NOTICE OF SPECIAL MEETING

Tuesday, May 26, 2015
6:30 p.m.

BOARD OF DIRECTORS OF SILVERCREST, INC.

Date: May 21, 2015

To: Stacy Sablan, Chair
    Craig Scharton, Vice Chair
    Adrian Jones, Director
    Reneeta Anthony, Director
    Tracewell Hanrahan, Treasurer

From: Preston Prince, Director/Secretary

Subject: Notice of Special Board Meeting

NOTICE IS HEREBY GIVEN that a meeting of the Board of Directors of Silvercrest, Inc., will be held at 6:30 p.m. on Tuesday, May 26, 2015 (subsequent to the meeting of the Boards of the Fresno Housing Authority), in the Board Room of the Fresno Housing Authority Offices.

AGENDA
1. Call to Order
2. Approval of the Agenda
3. Approval of the minutes of April 28, 2015
4. Consideration of the Memorandum of Understanding – Lowell Project
5. Consideration of the Architectural Contract Award – Lowell Project
6. Consideration of the Memorandum of Understanding – Fresno Edison Apartments I & II
7. Consideration of Application Submission – Broadband Internet
8. Adjournment

Preston Prince, Secretary/Director
Minutes of the Special Meeting
Of the Boards of Directors of
SILVERCREST, INC.

Tuesday, April 28, 2015
6:00 P.M.

There was a duly noticed special meeting of the Board of Directors of Silvercrest, Inc. on Tuesday, April 28, 2015 at the offices of the Fresno Housing Authority, 1331 Fulton Mall, Fresno, CA 93721.

1. The meeting was called to order by Director Sablan at 7:40 p.m., and upon roll call, Directors/Officers present and absent were as follows:

   PRESENT:   Stacy Sablan, Chair
              Craig Scharton, Vice Chair
              Reneeta Anthony, Director
              Adrian Jones, Director
              Tracewell Hanrahan, Treasurer

   ABSENT:    Preston Prince, Director/Secretary

   Also in attendance was: Ken Price; General Counsel from Baker Manock and Jensen.

2. **Approval of Agenda**

   Upon motion by Director Anthony, seconded by Director Scharton, and with unanimous vote, the agenda was approved.

3. **Approval of the minutes for February 24, 2015**

   Upon motion by Director Anthony, seconded by Director Scharton, and with unanimous vote, the February 24, 2015 minutes were approved.

4. **Ratification of the Internet Adoption Grant Application – Viking Village**

   Staff recommended that the Board approve and ratify the submission of the Viking Village internet adoption application and authorize the Director/Secretary, Preston Prince, and/or Treasurer, Tracewell Hanrahan, to negotiate and execute documents in connection with the approved action.
Upon motion by Director Scharton, seconded by Director Anthony and with unanimous vote, the resolution was approved.

5. Adjournment

There being no further business to be considered by the Board of Directors for Silvercrest, Inc. the meeting was adjourned at approximately 7:40 p.m.

________________________________________
Preston Prince, Secretary
The Lowell Neighborhood Project is a partnership between Silvercrest, Inc. (“Silvercrest”), Housing Authority of the City of Fresno (“HACF”), Better Opportunities Builder Inc. (“BOB”), A California nonprofit public benefit corporation, and the Lowell Neighborhood Community Development Corporation (“CDC”), to develop 30 units of affordable housing in the Lowell District of Fresno, CA.

The Lowell Neighborhood Project consists of two scattered sites. One site is located at 240-250 N. Calaveras Street and the other is at 146 N. Glenn. The Calaveras site is currently occupied multifamily housing and consists of 22 total units, all of which will be rehabbed. The Glenn site consists of two vacant parcels that will be utilized for a total of 8 units of new workforce multifamily housing containing all three bedroom units. Both sites will share a community building on the Calaveras Site. The HACF made a conditional offer to purchase the Calaveras site on September 16, 2014, and entered into an Option to Purchase Agreement for the Glenn site with BOB on January 15, 2015. The HACF applied to receive $1.3 million in HOME funds from the City of Fresno on January 15, 2015, and approval of those funds is still pending.

Staff is negotiating general terms of a Memorandum of Understanding (MOU) between Silvercrest, HACF, BOB, and CDC for the development and possible joint ownership in the proposed tax credit Project. A formal Limited Partnership (LP) Agreement will be drafted based on the terms outlined in the MOU which will ultimately govern the proposed partnership. Further, the partnership will be contingent upon the successful award of Low-Income Housing Tax Credits (LIHTCs). A draft of the proposed MOU partnership and ownership terms further describing the major deal points contemplated is attached.

Additionally, staff has been working with R.L. Davidson Architects, Inc. of Fresno, CA to provide preliminary architectural services for the Lowell Neighborhood Project. In order to progress with the Project and be prepared to submit a LIHTC Application on July 1, 2015 the LP will need to enter a full contract with R.L. Davidson to provide full architectural services in the amount of $249,500.
RECOMMENDATION:

It is recommended that the Board of Directors of Silvercrest, Inc., approve (1) the proposed Memorandum of Understanding and formation of a limited partnership for the Lowell Neighborhood Project and authorize the Secretary/Director, Preston Prince, Treasurer, Tracewell Hanrahan, or their designee(s) to negotiate terms and execute all ancillary documents in connection therewith subject to satisfactory review and approval of general counsel and (2) the negotiation and execution of a full architectural services contract between the LP and R.L. Davidson Architects, Inc.
At a duly constituted meeting of the Board of Directors of Silvercrest, Inc., a California nonprofit public benefit corporation (the Corporation), held on May 26, 2015, the following resolutions were adopted:

WHEREAS the Silvercrest, Inc. intends to partner with the Housing Authority of the City of Fresno (“HACF”), Better Opportunities Builder, Inc. (“BOB”), and the Lowell Neighborhood Community Development Corporation (“CDC”), for the development of the Lowell Neighborhood Project consisting of 30 affordable housing units (the “Project”); and,

WHEREAS said partnership is contingent upon the successful award of low income housing tax credits, and

WHEREAS the proposed project is located at 240-250 N. Calaveras and 146 N. Glenn, Fresno, CA (APNs 459-322-17, 459-322-18, 459-243-19, 459-243-20); and,

WHEREAS staff has negotiated general terms of a Memorandum of Understanding with HACF, BOB, and CDC for the development and possible joint ownership of the subject Project; and,

WHEREAS HACF will subsequently cause the formation of a Limited Partnership (LP) to serve as the ultimate owner and Limited Liability Corporation (LLC) to serve as a general partner of the LP of the Project and ownership structure thereof will be consistent with the terms negotiated in the proposed MOU; and,

WHEREAS Silvercrest desires to approve the LP and its managing partner or its designee(s) to enter a contract with R.L. Davidson Architects, Inc. to provide full architectural services for the Project;

NOW, THEREFORE, BE IT RESOLVED:

1. **Approval of Memorandum of Understanding.** The Board of Commissioners of Silvercrest, Inc. does hereby approve the Memorandum of understanding with HACF, BOB, and CDC for the development of the Lowell Neighborhood Project, subsequent limited partnership formation and LLC formation and authorize the Secretary/Director, Preston Prince, Treasurer, Tracewell Hanrahan, or their designee(s) to negotiate final terms of the proposed MOU and
execute on behalf of Silvercrest, Inc. all contracts and ancillary documents in connection therewith.

2. **Approval of Architectural Services Contract.** The Board of Commissioners of Silvercrest, Inc. does hereby approve the Secretary/Director, Preston Prince, to allow the LP and its managing partner or its designee(s) to enter a contract with R.L. Davidson Architects, Inc. to provide full architectural services for the Project.

3. **Ancillary Documents.** The Authorized Officers, and each of them acting alone, are authorized on behalf of the Corporation to execute, deliver and/or file (or cause to be delivered and/or filed) any affidavits, certificates, letters, government forms, documents, agreements and instruments that any such Authorized Officer determines to be necessary or desirable to give effect to this resolution or to consummate the transactions contemplated herein.

Adopted: May 26, 2015

SILVERCREST, INC.

_________________________________
Preston Prince
Secretary/Director

Attest:
Ownership Structure
Lowell Neighborhood Project

To be formed LP
the “Partnership”

TBD
“Investment Limited Partner”
99.99%

Silvercrest, Inc.
“Managing General Partner”
0.005%

To be formed LLC
“Administrative General Partner”
0.005%

Housing Authority of the City of Fresno
“Member and Manager of Administrative General Partner”
34%

Lowell Neighborhood Community Development Corporation
“Member of Administrative General Partner”
33%

Better Opportunities Builder, Inc.
“Member of Administrative General Partner”
33%
To: The Board of Directors of Silvercrest, Inc.  
From: Preston Prince  
Subject: Memorandum of Understanding for the Fresno Edison Apartments Project  

The Fresno Edison Apartments Project is a partnership between Silvercrest, Inc. (“Silvercrest”), Housing Authority of the City of Fresno (“HACF”), and Edison Plaza Partners, L.P (“EPP”) to develop 128 units of affordable housing in the Edison High School area in Fresno, CA.

The Fresno Edison Apartments project consists of a two phased development of vacant parcels generally located at 2250 Walnut Avenue in sw Fresno (APNs 477-142-01T through 06T, 477-142-12T through 21T, 477-144-01T through 06T, 477-144-09T, 477-144-12T through 16T, 477-144-31T). Combined, the parcels are approximately 6.03 acres. Fresno Edison Apartments is proposed to include 128-units of workforce housing, to be developed in two phases of 64 units each, and a community building. The Project has been awarded City of Fresno Housing Successor (“Housing Successor”) funds (formerly Redevelopment Agency) in the amount of $5,655,000. Further, the Partnership proposed to purchase the subject land from the Housing Successor at the appraised market value of $655,000, subject to securing of all financing necessary. The Project has been in the predevelopment process since 2011 and the EPP team has completed several development activities and entered into a number of consulting contracts that will be assigned to the proposed new partnership with the Housing Authority. The assigned contracts will include an architectural contract with Scott Beck and a general contractor/construction management agreement with Johnston Construction.

Fresno Edison Apartments Phase I will be a multifamily housing community totaling 64 units consisting of 53 affordable housing units, 11 market rate units, and a Community Building. There are 8 one bedroom, 32 two bedroom, 20 three bedroom and 4 four bedroom units. 54 units will be rent restricted for qualified residents with incomes ranging from 30% to 60% of the area median income for a 55-year affordability period. The other 10 units will be market rate (unrestricted) units.

Fresno Edison Apartments Phase II will be a multi-family housing community consisting of 63 affordable housing units and 1 unrestricted manager’s unit. There are 8 one bedroom, 32 two bedroom, 20 three bedroom and 4 four bedroom units. The units will be rent restricted for qualified residents with incomes ranging from 30% to 60% of the area median income for a 55-year affordability period.

Staff is negotiating the general terms of a Memorandum of Understanding (MOU) between Silvercrest, HACF, and EPP for the development and possible joint ownership in the proposed tax credit Project. A formal Limited Partnership (LP) will be drafted based on the terms outlined...
in the MOU which will ultimately govern the proposed partnership. Further, the partnership will be contingent upon the successful award of low-income housing tax credits. A draft of the proposed MOU partnership and ownership terms further describing the options contemplated is attached.

RECOMMENDATION:

It is recommended that the Board of Directors of Silvercrest, Inc. approve the proposed Memorandum of Understanding and formation of a limited partnership for the Fresno Edison Apartments Project and authorize the Secretary/Director, Preston Prince, Treasurer, Tracewell Hanrahan, or their designee to negotiate terms and execute all ancillary documents in connection therewith subject to satisfactory review.
At a duly constituted meeting of the Board of Directors of Silvercrest, Inc., a California nonprofit public benefit corporation (the Corporation), held on May 26, 2015, the following resolutions were adopted:

WHEREAS Silvercrest, Inc. intends to partner with the Housing Authority of the City of Fresno (“HACF”), and Edison Plaza Partners, LP for the development of the Fresno Edison Apartments Project consisting of 128 affordable housing units (the “Project”); and,

WHEREAS said partnership is contingent upon the successful award of low income housing tax credits, and

WHEREAS, the Project located at 2250 South Walnut Avenue, Fresno, CA (APNs Portions of APN 477-142-01T, 02T, 03T, 04T, 05T, 06T, 12T, 13T, 14T, 15T, 16T, 17T, 18T, 19T, 20T & 21T together with portions of APN 477-144-01T, 02T, 03T, 04T, 05T, 06T, 09T, 12T, 13T, 14T, 15T, 16T & 13T; Portions of APN 477-142-01T, 02T, 03T, 04T, 05T, 06T, 19T, 20T & 21T together with portions of APN 477-144-01T, 02T, 03T, 12T, 13T, 14T & 15T; 477-141-20 & 477-141-21; and

WHEREAS, staff has negotiated general terms of a Memorandum of Understanding with HACF, and Edison Plaza Partners, LP for the development and possible joint ownership of the subject Project; and

WHEREAS, HACF will subsequently cause the formation of a limited partnership to serve as the ultimate owner of the Project and ownership structure thereof will be consistent with the terms negotiated in the proposed MOU; and

NOW, THEREFORE, BE IT RESOLVED:

1. Approval of Memorandum of Understanding. The Board of Commissioners of Silvercrest, Inc. does hereby approve the Memorandum of understanding with HACF, Edison Plaza Partners, LP the development of the Fresno Edison Apartments Project, subsequent limited partnership formation and authorize the Secretary/Director, Preston Prince, Treasurer, Tracewell Hanrahan, or their designee to negotiate final terms of the proposed MOU and execute on behalf of Silvercrest, Inc. all contracts and ancillary documents in connection therewith.
2. **Ancillary Documents.** The Authorized Officers, and each of them acting alone, are authorized on behalf of the Corporation to execute, deliver and/or file (or cause to be delivered and/or filed) any affidavits, certificates, letters, government forms, documents, agreements and instruments that any such Authorized Officer determines to be necessary or desirable to give effect to this resolution or to consummate the transactions contemplated herein.

Adopted: May 26, 2015

SILVERCREST, INC.

_________________________________

Preston Prince
Secretary/Director

Attest:
Exhibit B1
Ownership Structure
Fresno Edison Apartments

Fresno Edison Apartments, LP
the “Partnership”

“Investment Limited Partner”
99.99%

Silvercrest, Inc.
“Managing General Partner”
0.005%

Fresno Edison Apartments AGP, LLC
“Administrative General Partner”
0.005%

Housing Authority of the City of Fresno
“Member and Manager of Administrative General Partner LLC”
51%

Edison Plaza Partners, L.P.
“Member of Administrative General Partner LLC”
49%
Exhibit B2
Ownership Structure
Fresno Edison Apartments II

Fresno Edison Apartments II, LP
the “Partnership”

“Investment Limited Partner”
99.99%

Silvercrest, Inc.
“Managing General Partner”
0.005%

Fresno Edison Apartments II AGP, LLC
“Administrative General Partner”
0.005%

Housing Authority of the City of Fresno
“Member and Manager of Administrative General Partner LLC”
51%

Edison Plaza Partners, L.P.
“Member of Administrative General Partner LLC”
49%
To: The Board of Directors of Silvercrest, Inc.  
From: Preston Prince  
Secretary/Director

Subject: Ratification of Internet Infrastructure Grant Applications and Approval of Future Internet Infrastructure and Internet Adoption Applications

The California Public Utilities Commission – California Advanced Services Fund (CPUC-CASF) has made available $20 million for the installation of broadband internet infrastructure and $5 million for the adoption of broadband internet at low-income housing properties.

In late December 2015, FH Staff partnered with Innovative IT to submit ten applications for broadband internet infrastructure grant funding. Silvercrest Inc acted as the non-profit applicant for five of the ten properties (Table 1).

<table>
<thead>
<tr>
<th>Property</th>
<th>City</th>
<th>Units</th>
</tr>
</thead>
<tbody>
<tr>
<td>Parc Grove Commons</td>
<td>Fresno</td>
<td>215</td>
</tr>
<tr>
<td>Parc Grove Northwest</td>
<td>Fresno</td>
<td>148</td>
</tr>
<tr>
<td>Inyo Terrace</td>
<td>Fresno</td>
<td>44</td>
</tr>
<tr>
<td>Yosemite Village</td>
<td>Fresno</td>
<td>69</td>
</tr>
<tr>
<td>Pacific Gardens</td>
<td>Fresno</td>
<td>56</td>
</tr>
</tbody>
</table>

The California Public Utilities Commission (CPUC) will be accepting another round of application on July 1, 2015. Staff is seeking approval to submit additional applications for Silvercrest properties. Staff and Innovative IT are currently evaluating properties on the following list for suitable candidates:

<table>
<thead>
<tr>
<th>Property</th>
<th>City</th>
<th>Units</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cedar Courts Complexes</td>
<td>Fresno</td>
<td>163</td>
</tr>
<tr>
<td>City View at Van Ness</td>
<td>Fresno</td>
<td>45</td>
</tr>
<tr>
<td>Fultonia West</td>
<td>Fresno</td>
<td>31</td>
</tr>
<tr>
<td>Mendota RAD</td>
<td>Mendota</td>
<td>182</td>
</tr>
<tr>
<td>Kings River Commons</td>
<td>Reedley</td>
<td>60</td>
</tr>
<tr>
<td>Mountain View Apartments</td>
<td>Orange Cove</td>
<td>30</td>
</tr>
<tr>
<td>Kuffle Terrace II</td>
<td>Orange Cove</td>
<td>20</td>
</tr>
<tr>
<td>Kuffle Terrace I</td>
<td>Orange Cove</td>
<td>40</td>
</tr>
</tbody>
</table>
A second broadband infrastructure funding source is soon-to-be available through the HUD Digital Opportunity Demonstration program. When more information is available for this program, staff will evaluate which opportunity better fits the agency’s goals. Some of the properties listed in the above table may become candidates for HUD Digital Opportunity Demonstration submissions rather than California Public Utilities Commission submissions.

Staff views these efforts as part of a broader initiative to reduce the “digital divide” for low-income families in our community. In addition to infrastructure applications, Staff will be considering internet adoption grant applications for the above mentioned properties.

If the broadband infrastructure applications are successful, the Fresno Housing Authority will be responsible for maintenance and operation costs over the five year compliance period. This will add between $2,500 and $5,400 annually to each property’s operating budget.

The properties listed in Table 1 and Table 2 will also be candidates for adoption funding from the California Public Utilities Commission. Staff intends to partner with California State University, Fresno’s Office of Community and Economic Development to provide these services. If the adoption grant applications are successful, the agency or the agency’s partner will be responsible for 15% of the match funding (payable in cash or in kind).

**Recommendation**

It is recommended that the Board of Directors of Silvercrest, Inc. approve and ratify the submission of the five internet infrastructure applications and authorize the Director/Secretary, Preston Prince, Treasurer, Tracewell Hanrahan, and/or their respective designees (each, an “Authorized Officer” and, collectively, the “Authorized Officers”) and each of them acting alone, are authorized to negotiate and execute documents in connection with the approved action.

In addition, it is recommended that the Board of Directors approve the submission of infrastructure and adoption applications for the listed properties and authorize the Director/Secretary, Preston Prince, Treasurer, Tracewell Hanrahan, and/or their respective designees (each, an “Authorized Officer” and, collectively, the “Authorized Officers”) and each of them acting alone, are authorized to negotiate and execute documents in connection with the approved action.
BEFORE THE BOARD OF DIRECTORS OF SILVERCREST, INC.

RESOLUTION NO. ___

A RESOLUTION AUTHORIZING THE RATIFICATION OF INTERNET INFRASTRUCTURE GRANT APPLICATIONS TO THE CALIFORNIA PUBLIC UTILITIES COMMISSION AND THE EXECUTION OF DOCUMENTS RELATED THERETO, AND THE APPROVAL OF ADDITIONAL INFRASTRUCTURE AND ADOPTION APPLICATIONS AND THE EXECUTION DOCUMENTS RELATED THERETO

At a duly constituted meeting of the Board of Directors of Silvercrest, Inc., a California nonprofit public benefit corporation (“Silvercrest”) held on May 26, 2015, the following resolutions were adopted:

WHEREAS, Silvercrest is the managing general partner of a number of Limited Partnerships which own low-income housing properties; and

WHEREAS, the Board of Directors of Silvercrest seeks to extend services to residents living within developments where it holds an ownership interest; and

WHEREAS, the California Public Utilities Commission – California Advanced Services Fund (CPUC-CASF) has made grant money available for broadband infrastructure and for the adoption of broadband internet at low income housing properties; and

WHEREAS, the Department of Housing and Urban Development (HUD)’s Digital Opportunity Demonstration intends to make grant money available for broadband infrastructure for public housing and Rental Assistance Demonstration properties; and

WHEREAS, the Board of Directors of Silvercrest desires to partner with Innovative IT and California State University, Fresno’s Office of Community and Economic Development to bring broadband infrastructure to Silvercrest properties and tested broadband internet training programs to residents; and

WHEREAS, on January 1, 2015, Silvercrest submitted five (5) applications – Parc Grove Commons, Parc Grove Northwest, Pacific Gardens, Inyo Terrace, and Yosemite Village for CPUC-CASF infrastructure grant funds; and
WHEREAS, Silvercrest intends to submit additional applications for CPUC grant funds or HUD Digital Opportunity Demonstration funding for some or all of the following projects: Cedar Courts Complexes, City View at Van Ness, Fultonia West, Mendota RAD, Kings River Commons, Mountain View Apartments, Kuffel Terrace I, Kuffel Terrace II; and

WHEREAS, the aforementioned CPUC infrastructure grant applications necessitate the applicant cover maintenance and service fees for a minimum period of five years; and

WHEREAS, the aforementioned CPUC adoption grant applications necessitate the applicant provide a match equivalent to 15% of the value, which may be made by either the applicant or the applicant’s partner;

NOW THEREFORE, BE IT RESOLVED that the Board of Directors of Silvercrest hereby ratify the application submissions and authorize the Director/Secretary, Preston Prince, Treasurer, Tracewell Hanrahan, and/or their respective designees (each, an “Authorized Officer” and, collectively, the “Authorized Officers”) and each of them acting alone, are authorized to negotiate and execute documents in connection with the approved action, and that the Board of Directors of Silvercrest hereby approve the potential future application submissions and authorize the Director/Secretary, Preston Prince, Treasurer, Tracewell Hanrahan, and/or their respective designees (each, an “Authorized Officer” and, collectively, the “Authorized Officers”) and each of them acting alone, are authorized to negotiate and execute documents in connection with the approved action.

PASSED AND ADOPTED THIS 26TH DAY OF MAY, 2015. I, the undersigned, hereby certify that the foregoing Resolution was duly adopted by the governing body with the following vote, to-wit:

AYES:

NOES:

ABSENT:

ABSTAIN:

_____________________________________________
Preston Prince, Secretary of the Board of Directors