Credits (LIHTCs) has been allocated to the Citrus Gardens project from the California Tax Credit Allocation Committee in June 2022; and,

WHEREAS, HAFC is the developer of the Citrus Gardens project, an affordable multi-family housing development located at 201 Citrus Avenue and 452 10th Street, Orange Cove, California; and,

WHEREAS, HAFC issued a Request for Qualifications (RFQ No. Q16001) on March 6, 2017 and Paul Halajian Architects was one of the successful proposers and was awarded a general architectural services contract; and,

WHEREAS, HAFC desires to enter into a project specific Architectural contract with Paul Halajian Architects for architectural services at said project for a total of \$113,005 to complete construction permit drawings and construction administration; and

NOW THEREFORE, BE IT RESOLVED that the Board of Commissioners of the Housing Authority of Fresno County, California hereby authorize Tyrone Roderick Williams, Chief Executive Officer, Michael Duarte, Chief Real Estate Officer, Emily De La Guerra, Chief Business Officer, and/or their designee to negotiate the terms of and execute the aforementioned contract and supporting documents with Paul Halajian Architects for architectural services at Citrus Gardens, in Orange Cove, California.

PASSED AND ADOPTED THIS 28th DAY OF June 2022. 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:

Tyrone Roderick Williams, Secretary of the Boards of Commissioners

BOARD MEMO

TO: Boards of Commissioners
FROM: Tyrone Roderick Williams, CEO
MEETING DATE: 06/28/2022
AGENDA ITEM: 7a
SUBJECT: Update on Strategic Initiatives

AUTHOR: Tiffany B. Mangum
Executive Operations Mgr.
DEPARTMENT: Executive Office
MEMO DATE: 06/23/2022

Executive Summary

Staff will provide an overview of strategic initiatives and diversity, equity and inclusion activities.

Recommendation

None at this time.

Fiscal Impact

None.

BOARD MEMO

TO: Boards of Commissioners
FROM: Tyrone Roderick Williams, CEO
MEETING DATE: 06/28/2022
AGENDA ITEM: 7b
SUBJECT: Real Estate Development Update

AUTHOR: Michael Duarte
Chief Real Estate Officer
DEPARTMENT: Real Estate Development
MEMO DATE: 06/20/2022

Executive Summary

Staff will provide an overview of real estate development activities.

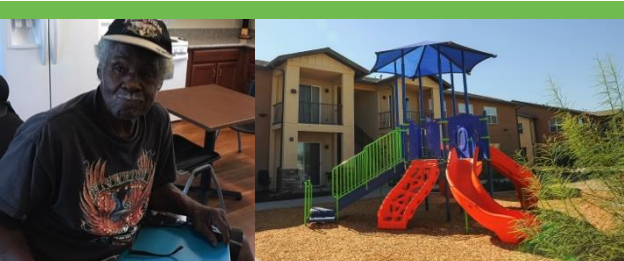
Recommendation

None at this time.



Development Update

June 28, 2022



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



Project Updates:

- Upcoming Applications:
 - CTCAC –
 - *Step Up on 99*
 - *La Joya Commons*
 - *Avalon Commons Phase I*
 - HCD Super NOFA –
 - *Step Up on 99*
 - *Avalon Commons Phase I*
 - City of Fresno NOFA -
 - *Econo Inn North (BOB)*
- Funds Awarded:
 - Citrus Gardens Tax Credit Allocation



Questions?

BOARD MEMO

TO:	Boards of Commissioners	AUTHOR:	Crystal Cox
FROM:	Tyrone Roderick Williams, CEO		Finance Manager
MEETING DATE:	June 28, 2022	DEPARTMENT:	Finance
AGENDA ITEM:	7c	MEMO DATE:	06/15/2022
SUBJECT:	2021 Financial Results for Mixed Finance Properties		

Executive Summary

The purpose of this memo is to present the Boards of Commissioners with an overview of the financial operating performance of the Mixed Finance portfolio as of December 31, 2021.

As part of the real estate development process, staff routinely asks the Boards of Commissioners to sponsor the development or rehabilitation of multi-family housing properties. The Boards have approved 31 developments throughout Fresno County that were included in the 2021 Budget. This group of properties are referred to as the “Mixed Finance Properties” because several (“mixed”) financing sources are used to acquire and construct the units. An attachment provided with this memo shows the operating performance of all properties included in the 2021 Budget.

As part of the “sponsorship” process, the Boards are asked to approve the formation and creation of a limited partnership that will “own” the affordable housing development, and Silvercrest, Inc. (a subsidiary of the Housing Authority) is generally named as the managing general partner (MGP) of the partnership.

One responsibility of the managing general partner is to review and approve the annual operating budgets and financial performance for the partnerships. However, because Fresno Housing was the original sponsor of these projects and has a vested interest in the success of the properties, staff is presenting the 2021 annual financial performance to Fresno Housing’s Boards of Commissioners. Subsequently, staff will ask Silvercrest Inc. to accept the financial results as the managing general partner of the limited partnerships.

Mixed Finance Results

In 2021, the mixed finance properties operated closely in line with the overall budget. Total income is 4% more than budgeted while total operating costs are 6% more than budgeted. Overall, the properties ended 2021 with a net cash flow of \$2 million, which is generally in line with the budget.

Total revenues were \$837 thousand better than budgeted, which is attributable to additional Net Tenant Income. This additional income is a result of lower than budgeted vacancy rates at most of the properties.

Total operating expenses are higher than budgeted by approximately \$872 thousand. The properties spent an additional \$631 thousand dollars on maintenance and repairs. Staff continues to monitor these expenses, as well as other costs, to ensure the properties can absorb potential increases without sacrificing in other areas. Payroll is lower than budgeted mostly due to delays in hiring due to the ongoing challenges presented by the Covid-19 pandemic.

FRESNO HOUSING

Overall, net operating income was approximately \$35 thousand lower than the original budget. Net Cash Flow was \$14 thousand less than originally budgeted. Below is a summary of the 2021 Mixed Finance portfolio financial results.

2021 MIXED FINANCE BUDGET	Budget	Actual	\$ Variance	% Variance
NET TENANT INCOME	18,487,966	19,041,095	553,129	3%
TOTAL OTHER INCOME	432,054	715,840	283,786	66%
TOTAL INCOME	18,920,020	19,756,936	836,916	4%
TOTAL PAYROLL EXPENSES	3,682,502	3,355,391	(327,111)	-9%
TOTAL ADMINISTRATIVE EXPENSES	2,712,722	2,999,649	286,927	11%
TOTAL TENANT SERVICES EXPENSES	1,050,100	1,085,473	35,373	3%
TOTAL UTILITY EXPENSES	2,363,997	2,553,700	189,703	8%
TOTAL MAINTENANCE EXPENSES	2,956,214	3,587,232	631,018	21%
TOTAL TAXES & INSURANCE EXPENSES	862,961	918,847	55,886	6%
TOTAL OPERATING EXPENSES	13,628,496	14,500,291	871,795	6%
NET OPERATING INCOME	5,291,524	5,256,644	(34,880)	-1%
TOTAL NON-OPERATING EXPENSES	3,306,136	3,284,896	(21,240)	-1%
NET CASH FLOW	1,985,388	1,971,748	(13,640)	-1%

Each property is managed as a separate and independent financial entity and, at the very least, should be able to sustain itself and achieve positive net operating income. Beyond that, the major goals of the 2021 budgets were to:

- Leverage well-performing assets in order to provide maximum benefits to lenders, partners, and stakeholders;
- Meet stabilization requirements for newer properties;
- Maintain and modernize properties, as needed; and
- Provide services to residents.

2021 Cash Flow Distributions

The Agency and its affiliated entities (Housing Relinquished Fund Corporation and Silvercrest, Inc.) receive annual cash flow distributions from various properties. These annual distributions (also called “the waterfall”) vary by property and are based on annual operating performance and fees negotiated as part of each partnership’s Limited Partnership Agreement (LPA). Of the \$2.6 million that is currently available for distribution per the LPA, \$1.8 million will be distributed to Fresno Housing and its affiliates, which represents a \$134 thousand increase from 2020. The remaining cash flow will be distributed to other investors and lenders.

FRESNO HOUSING

Entity	Amount	Type of Payment
HRFC	720,605	Loan Payments
Silvercrest, Inc.	517,877	Management Fees
Fresno Housing	603,873	Developer Fee, Loan Payments
Total	1,842,355	

Recommendation

This item is information only. No action is required from the Boards of Commissioners of Fresno Housing. The Board of Directors for Silvercrest, Inc. will be asked to accept the 2021 Mixed Finance Results.

Background Information

The 2021 Mixed Finance Operating Budgets were approved by the Board of Directors of Silvercrest, Inc. with revenues of \$18.9 million and operating and non-operating expenses totaling \$16.9 million, resulting in total net operating income of approximately \$2 million.

Fresno Housing
2021 Mixed Finance Results

Property Name	Yosemite Village	Parc Grove Northwest	Granada Commons	Parc Grove Commons II	Renaissance at Trinity	Renaissance at Santa Clara	Renaissance at Alta Monte	Bridges at Florence	City View @ Van Ness	Mendota RAD	Orange Cove RAD	Fresno RAD	Viking Village RAD	Marion Villas	Pacific Gardens	Legacy Commons I	541 @ South Tower & Cedar Heights	Rio Villas
# Of Units	69	148	16	215	20	70	30	34	45	124	90	193	40	46	56	64	45	30
INCOME																		
NET TENANT INCOME	644,115	1,654,534	166,003	2,338,692	226,510	716,884	278,860	271,552	367,342	1,200,529	870,368	1,766,283	370,574	339,948	503,694	578,035	348,216	316,711
TOTAL OTHER INCOME	3,720	-370	1,170	10,066	1,980	157,601	185,947	50	10,001	16,694	1,331	9,406	2,687	466	898	6,642	345	1,597
TOTAL INCOME	647,835	1,654,164	167,173	2,348,758	228,490	874,485	464,807	271,602	377,343	1,217,223	871,699	1,775,689	373,261	340,414	504,592	584,677	348,561	318,308
EXPENSES																		
PAYROLL EXPENSES																		
TOTAL PAYROLL EXPENSES	92,246	255,528	29,548	383,163	46,087	149,593	67,820	52,552	55,636	240,156	172,546	307,915	63,631	68,791	109,279	114,560	52,218	45,404
TOTAL ADMINISTRATIVE EXPENSES	106,395	116,129	39,487	142,748	55,465	112,512	67,415	60,784	73,114	191,030	143,395	288,069	85,182	71,174	127,848	76,029	39,724	50,640
TOTAL TENANT SERVICES EXPENSES	21,996	86,733	8,000	186,257	8,855	57,800	12,596	16,338	0	74,975	52,966	78,747	15,525	20,082	15,528	60,229	19,067	12,550
TOTAL UTILITY EXPENSES	120,320	158,341	16,916	244,704	43,471	97,317	61,035	42,989	54,677	200,307	117,487	224,741	40,228	60,767	59,244	76,390	43,075	22,130
TOTAL MAINTENANCE EXPENSES	223,493	225,332	51,075	369,320	43,436	267,690	219,174	57,762	39,841	174,213	191,278	314,735	89,766	51,437	89,748	111,844	61,267	24,527
TOTAL TAXES & INSURANCE EXPENSES	25,704	47,499	8,675	58,897	14,714	15,517	10,376	17,719	44,136	29,436	50,496	70,068	36,971	16,007	15,918	29,348	23,353	16,223
TOTAL OPERATING EXPENSES	590,154	889,561	153,701	1,385,088	212,027	700,430	438,416	248,143	267,404	910,117	728,168	1,284,276	331,303	288,258	417,565	468,400	238,703	171,474
NET OPERATING INCOME	57,682	764,604	13,473	963,670	16,462	174,056	26,392	23,459	109,939	307,107	143,531	491,414	41,958	52,156	87,028	116,277	109,858	146,835
NON-OPERATING EXPENSES																		
TOTAL FINANCING EXPENSES	6,957	456,922	7,580	244,191	9,902	10,317	9,150	23,224	75,947	205,540	16,361	30,747	19,570	17,850	24,023	92,511	11,001	63,855
TOTAL NON-OPERATING EXPENSES	67,190	161,788	0	196,406	13,060	148,918	58,792	16,327	21,188	24,262	12,622	102,200	10,165	13,085	31,697	17,339	29,769	1,943
TOTAL NON-OPERATING EXPENSES	74,147	618,710	7,580	440,597	22,962	159,235	67,942	39,551	97,135	229,802	28,983	132,947	29,735	30,935	55,720	109,850	40,770	65,798
CASH FLOW	-16,465	145,893	5,893	523,073	-6,499	14,821	-41,550	-16,093	12,804	77,305	114,548	358,467	12,223	21,221	31,308	6,427	69,088	81,037

Fresno Housing
2021 Mixed Finance Results

Property Name	Paseo 55	Villa Del Mar	Elderberry	Kings River Commons	Cueva de Oso	Fenix @ Calaveras & Fenix @ Glenn	Legacy Commons II	Renaissance at Parc Grove	Blossom Trail Commons	Magnolia Commons	Oak Grove Commons	Mariposa Commons	Orchard Apartments	Total
# Of Units	55	48	75	60	47	30	64	39	48	60	56	40	40	1997
INCOME														
NET TENANT INCOME	436,415	499,710	578,828	505,375	409,153	215,414	570,898	402,741	384,631	524,062	527,745	486,301	540,974	19,041,095
TOTAL OTHER INCOME	220	13,229	84,205	40,547	5,942	223	755	484	15,266	3,758	102,455	36,500	2,024	715,840
TOTAL INCOME	436,635	512,939	663,033	545,922	415,095	215,637	571,653	403,225	399,897	527,820	630,200	522,800	542,998	19,756,936
EXPENSES														
PAYROLL EXPENSES														
TOTAL PAYROLL EXPENSES	103,755	92,780	73,548	95,658	95,255	43,135	88,902	91,005	86,014	58,269	89,464	64,132	66,799	3,355,391
TOTAL ADMINISTRATIVE EXPENSES	106,338	65,463	128,333	52,927	82,780	30,238	77,013	92,396	89,229	97,049	102,698	134,360	93,688	2,999,649
TOTAL TENANT SERVICES EXPENSES	21,600	25,975	0	28,927	31,400	12,567	56,173	49,920	18,804	23,604	25,054	32,293	10,913	1,085,473
TOTAL UTILITY EXPENSES	63,763	64,190	69,485	63,467	68,874	26,399	80,646	41,572	86,832	137,279	80,649	45,188	43,182	2,553,700
TOTAL MAINTENANCE EXPENSES	70,237	118,428	116,174	76,410	62,858	46,509	83,444	77,660	62,176	70,793	83,497	44,199	70,092	3,587,232
TOTAL TAXES & INSURANCE EXPENSES	34,879	24,895	17,042	62,641	17,388	25,267	10,215	12,526	21,487	20,997	30,688	32,849	76,916	918,847
TOTAL OPERATING EXPENSES	400,572	391,731	404,581	380,030	358,555	184,116	396,393	365,080	364,542	407,991	412,050	353,021	361,590	14,500,291
NET OPERATING INCOME	36,063	121,208	258,452	165,892	56,540	31,521	175,260	38,146	35,355	119,829	218,150	169,780	181,408	5,256,644
NON-OPERATING EXPENSES														
TOTAL FINANCING EXPENSES	4,643	12,322	78,886	114,909	15,500	5,000	183,405	0	18,750	86,291	127,527	257,286	316,187	2,211,248
TOTAL NON-OPERATING EXPENSES	2,482	77,615	44,259	35,670	2,700	26,100	3,892	16,206	3,198	11,358	6,428	694	12,828	1,073,649
TOTAL NON-OPERATING EXPENSES	7,125	89,937	123,145	150,579	18,200	31,100	187,296	16,206	21,948	97,649	133,955	257,980	329,014	3,284,896
CASH FLOW	28,938	31,270	135,307	15,313	38,340	421	-12,037	21,940	13,407	22,180	84,195	-88,200	-147,606	1,971,748

BOARD MEMO

TO: Boards of Commissioners
FROM: Tyrone Roderick Williams, CEO
MEETING DATE: June 28, 2022
AGENDA ITEM: 8a
SUBJECT: Consideration of the 2021 Financial Results for Agency Operations and Housing Assistance Payments

AUTHOR: Crystal Cox
DEPARTMENT: Finance
MEMO DATE: 06/15/2022

Executive Summary

The purpose of this memo is to present the financial results for Agency Operations and Housing Assistance Payments (HAP) as of December 31, 2021. The attachment provided with this memo shows the consolidation of all Housing Authority programmatic budgets combined into six divisions. Each budget, separately and together as a whole, is intended to ensure that the Fresno Housing Authority remains fiscally sound while investing in the Agency's future, and delivering services in accordance with our mission statement.

Agency Operating Budget

	2021 Budget	2021 Results	YTD \$ Variance
OPERATING BUDGET			
TOTAL INCOME	43,584,911	41,328,872	(2,256,039)
TOTAL EXPENSES	42,324,861	41,062,298	(1,262,563)
NET OPERATING INCOME	1,260,050	266,573	(993,476)
TOTAL NON-OPERATING EXPENSES	1,742,960	1,585,624	(157,336)
NET INCOME	(482,910)	(1,319,051)	(836,141)
UNRESTRICTED NET INCOME	(728,330)	(958,498)	(230,168)

The 2021 Operating Budget was approved by the Boards in December 2020 with total revenues of \$43.6 million and total operating expenses of \$42.3 million. As of December 31, 2021, total revenues are \$41.3 million, which is \$2.3 million less than anticipated. Total operating expenses are \$1.3 million less than budgeted at \$41.1 million. Overall, total net operating income was \$267 thousand, which is \$993 thousand less than budgeted. The Agency spent about \$230 thousand more in unrestricted reserves for a total of \$958 thousand in 2021. Further details on major variances in revenues and expenditures are categorized below by Division:

- **Core:** Overall, the Core Division performed in line with the budget. Revenues in Other Income were higher than expected mostly due to the receipt of reimbursements for Homekey maintenance staff. Admin & Management Fee Income in Core is less than budgeted mostly due to a reduction in allocation revenue earned from Central Office charges. Fees for this service are allocated to the programs and the revenue is booked in Core. Fewer direct expenses were incurred, therefore, less

revenue was collected and the net effect on the overall budget is neutral. Total operating expenses are \$176 thousand less than budgeted, mostly due to lower maintenance costs.

- **Real Estate Development (RED):** The RED division produced \$873 thousand less in unrestricted reserves than budgeted. Ultimately, the Agency received approximately \$3.5 million in Developer Fees. Delayed Developer Fees are expected in 2022 and have been included in the 2022 operating budget. Interest Income budgeted in 2022 will be paid to HRFC in 2022 as part of the annual cash distribution process.
- **Housing Choice Voucher:** Overall, the Housing Choice Voucher Programs (HCV) performed better than budgeted. The 2021 Budget reflected revenues of \$10.3 million, which is \$310 thousand more than budgeted, and is attributable to an increase in Administrative Fees due to slightly increased proration. Total expenses are \$18 thousand higher than budgeted. Administrative expenses are lower than budgeted primarily due to decreased Central Office and IT related expenses. However, payroll expenses are higher than budgeted due to an increase in full-time, and temporary staffing. Overall, we expected to utilize about \$1.1 million in restricted reserves to cover budgetary shortfalls. However, utilization of restricted reserves totaled \$764 thousand as of December 31, 2021.
- **Resident Empowerment Services:** The Resident Empowerment Services Division (RES) ended the year utilizing about \$487 thousand of unrestricted reserves, which is approximately \$256 thousand less than projected. HUD Grant Income was lower than budgeted due to the inclusion of the A Family Home grant which was not received in 2021. Additionally, there were no tenant service expenses incurred for the A Family Home grant.
- **Homeless Initiatives:** The Homeless Initiatives Division (HI) ended the year utilizing approximately \$223 thousand more of Agency unrestricted reserves than budgeted. Other Grant Income was lower than budgeted, a portion of which is related to lower reimbursements due to lower grant expenses. Payroll expenses were lower than budgeted due to staffing vacancies. Tenant Services Expenses, which represent tenant rent payments within homeless service and rental assistance grants were lower than budgeted. Unspent dollars for most of these grants will roll over into the next grant period.

Housing Management: The Housing Management Division (HSM) performed better than budgeted. Total revenues are \$370 thousand better than budgeted at \$14.8 million. Net Tenant Income is more than budgeted and is attributable to low vacancy rates, higher tenant incomes, higher operating subsidies. Other Income is lower than budgeted; Fifteen percent of the Capital Fund grant can be allocated to HSM to cover operating expenses for Low Income Public Housing Properties each year. This amount was included in the Other Income budget however, it was not transferred but retained in the Capital Fund for RAD conversions. Total expenses are \$11.2 million, which is \$65 thousand lower than expected. The remainder of the variance is due to lower than budgeted non-operating costs for debt service payments included in the budget, but not incurred in 2021. HSM ended the year with \$1.4 million in unrestricted net income, which is \$583 thousand more than budgeted.

FRESNO HOUSING

Housing Assistance Payments (HAP) are the subsidies paid to landlords on behalf of residents participating in the Housing Choice Voucher program (formerly known as “Section 8”). The 2021 HAP budget was approved by the Boards in December 2020 with total revenues of \$91.9 million and total expenses of \$89.8 million. As of December 31, 2021, HAP revenues are \$1.9 million lower than budgeted. Revenues were lower than anticipated mostly due to transfers to HUD-held reserve accounts. The 2021 budget was approved using the estimated annual budget authority for the program, which varies from actual revenue received because it includes draws from HUD-held reserves. HAP expenditures in the HCV program are \$284 thousand lower than originally budgeted. Below is a summary of HAP revenues and expenses as of December 31, 2020.

HAP BUDGET	2021 Budget	2021 Results	\$Variance	%Variance
HAP REVENUE	91,945,727	90,059,166	(1,886,561)	-2%
HAP EXPENSES	89,818,280	89,533,928	284,352	0%
NET HAP INCOME	2,127,447	525,238	(1,602,209)	-75%

Recommendation

It is recommended that the Boards of Commissioners accept the financial results for Agency Operations and Housing Assistance Payments as of December 31, 2021.

Fresno Housing Authority
Financial Results as of December 31, 2021

	Core			RED			HCV			RES			HI			HSM			Fresno Housing Authority	
	Annual Budget	YTD Budget	YTD Actuals	Annual Budget	YTD Budget	YTD Actuals	Annual Budget	YTD Budget	YTD Actuals	Annual Budget	YTD Budget	YTD Actuals	Annual Budget	YTD Budget	YTD Actuals	Annual Budget	YTD Budget	YTD Actuals	Annual Budget	YTD Actuals
OPERATING BUDGET																				
INCOME																				
NET TENANT INCOME	-	-	-	501,396	501,396	465,711	-	-	-	-	-	-	-	-	-	8,233,864	8,233,864	8,553,356	8,735,260	9,019,068
INTEREST INCOME	50,000	50,000	24,661	625,000	625,000	5,468	-	-	-	-	-	-	-	-	-	-	-	10,514	675,000	40,642
OTHER INCOME	154,200	154,200	449,368	520,000	520,000	337,502	-	-	-	811,238	811,238	769,560	544,003	544,003	208,469	364,627	364,627	71,605	2,394,068	1,836,504
ADMIN & MANAGEMENT FEE INCOME	8,462,509	8,462,509	8,045,118	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	8,462,509	8,045,118
DEVELOPER FEE INCOME	-	-	-	3,934,460	3,934,460	3,501,806	-	-	-	-	-	-	-	-	-	-	-	-	3,934,460	3,501,806
HUD GRANT INCOME	-	-	-	-	-	-	9,991,071	9,991,071	10,301,331	489,112	489,112	78,311	2,211,458	2,211,458	2,014,662	4,466,336	4,466,336	4,804,095	17,157,977	17,198,399
OTHER GRANT INCOME	-	-	-	-	-	-	-	-	1,174	-	-	-	905,496	905,496	369,478	1,320,141	1,320,141	1,316,683	2,225,637	1,687,334
TOTAL INCOME	8,666,709	8,666,709	8,519,147	5,580,856	5,580,856	4,310,487	9,991,071	9,991,071	10,302,505	1,300,350	1,300,350	847,872	3,660,957	3,660,957	2,592,609	14,384,968	14,384,968	14,756,253	43,584,911	41,328,872
EXPENSES																				
PAYROLL EXPENSES	7,206,516	7,206,516	7,258,706	1,840,748	1,840,748	1,894,772	5,963,404	5,963,404	6,287,145	1,225,038	1,225,038	1,006,084	812,626	812,626	671,753	3,155,119	3,155,119	2,839,948	20,203,451	19,958,408
ADMINISTRATIVE EXPENSES	2,992,461	2,992,461	2,909,355	1,074,399	1,074,399	1,334,488	4,996,566	4,996,566	4,706,377	473,188	473,188	309,476	468,183	468,183	436,334	2,344,571	2,344,571	2,180,918	12,349,368	11,876,949
TENANT SERVICES EXPENSES	50,504	50,504	56,384	15,132	15,132	-	-	-	-	340,620	340,620	-	2,539,988	2,539,988	1,864,695	315,870	315,870	247,044	3,262,114	2,168,122
UTILITY EXPENSES	175,487	175,487	152,359	72,024	72,024	56,485	-	-	-	-	-	-	-	-	-	2,258,143	2,258,143	2,175,480	2,505,654	2,384,325
MAINTENANCE EXPENSES	583,518	583,518	421,215	64,760	64,760	240,451	81,969	81,969	38,266	4,500	4,500	12,172	6,061	6,061	5,840	2,487,940	2,487,940	3,059,062	3,228,748	3,777,006
TAXES & INSURANCE EXPENSES	50,788	50,788	85,232	61,400	61,400	117,440	7,353	7,353	35,156	-	-	6,880	-	-	3,131	655,985	655,985	649,651	775,526	897,489
TOTAL EXPENSES	11,059,274	11,059,274	10,883,251	3,128,463	3,128,463	3,643,636	11,049,292	11,049,292	11,066,944	2,043,346	2,043,346	1,334,612	3,826,858	3,826,858	2,981,753	11,217,628	11,217,628	11,152,103	42,324,861	41,062,298
NET OPERATING INCOME	(2,392,565)	(2,392,565)	(2,364,104)	2,452,393	2,452,393	666,850	(1,058,221)	(1,058,221)	(764,439)	(742,996)	(742,996)	(486,740)	(165,901)	(165,901)	(389,144)	3,167,340	3,167,340	3,604,150	1,260,050	266,573
NON-OPERATING EXPENSES																				
TOTAL NON-OPERATING EXPENSES	-	-	1,109	-	-	25,468	-	-	33	-	-	-	-	-	-	1,742,960	1,742,960	1,332,614	1,742,960	1,359,224
TOTAL FINANCING EXPENSES	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	226,400	-	226,400
TOTAL ADJUSTMENTS & OPERATING TRANSFERS	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL NON-OPERATING EXPENSES	-	-	1,109	-	-	25,468	-	-	33	-	-	-	-	-	-	1,742,960	1,742,960	1,559,014	1,742,960	1,585,624
NET INCOME	(2,392,565)	(2,392,565)	(2,365,213)	2,452,393	2,452,393	641,383	(1,058,221)	(1,058,221)	(764,472)	(742,996)	(742,996)	(486,740)	(165,901)	(165,901)	(389,144)	1,424,380	1,424,380	2,045,135	(482,910)	(1,319,051)
UNRESTRICTED NET INCOME	(2,392,565)	(2,392,565)	(2,365,213)	1,735,991	1,735,991	862,823				(742,996)	(742,996)	(486,740)	(165,901)	(165,901)	(389,144)	837,141	837,141	1,419,776	(728,330)	(958,498)

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

Resolution Number:

**RESOLUTION ACCEPTING THE HOUSING AUTHORITY'S 2021 FINANCIAL RESULTS
AND THE 2021 HOUSING CHOICE VOUCHER PROGRAM LEASING AND HOUSING
ASSISTANCE PAYMENTS**

WHEREAS, the Annual Operating Financial Results and the Housing Assistance Payments Financial Results for the Fresno Housing Authority for the fiscal year beginning January 1, 2021 and ending December 31, 2021 have been presented for acceptance before the Board of Commissioners of the Housing Authority of the City of Fresno at its open public meeting on June 28, 2022; and

WHEREAS, the Annual Operating Financial Results as presented for acceptance reflects total revenues of \$41,328,872 and total operating and non-operating expenses of \$41,062,298; and

WHEREAS, the Housing Assistance Payments Financial Results as presented for acceptance reflects total revenues of \$50,793,051 and total expenses of \$50,256,241; and

NOW THEREFORE, BE IT RESOLVED that the Board of Commissioners of the Housing Authority of the City of Fresno accept the Annual Operating Financial Results and the Housing Assistance Payments Financial Results beginning on January 1, 2021 and ending on December 31, 2021.

PASSED AND ACCEPTED THIS 28th day of June, 2022. I, the undersigned, hereby certify that the foregoing Resolution was duly accepted by the governing body with the following vote, to-wit:

AYES:

NOES:

ABSTAIN:

ABSENT:

Tyrone R. Williams, Secretary of the Boards of Commissioners

**BEFORE THE BOARD OF COMMISSIONERS OF THE
HOUSING AUTHORITY OF FRESNO COUNTY**

Resolution Number:

**RESOLUTION ACCEPTING THE HOUSING AUTHORITY'S 2021 FINANCIAL RESULTS
AND THE 2021 HOUSING CHOICE VOUCHER PROGRAM LEASING AND HOUSING
ASSISTANCE PAYMENTS**

WHEREAS, the Annual Operating Financial Results and the Housing Assistance Payments Financial Results for the Fresno Housing Authority for the fiscal year beginning January 1, 2021 and ending December 31, 2021 have been presented for acceptance before the Board of Commissioners of the Housing Authority of Fresno County at its open public meeting on June 28, 2022; and

WHEREAS, the Annual Operating Financial Results as presented for acceptance reflects total revenues of \$41,328,872 and total operating and non-operating expenses of \$41,062,298; and

WHEREAS, the Housing Assistance Payments Financial Results as presented for acceptance reflects total revenues of \$38,724,688 and total expenses of \$41,062,298 and

NOW THEREFORE, BE IT RESOLVED that the Board of Commissioners of the Housing Authority of Fresno County accept the Annual Operating Financial Results and the Housing Choice Voucher Program Leasing and Housing Assistance Payments Results beginning on January 1, 2021 and ending on December 31, 2021.

PASSED AND ACCEPTED THIS 28th day of June, 2022. I, the undersigned, hereby certify that the foregoing Resolution was duly accepted by the governing body with the following vote, to-wit:

AYES:

NOES:

ABSTAIN:

ABSENT:

Tyrone R. Williams, Secretary of the Boards of Commissioners

BOARD MEMO

TO: Boards of Commissioners
FROM: Tyrone Roderick Williams, CEO
MEETING DATE: 06/28/2022
AGENDA ITEM: 8b
SUBJECT: Consideration of Repair Services Agreement – Parkway Inn (959 N Parkway Drive, Fresno, California)

AUTHOR: Dave Brenner
DEPARTMENT: Real Estate Development
MEMO DATE: 06/20/2022

Executive Summary

The Parkway Inn consists of 66 motel rooms and common facilities on 1.44 acres. On February 27, 2021, Fresno Housing entered into a Purchase and Sale Agreement (“PSA”) with the Seller, Singh Daljit and Surinder Kaur, to potentially acquire said property for \$3,234,000. The property lies along Parkway Drive in Fresno’s Jane Addam’s neighborhood and is viewed as an important piece of the neighborhood redevelopment strategy.

In November, 2021, the City of Fresno moved to include the property in an application for the California Department of Housing and Community Development’s Homekey 2 Program. On December 14, 2021, the Boards approved the assignment of the purchase contract to the City of Fresno, along with a purchase option in favor of Fresno Housing. This option allows the Agency to acquire the property for nominal value between year 3 and year 15 if a viable permanent housing conversion plan is in place.

In May, 2022, HCD announced an award of approximately \$13.5 million to the City of Fresno for the acquisition, rehabilitation, and operation of Parkway Inn. On May 31, 2022, the City acquired title to the property.

As part of the Homekey 2 application, Fresno Housing signed on as the project’s developer. The team now has 8 to 12 months to complete repairs and prepare the property for shelter occupancy. To formalize the partnership, Staff proposes a Repair Services Agreement with the City of Fresno. A similar agreement was executed in June 2021 for the acquisition and rehabilitation of Valley Inn, a neighboring property.

Recommendation

It is recommended that the Boards of Commissioners:

1. Approve and authorize entry into a Repair Services Agreement with the City of Fresno
2. Authorize execution of responsibilities as developer under the City of Fresno’s Homekey 2 award
3. Authorize Tyrone Roderick Williams, Chief Executive Officer, Emily De La Guerra, Chief Business Officer, Michael Duarte, Chief Real Estate Officer, and/or their designee to negotiate and execute documents in connection with the approved action.

FRESNO HOUSING

Fiscal Impact

FH has been reimbursed all due diligence costs to date. The Repair Services Agreement will have a construction value around \$4,300,000 that will cover 100% of the proposed costs and include a number of administrative and oversight fees payable to Fresno Housing. The Agreement includes a monthly fee(s) of \$46,625 for the anticipated 8 month construction period.

Background Information

Past Board Action

- December 14, 2021 – Entry into An Assignment and Delegation of the Purchase and Sale Agreement to the City of Fresno

Exhibit A: Draft Repair Services Agreement

**REPAIR SERVICES AGREEMENT
CITY OF FRESNO AND FRESNO HOUSING AUTHORITY**

This Repair Services Agreement (Agreement) is made as of the ____ day of June 2022 (Effective Date), by and between the City of Fresno (City or Owner), and Housing Authority of the City of Fresno, California, a body corporate and politic (Fresno Housing). The City of Fresno and Fresno Housing are referred to hereinafter each as a "Party" or collectively as "Parties."

RECITALS

- A. WHEREAS there is a critical housing-shortage crisis in the City of Fresno, and the crisis is contributing to the growth in homeless population counts throughout the city; and
- B. WHEREAS, the City of Fresno has acquired The Parkway Inn (Property) located at 959 North Parkway Drive, Fresno, CA, 93728 (APN 449-324-11), and the City desires to have the Property repaired and prepared to serve as an interim low-barrier emergency homeless shelter; and
- C. WHEREAS, Fresno Housing has resources, as well as the technical, and financial expertise to among other things, repair projects in order to make them available for affordable housing and homeless services, and
- D. WHEREAS Project Off Ramp and Project Homekey have been successful collaborations between the City and the Fresno Housing to place, and not displace, homeless residents into emergency shelter housing with available case-management services. To date, approximately 70% of the homeless individuals offered housing and case management services through Project Off Ramp and Project Homekey have accepted assistance, and
- E. WHEREAS, Fresno Housing successfully completed the repair of the Valley Inn, in addition to four (4) other motels along Parkway Corridor to serve as low-barrier emergency homeless shelters, and
- F. WHEREAS the City contracts with Fresno Housing to fund Property Management and Case Management Services provided for the homeless individuals housed at the Fresno Housing's motels along Parkway Corridor; and
- G. WHEREAS the City and Fresno Housing now desire to enter into this Agreement with the terms, conditions and compensation specified for the repair of The Parkway Inn to a low-barrier emergency homeless shelter (the Project).

NOW, THEREFORE, in consideration of the foregoing and for other valuable consideration, the receipt and adequacy of which are hereby acknowledged, the City and Fresno Housing agree as follows:

AGREEMENT

NOW, THEREFORE, it is mutually agreed as follows:

1. Responsibilities of the Parties. City's Charter allows it to execute agreements with various third-parties, including governmental agencies to perform public works of improvement. The City desires to engage and reimburse Fresno Housing to

carry out the Project, which shall include the performance of certain public works, as provided herein. The Parties contemplate that Fresno Housing shall subcontract some or all of the public works provided under this Agreement. In doing so, Fresno Housing shall manage and coordinate with its contractors in order to complete the repair and maintenance of the Property. The repair and maintenance design and work shall be subject to City approval, which the City shall not unreasonably withhold. The City shall be responsible for payment to Fresno Housing as provided in Section 3 below.

2. Term of Agreement and Conditions Precedent. This Agreement shall be effective as of the Effective Date and shall continue in full force and effect through January 10, 2023, or until the Project is completed, whichever occurs first; subject to any earlier termination in accordance with this Agreement. Project completion will occur when both parties have signed off on the repairs, following a walk-through by both representatives.

3. Compensation. Fresno Housing's sole compensation for satisfactory performance of all services rendered pursuant to this Agreement shall be on a cost-reimbursable basis with a not-to-exceed upper limit of **\$5,406,505**, paid on the basis of the rates set forth in the schedule of fees and expenses contained in the agreements expressly incorporated into **Exhibit A**.

(a) Detailed statements shall be rendered monthly for services performed in the preceding month and will be payable by the City within thirty (30) days of receipt.

(b) The Parties may agree to modify this Agreement to increase or decrease the scope of services or provide for the rendition of services not required by this Agreement, which modification shall include an adjustment to Fresno Housing's compensation. Any change in the scope of services must be made by written amendment to the Agreement signed by an authorized representative for each Party. Vendor shall not be entitled to any additional compensation if services are performed prior to a signed written amendment.

4. Termination, Remedies, and Force Majeure.

(a) This Agreement shall terminate without any liability of City to Fresno Housing upon the earlier of: (i) Fresno Housing's filing for protection under the federal bankruptcy laws, or any bankruptcy petition or petition for receiver commenced by a third party against Fresno Housing; (ii) sixty (60) calendar days' prior written notice for breach of this Agreement by Fresno Housing; (iii) City's non-appropriation of funds sufficient to meet its obligations hereunder during any City fiscal year of this Agreement, or insufficient funding for the Project; or (iv) expiration of this Agreement.

(b) This Agreement shall terminate without any liability of Fresno Housing to City upon the earlier of: (i) City's filing for protection under the federal bankruptcy laws, or any bankruptcy petition or petition for receiver commenced by a third party against City; (ii) sixty (60) calendar days prior written notice for breach of this Agreement by City; (iii) Fresno Housing's non-appropriation of funds sufficient to meet its obligations hereunder during any Fresno Housing fiscal year of this Agreement, or insufficient funding for the Project; or (iv) expiration of this Agreement.

(c) Immediately upon any termination or expiration of this Agreement, each party shall (i) immediately stop all work hereunder; (ii) immediately cause any and all of its subcontractors to cease work; and, (iii) in the case of Fresno Housing, return to City any and all unearned payments and all properties and materials in the possession of Fresno Housing that are owned by City. Subject to the terms of this Agreement, Fresno Housing shall be paid compensation for services satisfactorily performed prior to the effective date of termination.

(d) Upon any breach of this Agreement by either party, the other may (i) exercise any right, remedy (in contract, law or equity), or privilege which may be available to it under applicable laws of the State of California or any other applicable law; (ii) proceed by appropriate court action to enforce the terms of the Agreement; and/or (iii) recover all direct, indirect, consequential, economic and incidental damages for the breach of the Agreement. (e) Each party shall provide the other with adequate written assurances of future performance in the event that either party fails to comply with any terms or conditions of this Agreement.

(e) Each party shall be liable for default unless its nonperformance is caused by an occurrence beyond the reasonable control of that party and without its fault or negligence such as, acts of God or the public enemy, acts of City or the Fresno Housing, as the case may be, in its contractual capacity, fires, floods, epidemics, quarantine restrictions, strikes, unusually severe weather, and delays of common carriers. The nonperforming party shall notify the other in writing as soon as it is reasonably possible after the commencement of any excusable delay, setting forth the full particulars in connection therewith, and shall remedy such occurrence with all reasonable dispatch, and shall promptly give written notice to the other of the cessation of such occurrence.

5. Intentionally left blank.
6. Intentionally left blank.
7. Intentionally left blank.
8. Level of Skill; Subcontractors.

(a) Fresno Housing may, at its sole discretion, subcontract any of the services required under this Agreement, in compliance with the terms of this Agreement. Fresno Housing shall warrant that a lawful competitive process was followed to select any and all subcontractors. Fresno Housing shall use good faith efforts to hire qualified, licensed, insured and bonded local contractors that have a local workforce. It is further mutually understood and agreed by and between the parties hereto that inasmuch as Fresno Housing represents to City that Fresno Housing and its subcontractors, if any, are skilled in the profession and shall perform in accordance with the standards of said industry necessary to perform the services agreed to be done by it under this Agreement, City relies upon the skill of Fresno Housing and its subcontractors, if any, to do and perform such services in a skillful manner and Fresno Housing agrees to thus perform the services and require the same of any subcontractors. Therefore, any acceptance of such services by City shall not operate as a release of Fresno Housing or any subcontractors from said industry and professional standards.

(b) City reserves the right to hire additional contractors to perform the

services required under this Agreement, and offset any future payment to Fresno Housing accordingly, so long as such hiring and associated offset is memorialized in an Addendum executed by the parties, setting forth the amount of the offset. In the event that the City elects to hire additional contractors to perform the services, City shall not cause Fresno Housing to breach any agreement with any of its contractors or City shall fully reimburse Fresno Housing for any claims made by its subcontractors.

(c) If Fresno Housing subcontracts any or all of the services to be performed under this Agreement where the subcontract is for a total of \$250,000 or greater during any calendar year, Fresno Housing shall require, at the discretion of the City Risk Manager or designee, subcontractor(s) to enter into a separate Side Agreement with the City to provide required indemnification and insurance protection. Any required Side Agreement(s) and associated insurance documents for the subcontractor must be reviewed and preapproved by City Risk Manager or designee. If no Side Agreement is required, Fresno Housing will be solely responsible for ensuring that its subcontractors maintain insurance coverage at levels no less than those required by applicable law and is customary in the relevant industry.

(d) To the full extent required by applicable federal and state law, each party and its contractors and agents shall comply with the Davis-Bacon Act, as amended, California Labor Code Section 1720 et seq., and the regulations adopted pursuant thereto (Prevailing Wage Laws), if so required, and shall be solely responsible for carrying out the requirements of such provisions. Each party shall indemnify, defend and hold the other and its elected and appointed officers, officials, employees, agents, consultants, and contractors harmless from and against all liability, loss, cost, expense (including without limitation attorneys' fees and costs of litigation), claim, demand, action, suit, judicial or administrative proceeding, penalty, deficiency, fine, order, and damage which directly or indirectly, in whole or in part, are caused by, arise in connection with, result from, relate to, or are alleged to be caused by, arise in connection with, or relate to, the payment or requirement of payment of prevailing wages (including without limitation, all claims that may be made by contractors, subcontractors, or third party claimants pursuant to Labor Code sections 1726 and 1781), the failure to comply with any state or federal labor laws, regulations or standards in connection with this Agreement, including, but not limited to the Prevailing Wage Laws, or any act or omission of that party related to the payment or requirement of payment of prevailing wages.

9. Indemnification. To the furthest extent allowed by law, Fresno Housing shall indemnify, hold harmless and defend City and each of its officers, officials, employees, agents, and volunteers from any and all loss, liability, fines, penalties, forfeitures, costs and damages (whether in contract, tort or strict liability, including but not limited to personal injury, death at any time and property damage), and from any and all claims, demands and actions in law or equity (including reasonable attorney's fees and litigation expenses) that arise out of, pertain to, or relate to the negligence, recklessness or willful misconduct of Fresno Housing, its principals, officers, employees, agents, or volunteers in the performance of this Agreement.

If, pursuant to Section 8 above, Fresno Housing should subcontract all or any portion of the services to be performed under this Agreement, Fresno Housing shall require each subcontractor to indemnify, hold harmless and defend City and each of its

officers, officials, employees, agents, and volunteers in accordance with the terms of the preceding paragraph.

If, pursuant to Section 8 above, City should subcontract all or any portion of the services to be performed under this Agreement, City shall require each subcontractor to indemnify, hold harmless and defend Fresno Housing and each of its officers, officials, employees, agents, and volunteers in accordance with the terms of the preceding paragraph.

This Section shall survive termination or expiration of this Agreement.

10. Insurance.

(a) Throughout the life of this Agreement, Fresno Housing shall pay for and maintain in full force and effect all insurance as required in Exhibit B, which is incorporated into and part of this Agreement, with an insurance company(ies) either (i) admitted by the California Insurance Commissioner to do business in the State of California and rated no less than "A-VII" in the Best's Insurance Rating Guide, or (ii) as may be authorized in writing by City's Risk Manager or designee at any time and in its sole discretion. The required policies of insurance as stated in Exhibit B shall maintain limits of liability of not less than those amounts stated therein. However, the insurance limits available to City, its officers, officials, employees, agents, and volunteers as additional insureds, shall be the greater of the minimum limits specified therein or the full limit of any insurance proceeds to the named insured.

(b) If at any time during the life of the Agreement or any extension, Fresno Housing or any of its subcontractors fail to maintain any required insurance in full force and effect, all services and work under this Agreement shall be discontinued immediately, and all payments due or that become due to Fresno Housing shall be withheld until notice is received by City that the required insurance has been restored to full force and effect and that the premiums therefore have been paid for a period satisfactory to City. Any failure to maintain the required insurance shall be sufficient cause for City to terminate this Agreement. No action taken by City pursuant to this Section shall in any way relieve Fresno Housing of its responsibilities under this Agreement. The phrase "fail to maintain any required insurance" shall include, without limitation, notification received by City that an insurer has commenced proceedings, or has had proceedings commenced against it, indicating that the insurer is insolvent.

(c) The fact that insurance is obtained by Fresno Housing shall not be deemed to release or diminish the liability of Fresno Housing, including, without limitation, liability under the indemnity provisions of this Agreement. The duty to indemnify City shall apply to all claims and liability regardless of whether any insurance policies are applicable. The policy limits do not act as a limitation upon the amount of indemnification to be provided by Fresno Housing. Approval or purchase of any insurance contracts or policies shall in no way relieve from liability nor limit the liability of Fresno Housing, its principals, officers, agents, employees, or persons under the supervision of Fresno Housing, vendors, suppliers, invitees, consultants, sub-consultants, subcontractors, or anyone employed directly or indirectly by any of them.

(d) Upon request of City, Fresno Housing shall immediately furnish City

with a complete copy of any insurance policy required under this Agreement, including all endorsements, with said copy certified by the underwriter to be a true and correct copy of the original policy. This requirement shall survive expiration or termination of this Agreement.

(e) If Fresno Housing should subcontract all or any portion of the services to be performed under this Agreement, Fresno Housing shall require each subcontractor/sub-consultant to provide insurance protection, as an additional insured, to the City and each of its officers, officials, employees, agents, and volunteers in accordance with the terms of this Section, except that any required certificates and applicable endorsements shall be on file with Fresno Housing and City prior to the commencement of any services by the subcontractor. Fresno Housing and any subcontractor/sub-consultant shall establish additional insured status for City, its officers, officials, employees, agents, and volunteers by using Insurance Service Office (ISO) Form CG 20 10 11 85 or both CG 20 10 10 01 and CG 20 37 10 01 or by an executed manuscript company endorsement providing additional insured status as broad as that contained in ISO Form CG 20 10 11 85.

11. Conflict of Interest and Non-Solicitation.

(a) Fresno Housing shall comply, and require its subcontractors to comply, with all applicable (i) professional canons and requirements governing avoidance of impermissible client conflicts; and (ii) federal, state, and local conflict of interest laws and regulations including, without limitation, California Government Code Section 1090 et. seq., the California Political Reform Act (California Government Code Section 87100 et. seq.) and the regulations of the Fair Political Practices Commission concerning disclosure and disqualification (2 California Code of Regulations Section 18700 et. seq.). At any time, upon written request of City, Fresno Housing shall provide a written opinion of its legal counsel and that of any subcontractor that, after a due diligent inquiry, Fresno Housing and the respective subcontractor(s) are in full compliance with all laws and regulations. Such written opinion shall be issued to Fresno Housing for the benefit of Fresno Housing only. Fresno Housing shall take, and require its subcontractors to take, reasonable steps to avoid any appearance of a conflict of interest. Upon discovery of any facts giving rise to the appearance of a conflict of interest, Fresno Housing shall immediately notify City of these facts in writing.

(c) In performing the work or services to be provided hereunder, Fresno Housing shall not employ or retain the services of any person while such person either is employed by City or is a member of any City council, commission, board, committee, or similar City body. This requirement may be waived in writing by the City Manager, if no actual or potential conflict is involved.

(d) Fresno Housing represents and warrants that it has not paid or agreed to pay any compensation, contingent or otherwise, direct or indirect, to solicit, or procure this Agreement or any rights/benefits hereunder.

(e) Fresno Housing and any of its subcontractors shall have no interest, direct or indirect, in any other contract with a third party in connection with this Project unless such interest is in accordance with all applicable law and fully disclosed to and approved by the City Manager, in advance and in writing. Notwithstanding any approval

given by the City Manager under this provision, Fresno Housing shall remain responsible for complying with Section (a), above.

(f) If Fresno Housing should subcontract all or any portion of the work to be performed or services to be provided under this Agreement, Fresno Housing shall include the provisions of this Section in each subcontract and require its subcontractors to comply therewith.

(g) This Section shall survive expiration or termination of this Agreement.

12. [Intentionally Omitted.]

13. General Terms.

(a) Except as otherwise provided by law, all notices expressly required of City within the body of this Agreement, and not otherwise specifically provided for, shall be effective only if signed by the Administrator or designee.

(b) Records of Fresno Housing's 's expenses pertaining to the Project shall be kept on a generally recognized accounting basis and shall be available to City or its authorized representatives upon request during regular business hours throughout the life of this Agreement and for a period of three years after final payment or, if longer, for any period required by law. In addition, all books, documents, papers, and records of Fresno Housing pertaining to the Project shall be available for the purpose of making audits, examinations, excerpts, and transcriptions for the same period of time. If any litigation, claim, negotiations, audit or other action is commenced before the expiration of said time period, all records shall be retained and made available to City until such action is resolved, or until the end of said time period whichever shall later occur. If Fresno Housing should subcontract all or any portion of the services to be performed under this Agreement, Fresno Housing shall cause each subcontractor to also comply with the requirements of this paragraph. This Section shall survive expiration or termination of this Agreement.

(c) A For any portion of the work or services subcontracted by Fresno Housing, Fresno Housing shall require that subcontractor to provide evidence to Fresno Housing that subcontractor is licensed to perform the services called for by this Agreement (or that no license is required) before beginning work.

14. Nondiscrimination. To the extent required by controlling federal, state and local law, Fresno Housing shall not employ discriminatory practices in the provision of services, employment of personnel, or in any other respect on the basis of race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, marital status, sex, age, sexual orientation, ethnicity, status as a disabled veteran or veteran of the Vietnam era. Subject to the foregoing and during the performance of this Agreement, Fresno Housing agrees as follows:

(a) Fresno Housing will comply with all applicable laws and regulations providing that no person shall, on the grounds of race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, marital status, sex, age, sexual orientation, ethnicity, status as a disabled veteran or veteran of the Vietnam era be excluded from participation in, be denied the benefits of, or be subject to

discrimination under any program or activity made possible by or resulting from this Agreement.

(b) Fresno Housing will not discriminate against any employee or applicant for employment because of race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, marital status, sex, age, sexual orientation, ethnicity, status as a disabled veteran or veteran of the Vietnam era. Fresno Housing shall ensure that applicants are employed, and the employees are treated during employment, without regard to their race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, marital status, sex, age, sexual orientation, ethnicity, status as a disabled veteran or veteran of the Vietnam era. Such requirement shall apply to Fresno Housing's employment practices including, but not be limited to, the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. Fresno Housing agrees to post in conspicuous places, available to employees and applicants for employment, notices setting forth the provision of this nondiscrimination clause.

(c) Fresno Housing will, in all solicitations or advertisements for employees placed by or on behalf of Fresno Housing in pursuit hereof, state that all qualified applicants will receive consideration for employment without regard to race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, marital status, sex, age, sexual orientation, ethnicity, status as a disabled veteran or veteran of the Vietnam era.

(d) If Fresno Housing should subcontract all or any portion of the services to be performed under this Agreement, Fresno Housing shall cause each subcontractor to also comply with the requirements of this Section.

15. Independent Contractor.

(a) In the furnishing of the services provided for herein, Fresno Housing is acting solely as an independent contractor. Neither Fresno Housing, nor any of its officers, agents, or employees shall be deemed an officer, agent, employee, joint venturer, partner, or associate of City for any purpose. City shall have no right to control or supervise or direct the manner or method by which Fresno Housing shall perform its work and functions. However, City shall retain the right to administer this Agreement, to the extent provided for herein, so as to verify that Fresno Housing is performing its obligations in accordance with the terms and conditions thereof.

(b) This Agreement does not evidence a partnership or joint venture between Fresno Housing and City. Fresno Housing shall have no authority to bind City absent City's express written consent. Except to the extent otherwise provided in this Agreement, Fresno Housing shall bear its own costs and expenses in pursuit thereof.

(c) Because of its status as an independent contractor, Fresno Housing and its officers, agents, and employees shall have absolutely no right to employment rights and benefits available to City employees. Fresno Housing shall be solely liable and responsible for all payroll and tax withholding and for providing to, or on behalf of, its employees all employee benefits including, without limitation, health, welfare and

retirement benefits. In addition, together with its other obligations under this Agreement, Fresno Housing shall be solely responsible, indemnify, defend and save City harmless from all matters relating to employment and tax withholding 'or and payment of Fresno Housing's employees, including, without limitation, (i) compliance with Social Security and unemployment insurance withholding, payment of workers compensation benefits, and all other laws and regulations governing matters of employee withholding, taxes and payment; and (ii) any claim of right or interest in City employment benefits, entitlements, programs and/or funds offered employees of City whether arising by reason of any common law, de facto, leased, or co- employee rights or other theory. It is acknowledged that during the term of this Agreement, Fresno Housing may be providing services to others unrelated to City or to this Agreement.

16. Notices. Any notice required or intended to be given to either party under the terms of this Agreement shall be in writing and shall be deemed to be duly given if delivered personally, transmitted by facsimile followed by telephone confirmation of receipt, or sent by United States registered or certified mail, with postage prepaid, return receipt requested, addressed to the party to which notice is to be given at the party's address set forth on the signature page of this Agreement or at such other address as the parties may from time to time designate by written notice. Notices served by United States mail in the manner above described shall be deemed sufficiently served or given at the time of the mailing thereof.

17. Binding. Once this Agreement is signed by all parties, it shall be binding upon, and shall inure to the benefit 'f, all parties, and each parties' respective heirs, successors, assigns, transferees, agents, servants, employees and representatives.

18. Assignment.

(a) This Agreement is personal to each party and there shall be no assignment by either party of its rights or obligations under this Agreement without the prior written approval of the other. Any attempted assignment shall be null and void unless approved in writing for the City, by the City Manager or designee, or for Fresno Housing, by its CEO or designee. The City expressly acknowledges that Fresno Housing may assign all or some of its rights and obligations to Fresno Housing's instrumentality, Silvercrest, a California nonprofit public benefit corporation.

(b) Fresno Housing hereby agrees not to assign the payment of any monies due Fresno Housing from City under the terms of this Agreement to any other individual(s), corporation(s) or entity(ies). City retains the right to pay any and all monies due Fresno Housing directly to Fresno Housing.

19. Compliance With Law. Each party shall at all times comply with all applicable laws of the United States, the State of California and City, and with all applicable regulations promulgated by federal, state, regional, or local administrative and regulatory agencies, now in force and as they may be enacted, issued, or amended during the term of this Agreement.

20. Waiver. The waiver by either party of a breach by the other of any provision of this Agreement shall not constitute a continuing waiver or a waiver of any subsequent breach of either the same or a different provision of this Agreement. No provisions of this

Agreement may be waived unless in writing and signed by all parties to this Agreement. Waiver of any one provision herein shall not be deemed to be a waiver of any other provision herein.

21. Governing Law and Venue. This Agreement shall be governed by, and construed and enforced in accordance with, the laws of the State of California, excluding, however, any conflict of laws rule which would apply the law of another jurisdiction. Venue for purposes of the filing of any action regarding the enforcement or interpretation of this Agreement and any rights and duties hereunder shall be Fresno County, California.

22. Headings. The Section headings in this Agreement are for convenience and reference only and shall not be construed or held in any way to explain, modify or add to the interpretation or meaning of the provisions of this Agreement.

23. Severability. The provisions of this Agreement are severable. The invalidity, or unenforceability of any one provision in this Agreement shall not affect the other provisions.

24. Interpretation. The parties acknowledge that this Agreement in its final form is the result of the combined efforts of the parties and that, should any provision of this Agreement be found to be ambiguous in any way, such ambiguity shall not be resolved by construing this Agreement in favor of or against either party, but rather by construing the terms in accordance with their generally accepted meaning.

25. Attorney's Fees. If either party is required to commence any proceeding or legal action to enforce or interpret any term, covenant or condition of this Agreement, the prevailing party in such proceeding or action shall be entitled to recover from the other party its reasonable attorney's fees and legal expenses.

26. Exhibits. Each exhibit and attachment referenced in this Agreement is, by the reference, incorporated into and made a part of this Agreement.

27. Precedence of Documents. In the event of any conflict between the body of this Agreement and any exhibit or attachment hereto, the terms and conditions of the body of this Agreement shall control and take precedence over the terms and conditions expressed within the exhibit or attachment. Furthermore, any terms or conditions contained within any exhibit or attachment hereto which purport to modify the allocation of risk between the parties, provided for within the body of this Agreement, shall be null and void.

28. Cumulative Remedies. No remedy or election hereunder shall be deemed exclusive but shall, wherever possible, be cumulative with all other remedies at law or in equity.

29. No Third Party Beneficiaries. The rights, interests, duties, and obligations defined within this Agreement are intended for the specific parties hereto as identified in the preamble of this Agreement. Notwithstanding anything stated to the contrary in this Agreement, it is not intended that any rights or interests in this Agreement benefit or flow to the interest of any third parties.

30. Extent of Agreement. Each party acknowledges that they have read and fully understand the contents of this Agreement. This Agreement represents the entire

and integrated agreement between the parties with respect to the subject matter hereof and supersedes all prior negotiations, representations or agreements, either written or oral. This Agreement may be modified only by written instrument duly authorized and executed by both City and Fresno Housing.

[SIGNATURES FOLLOW ON THE NEXT PAGE.]

DRAFT

EXHIBIT A

TERM, SCOPE, AND COMPENSATION

The City's acquisition of The Parkway Inn is part of Project Homekey. The short-term objective of the Parkway Inn acquisition is to increase the capacity of low-barrier emergency shelter beds to house homeless individuals currently living in areas that pose an unacceptable level of risk to public health and safety.

The City has purchased the Parkway Inn and desires to retain the Fresno Housing to repair the motel and prepare the motel for occupancy as a low-barrier emergency homeless shelter. The Term, and Compensation to repair, and prepare the Parkway Inn for occupancy as a low-barrier homeless shelter is presented in the following sections.

- 1) Agreement Term. The Term of this Agreement shall be in effect until January 10, 2023 commencing on the Effective Date and ending upon completion of the Scope of Work, The Term may be extended with the mutual consent of both parties.
- 2) Security Services. At all times during the Repair Project, Fresno Housing shall maintain and pay for security personnel at the site for 24 hours and 7 days a week.
- 3) Appointment of Repair Project Manager. Fresno Housing will assign a Repair Project Manager to serve as the point of contact with the City of Fresno to coordinate the planning, permitting, and inspection requirements for the renovation project. The City of Fresno will also designate a point of contact for the Repair Project.
 - a) Project Schedule and Cost Estimate. Within ten (10) calendar days of the execution of this agreement, the Repair Project Manager will provide the City of Fresno with a preliminary schedule and cost estimate to repair The Parkway Inn and prepare it for occupancy as a low-barrier emergency homeless shelter. It is estimated that the time required from the execution of this agreement to receipt of occupancy permit will be approximately thirty (30) calendar days. The schedule shall identify action items required by the City to meet the project schedule.
 - b) Progress Meetings and Reports. The Repair Manager shall provide weekly progress reports for the repair work, and the Repair Manager shall schedule bi-weekly progress meetings with the City of Fresno.
 - c) Retention, Inspection and Audit of Records. The Repair Manager agrees to maintain appropriate accounting records for all labor, materials, equipment, supplies, and service provided to renovate The Parkway Inn for low-barrier emergency homeless shelter services. The Repair Manager shall retain all accounting records relating to the renovation work for a period of three (3) years. The City reserves the right to conduct an audit of the accounting records for the renovation work any time during the three-year period.
- 4) Changed Conditions. The City and the Fresno Housing have visually inspected and toured The Parkway Inn to preliminarily assess the condition of the facility and prepare preliminary cost estimates for the repair.
 - a) Despite the best intentions, diligence, and discipline of the City of Fresno and the Fresno Housing, changed conditions may be encountered during the repair work

and the changed conditions may require adjustments in the work schedule or costs. The Fresno Housing will work assist the City with owner-initiated change orders, as applicable.

- b) When changed conditions are encountered for the repairs, the Repair Manager will notify the City's point of contact to schedule a meeting to review and discuss options to address the changed condition.
 - c) The agreed upon course of action to address the changed condition shall be prepared in writing by the Repair Manager and submitted to the City.
 - d) Under no circumstances shall the Repair Manager authorize additional work or extend the project schedule without the consent of the City of Fresno.
- 5) Service Contracts. The Repairs Manager is authorized to procure contractors using a competitive selection process to provide building trade, equipment, materials, supplies, and other services required to repair The Parkway Inn to serve as a low-barrier emergency homeless shelter. The Repair Manager is also authorized to utilize any existing Trade Services contracts for which the Fresno Housing has completed appropriate procurement.
- a) Warranties for Workmanship and Materials. All service contracts shall include a 12-month warranty for workmanship and materials provided for the repairs as appropriate. Any exceptions should be provided by the City in writing.
 - b) Regulatory Compliance. The Repairs Manager shall plan and execute the renovation of The Parkway Inn in compliance with, all statutes, laws, rules, regulations, requirements, orders, notices, determinations, and ordinances of any federal, state, or local government and appropriate agencies, departments, commissions, or boards.
- 6) Compensation. The Repair Manager's compensation for the renovation work shall be on a Cost-Plus Fixed Fee Basis.
- a) Repair Management Fixed-Fee. As compensation for the project management and administration of the repair work, the Fresno Housing shall be entitled to a Repair Management Fixed-Fee. The Management Fixed-Fee shall be payable monthly during the repair work. The Management Fee shall be established at **\$46,625 per month**. The Repair Management Fixed-Fee is in addition to the direct and indirect costs incurred by the Fresno Housing to execute the repair work.
 - b) Direct and Indirect Renovation Costs. All Direct and Indirect costs will be paid by the City of Fresno to Fresno Housing at cost. Direct costs are actual costs paid directly by Fresno Housing to contractors, equipment suppliers, and service providers to complete the renovation work. Indirect costs are costs incurred by Fresno Housing for general overhead, office expenses, and personnel costs for individuals assigned to the repair work.
 - c) Payment in advance of work to begin, will be required for 50% of the agreed upon Scope of Work and Budget for all Direct costs. Following initial payment of 50%, all Direct and Indirect costs shall be payable upon receipt of invoices or other

documentation provided by the Fresno Housing with monthly pay applications, due and payable within 30 days.

- d) Permits and Inspection Fees. The Repair Manager will be required to ensure payment of all repair and inspection fees required to repair The Parkway Inn to serve as a low-barrier emergency homeless shelter. These charges may be included in pay applications as Direct Costs.
 - e) Utility Deposits and Monthly Charges. The Repair Manager will be required to ensure payment of all security deposit fees to initiate utility services for The Parkway Inn, and to pay monthly charges for utilities during the repair work period. Utility services include, but are not limited to, water, sewer, solid waste, internet, gas, and electricity. These charges may be included in pay applications as Direct Costs.
- 7) Property and Liability Insurance. The City shall maintain, at its cost, property, and liability insurance for The Parkway Inn during the period when repair work is being conducted.
 - 8) Workers' Compensation Insurance. Fresno Housing shall ensure compliance with all worker's compensation insurance requirements for its employees involved in the repair work.
 - 9) Indemnification. The repair work shall be under the control and management of the Repair Manager.

EXHIBIT B
Property Description

Legal Description

The land described herein is situated in the State of California, County of Fresno, City of Fresno, described as follows:

LOTS 13, 14, 15, 16, AND 17 OF ROEDING PARK GARDENS ACCORDING TO THE MAP RECORDED IN BOOK 13, PAGE 37 AND 38 OF PLATS, RECORDS OF SAID COUNTY.

EXCEPTING THEREFROM FROM SAID LOTS 13 AND 14, THAT PORTION DEEDED TO THE STATE OF CALIFORNIA DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHEASTERLY CORNER OF SAID LOT 13; THENCE ALONG THE SOUTHERLY LINE SOUTH 81° 43' 27" WEST 20.59 FEET TO AN INTERSECTION WITH A CURVE CONCAVE TO THE SOUTHWEST WITH A RADIUS OF 3972 FEET, (A RADIAL LINE THROUGH SAID INTERSECTION BEARS NORTH 62° 24' 05" EAST) THENCE NORTHWESTERLY ALONG SAID CURVE AN ARC DISTANCE OF 196.81 FEET TO THE NORTHERLY BOUNDARY LINE OF SAID LOT 14; THENCE ALONG SAID NORTHERLY BOUNDARY NORTH 89° 46' 45" EAST 21.00 FEET, AND SOUTHEASTERLY ALONG A CURVE CONCAVE TO THE SOUTHWEST WITH A RADIUS OF 20 FEET, AN ARC DISTANCE OF 22.43 FEET TO THE EASTERLY BOUNDARY OF SAID LOT 14; THENCE ALONG SAID EASTERLY BOUNDARY AND EASTERLY BOUNDARY OF SAID LOT 13, SOUTH 25° 55' 35" EAST, 175.00 FEET, TO THE POINT OF BEGINNING.

APN: 449-324-11

EXHIBIT C

INSURANCE REQUIREMENTS

Service Agreement between City of Fresno (City) and Fresno Housing Authority (Service Provider)

Repair of The Parkway Inn for Low-Barrier Emergency Shelter Housing

MINIMUM SCOPE OF INSURANCE

Coverage shall be at least as broad as:

1. The most current version of Insurance Services Office (ISO) Commercial General Liability Coverage Form CG 00 01, providing liability coverage arising out of your business operations. The Commercial General Liability policy shall be written on an occurrence form and shall provide coverage for "bodily injury," "property damage" and "personal and advertising injury" with coverage for premises and operations (including the use of owned and non-owned equipment), products and completed operations, and contractual liability (including, without limitation, indemnity obligations under the Agreement) with limits of liability not less than those set forth under "Minimum Limits of Insurance."
2. The most current version of ISO *Commercial Auto Coverage Form CA 00 01, providing liability coverage arising out of the ownership, maintenance or use of automobiles in the course of your business operations. The Automobile Policy shall be written on an occurrence form and shall provide coverage for all owned, hired, and non-owned automobiles or other licensed vehicles (Code 1- Any Auto). If personal automobile coverage is used, the City, its officers, officials, employees, agents, and volunteers are to be listed as additional insureds.
3. Workers' Compensation insurance as required by the State of California and Employer's Liability Insurance.

MINIMUM LIMITS OF INSURANCE

Service Provider, or any party the Service Provider subcontracts with, shall maintain limits of liability of not less than those set forth below. However, insurance limits available to City, its officers, officials, employees, agents, and volunteers as additional insureds, shall be the greater of the minimum limits specified herein or the full limit of any insurance proceeds available to the named insured:

1. **COMMERCIAL GENERAL LIABILITY:**
 - (i) \$1,000,000 per occurrence for bodily injury and property damage;
 - (ii) \$1,000,000 per occurrence for personal and advertising injury;
 - (iii) 1,000,000 aggregate for products and completed operations; and,
 - (iv) \$1,000,000 general aggregate applying separately to the work performed under the Agreement.

2. **COMMERCIAL AUTOMOBILE LIABILITY:**

\$1,000,000 per accident for bodily injury and property damage.

OR*

PERSONAL AUTOMOBILE LIABILITY insurance with limits of liability not less than:

- (i) \$100,000 per person;
- (ii) \$300,000 per accident for bodily injury; and,
- (iii) \$50,000 per accident for property damage.

3. **WORKERS' COMPENSATION INSURANCE** as required by the State of California with statutory limits.

4. **EMPLOYER'S LIABILITY:**

- (i) \$1,000,000 each accident for bodily injury;
- (ii) \$1,000,000 disease each employee; and,
- (iii) \$1,000,000 disease policy limit.

UMBRELLA OR EXCESS INSURANCE

In the event Service Provider purchases an Umbrella or Excess insurance policy(ies) to meet the "Minimum Limits of Insurance," this insurance policy(ies) shall "follow form" and afford no less coverage than the primary insurance policy(ies). In addition, such Umbrella or Excess insurance policy(ies) shall also apply on a primary and non-contributory basis for the benefit of the City, its officers, officials, employees, agents, and volunteers.

DEDUCTIBLES AND SELF-INSURED RETENTIONS

Service Provider shall be responsible for payment of any deductibles contained in any insurance policy(ies) required herein and Service Provider shall also be responsible for payment of any self-insured retentions. Any deductibles or self-insured retentions must be declared on the Certificate of Insurance, and approved by, the City's Risk Manager or designee. At the option of the City's Risk Manager or designee, either:

- (i) The insurer shall reduce or eliminate such deductibles or self-insured retentions as respects City, its officers, officials, employees, agents, and volunteers; or
- (ii) Service Provider shall provide a financial guarantee, satisfactory to City's Risk Manager or designee, guaranteeing payment of losses and related investigations, claim administration and defense expenses. At no time shall City be responsible for the payment of any deductibles or self-insured retentions.

OTHER INSURANCE PROVISIONS/ENDORSEMENTS

The General Liability and Automobile Liability insurance policies are to contain, or be endorsed to contain, the following provisions:

- 1. City, its officers, officials, employees, agents, and volunteers are to be covered as additional insureds. Service Provider shall establish additional insured status for the City and for all ongoing and completed operations by

use of ISO Form CG 20 10 11 85 or both CG 20 10 10 01 and CG 20 37 10 01 or by an executed manuscript insurance company endorsement providing additional insured status as broad as that contained in ISO Form CG 20 10 11 85.

2. The coverage shall contain no special limitations on the scope of protection afforded to City, its officers, officials, employees, agents, and volunteers. Any available insurance proceeds in excess of the specified minimum limits and coverage shall be available to the Additional Insured.
3. For any claims related to this Agreement, Service Provider's insurance coverage shall be primary insurance with respect to the City, its officers, officials, employees, agents, and volunteers. Any insurance or self-insurance maintained by the City, its officers, officials, employees, agents, and volunteers shall be excess of Service Provider's insurance and shall not contribute with it. Service Provider shall establish primary and non-contributory status by using ISO Form CG 20 01 04 13 or by an executed manuscript insurance company endorsement that provides primary and non-contributory status as broad as that contained in ISO Form CG 20 01 04 13.

The Workers' Compensation insurance policy is to contain, or be endorsed to contain, the following provision: Service Provider and its insurer shall waive any right of subrogation against City, its officers, officials, employees, agents, and volunteers.

All policies of insurance required herein shall be endorsed to provide that the coverage shall not be cancelled, non-renewed, reduced in coverage or in limits except after thirty calendar days' written notice by certified mail, return receipt requested, has been given to City. Service Provider is also responsible for providing written notice to the City under the same terms and conditions. Upon issuance by the insurer, broker, or agent of a notice of cancellation, non-renewal, or reduction in coverage or in limits, Service Provider shall furnish City with a new certificate and applicable endorsements for such policy(ies). In the event any policy is due to expire during the work to be performed for City, Service Provider shall provide a new certificate, and applicable endorsements, evidencing renewal of such policy not less than fifteen calendar days' prior to the expiration date of the expiring policy.

VERIFICATION OF COVERAGE

Service Provider shall furnish City with all certificate(s) and **applicable endorsements** effecting coverage required hereunder. All certificates and **applicable endorsements** are to be received and approved by the City's Risk Manager or designee prior to City's execution of the Agreement and before work commences. All non-ISO endorsements amending policy coverage shall be executed by a licensed and authorized agent or broker. Upon request of City, Service Provider shall immediately furnish City with a complete copy of any insurance policy required under this Agreement, including all endorsements, with said copy certified by the underwriter to be a true and correct copy of the original policy. This requirement shall survive expiration, or termination of this Agreement.

EXHIBIT D

DISCLOSURE OF CONFLICT OF INTEREST

Repair of The Parkway Inn for Low-Barrier Emergency Shelter Housing

		YES*	NO
1	Are you currently in litigation with the City of Fresno or any of its agents?	<input type="checkbox"/>	<input type="checkbox"/>
2	Do you represent any firm, organization, or person who is in litigation with the City of Fresno?	<input type="checkbox"/>	<input type="checkbox"/>
3	Do you currently represent or perform work for any clients who do business with the City of Fresno?	<input type="checkbox"/>	<input type="checkbox"/>
4	Are you or any of your principals, managers, or professionals, owners or investors in a business which does business with the City of Fresno, or in a business which is in litigation with the City of Fresno?	<input type="checkbox"/>	<input type="checkbox"/>
5	Are you or any of your principals, managers, or professionals, related by blood or marriage to any City of Fresno employee who has any significant role in the subject matter of this service?	<input type="checkbox"/>	<input type="checkbox"/>
6	Do you or any of your subcontractors have, or expect to have, any interest, direct or indirect, in any other contract in connection with this Project?	<input type="checkbox"/>	<input type="checkbox"/>
* If the answer to any question is yes, please explain in full below.			

Explanation: _____

☐ Additional page(s) attached.

Signature

Date

Name

Company

Address

City, State, Zip

RESOLUTION NO. _____

BEFORE THE BOARD OF COMMISSIONERS OF THE

HOUSING AUTHORITY OF THE CITY OF FRESNO, CALIFORNIA

**RESOLUTION AUTHORIZING ENTRY INTO A REPAIR SERVICES AGREEMENT WITH
THE CITY OF FRESNO FOR PARKWAY INN (959 N. PARKWAY DRIVE, FRESNO, CA
93728) (APN: 449-324-11) AND TO ACT AS THE DEVELOPER FOR THE CITY OF
FRESNO'S HOMEKEY FUNDING AWARD**

WHEREAS, the Housing Authority of City of Fresno, California (the "Agency") seeks to expand the availability of affordable rental housing and homeownership opportunities to low income persons within Fresno County; and

WHEREAS, the Agency desires to support housing opportunities for low and moderate income households within a variety of neighborhoods and to improve under-invested neighborhoods; and

WHEREAS, the Boards approved assignment of a Purchase and Sale agreement for Parkway Inn (APN: 449-324-11) to the City of Fresno ("City") on December 14, 2021, in support of the City's application to the California Department of Housing and Community Development's ("HCD") Homekey 2 Program; and

WHEREAS, HCD awarded approximately \$13,500,000 to the City of Fresno for the Parkway Inn project and the City of Fresno moved to acquire the property on May 31, 2022; and

WHEREAS, the City of Fresno intends to operate the Property as interim housing for the homeless and convert to permanent housing thereafter in partnership with the Agency, and

WHEREAS, the Agency desires to be the City of Fresno's developer on the project and oversee repairs and alterations in preparation for shelter occupancy at Parkway Inn; and

WHEREAS, the Agency approves entry into a Repair Services Agreement with the City of Fresno to complete all scopes of work outlined in the Homekey application, and

NOW THEREFORE, BE IT RESOLVED that the Board of Commissioners of the Housing Authority of the City of Fresno, California do hereby approve and authorize entry into a Repair Services Agreement with the City of Fresno and authorize Tyrone Roderick Williams, Chief Executive Officer, Emily De La Guerra, Chief Business Officer, Michael Duarte, Chief Real Estate Officer and/or their designee to negotiate and execute all related documents.

PASSED AND ADOPTED THIS 28th DAY OF JUNE 2022. 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:

Tyrone Roderick Williams, Secretary of the Boards of Commissioners