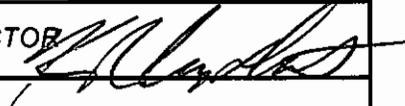




REPORT TO THE CITY COUNCIL

AGENDA ITEM NO.:
COUNCIL MEETING: June 26, 2007
APPROVED BY
DEPARTMENT DIRECTOR 
CITY MANAGER

June 26, 2007

FROM: NICK YOVINO, Director
Planning and Development Department

SCOTT JOHNSON, Director
Economic Development Department 

BY: MICHAEL SIGALA, Manager 
Housing and Community Development Division

SUBJECT: RECOMMEND CITY COUNCIL ADOPT RESOLUTION FOR FORMATION OF A CITY SPONSORED TAX EXEMPT CALIFORNIA NONPROFIT PUBLIC BENEFIT ENTITY FOR HOUSING, ECONOMIC DEVELOPMENT AND PLANNING ACTIVITIES

KEY RESULT AREA

One Fresno

RECOMMENDATION

Staff recommends that City Council:

- 1) Adopt a Resolution for the formation of a tax exempt California nonprofit entity for the primary purpose of enhancing housing, economic development, and planning activities in the City of Fresno; and
- 2) Authorize the Assistant City Manager, or his designee, to execute the necessary documents and establish governing guidelines; and
- 3) Approve \$5,000 as a City contribution to the nonprofit for start-up and operating costs.

EXECUTIVE SUMMARY

The Planning and Development Department and Economic Development Department jointly recommend that City Council adopt a Resolution for the formation of a nonprofit entity for the primary purpose of enhancing the housing, economic development, and planning activities of the City. Formation of a nonprofit is essential for the City to maximize its ability to serve the community by allowing for a greater flexibility to implement projects and programs, and by allowing for better access to outside funding sources. The nonprofit will primarily work with existing nonprofits to enhance their capacity to develop housing, develop small affordable housing projects and be available to assist in the job creation and retention efforts of the City. Staff has consulted, and there is consensus among all local affordable housing entities to support the City's proposed nonprofit. Staff believes the formation of a nonprofit will not reduce the operational capacity of other existing nonprofits. Rather, the proposed nonprofit will augment existing City efforts while enhancing the funding and investment environment overall for all charitable organizations.

KEY OBJECTIVE BALANCE

Approval of the formation presents an opportunity to make a positive impact to the Customer Satisfaction, Employees Satisfaction, and Financial Management Key Objectives. The approval impacts the Customer Service aspect by demonstrating the City's commitment to augmenting affordable housing and economic development activities of the City. Approval of the formation also attributes to Employee Satisfaction by recognizing and supporting inter-departmental efforts that help to achieve goals of the City's General Plan. In addition, it demonstrates creative and resourceful Financial Management by encouraging the practice of leveraging resources and efforts.

BACKGROUND

The Planning and Development Department's Housing and Community Development Division has researched the formation of a City sponsored nonprofit to enhance its ability to serve the affordable housing needs, and planning needs of the community. The Economic Development Department has also embarked on similar research in the past to enhance its ability to provide economic development related services. Each department has discussed and agreed to partner in establishing a nonprofit public benefit corporation, which will serve to meet their various objectives.

Once created, the nonprofit will offer a more efficient means to serve the community with affordable housing, economic development, and planning activities. Additionally, the nonprofit will be able to generate public and private investment into the community from various funding sources including funds solicited from corporate charitable contributions, community lending (Community Reinvestment Act), and other local, state, and federal funding opportunities currently not available to cities.

It is envisioned that the nonprofit will develop small affordable housing projects on behalf of the City. A nonprofit will allow for a less regulated environment whereas projects could be completed in a timelier and less costly manner. A nonprofit will also be eligible to apply for funding from various sources such as community lending funds and other funds a city organization is generally not able to access. The proposed nonprofit will work closely with existing Community Housing Development Organizations (CHDO) to assist them in meeting their development goals.

The nonprofit would serve the Economic Development Department by similarly creating additional opportunities to serve the business community with services and programs to enhance the economic climate in Fresno. A nonprofit entity would also be in a position to manage community assets to further downtown commercial and housing revitalization efforts.

On January 23, 2007, the Planning and Development and Economic Development Departments jointly introduced a resolution for Council consideration to create a nonprofit entity for housing and economic development activities. At that time, Council directed staff to receive input from all local nonprofits involved with affordable housing, including Community Housing Development Organizations (CHDOs), and return to Council at a later date.

Since that time, the City sponsored several meetings with all local nonprofit affordable housing entities. The meetings were very productive with a host of mutually benefiting ideas exchanged between the nonprofits and City staff. A Memorandum of Support was prepared by staff that encapsulated the purpose of the nonprofit and its role in the production of affordable housing as can be seen in Exhibit B. Additional discussions further outlined a strategic plan for enhancing the housing production of local nonprofits, such

REPORT TO THE CITY COUNCIL

Creation of a Non-Profit entity

June 26, 2007

Page 3

as operational support to existing CHDOs. The Memorandum was provided to each local nonprofit and CHDO for signature indicating their support. To date, a majority of the affordable housing entities have signed the memorandum of support, two have offered a letter of conditional support with concerns that have already been addressed in the non-profit's board composition, and one housing entity chose to remain neutral. An overview of the proposed nonprofit outlining the proposed structure, composition, and activities is included as Exhibit D.

Upon adoption of the Resolution, creation of the nonprofit entity will consist of the following steps: develop an organization name; file Articles of Incorporation and Corporate Statement of Information with the Secretary of State; the Assistant City Manager, or his designees, as incorporators will notice and preside at the first meeting; appoint a board, which will then appoint the Officers; approve the Bylaws; establish a mission statement; procure an employer identification number from the Internal Revenue Service (IRS); establish insurance coverage; prepare and file a federal and state application for tax exempt determination; and prepare and file a Charitable Trust Registration with the California Attorney General's Office.

HOUSING AND COMMUNITY DEVELOPMENT COMMISSION

The Housing and Community Development Commission recommended approval of this item on December 13, 2006. The 10 x 10 Blue Ribbon Committee recommended approval of this item on January 11, 2007.

FISCAL IMPACT

The \$5,000 contribution of funds for start up and operational costs are available in the Planning and Development Department's fiscal year 2007-08 budget. The contribution of funds will be provided through program income from the former closed out Rental Rehabilitation Program.

APPENDICES

- Exhibit A – Resolution for Formation
- Exhibit B – Memorandum of Support
- Exhibit C – Signed Memorandums and Letters of Support
- Exhibit D – Overview of Proposed Nonprofit

RESOLUTION NO. _____

A RESOLUTION OF FRESNO CITY COUNCIL APPROVING FORMATION OF A TAX EXEMPT NON-PROFIT ENTITY FOR THE SPECIFIC PURPOSE OF PRODUCING AFFORDABLE HOUSING, CREATING ECONOMIC DEVELOPMENT OPPORTUNITIES, SUPPORTING PLANNING ACTIVITIES AND AUTHORIZATION FOR EXECUTION OF NECESSARY DOCUMENTS

WHEREAS:

A. The City of Fresno, a municipal corporation of the State of California desires to approve the formation of a nonprofit entity for the specific purpose of producing affordable housing, planning support and creating economic development opportunities within the City of Fresno; and

B. The nonprofit entity will be a separate legal entity from the City of Fresno and will exist specifically for the purpose of producing affordable housing, providing planning support, and creating economic development opportunities, including, but not limited to, new construction of multi- and single-family housing units, rehabilitation of the existing housing stock, submittal of applications to applicable grant and loan funding sources related to housing, planning and economic development activities, and fulfilling housing related goals as set forth in the Housing Element and the Economic Development goals set forth in the General Plan; and

C. The nonprofit will be developed pursuant to the Nonprofit Public Benefit Corporation Law for public and charitable purposes and the conditions set forth in its Bylaws; and

D. The nonprofit will serve to increase the supply of decent, safe, and affordable housing for households below 120% of area median income and carry out economic development activities to increase jobs opportunities.

NOW, THEREFORE, BE IT RESOLVED THAT THE CITY COUNCIL OF THE CITY OF FRESNO HEREBY:

1. Authorizes the formation of a tax exempt nonprofit entity for the purpose of producing affordable housing, providing planning support and creating economic development opportunities including, but not limited to, the following activities:

New construction of multi- and single-family housing units, rehabilitation of the existing housing stock, submittal of applications to grant and loan funding sources applicable to housing, planning and economic development related activities, and fulfilling housing related goals as set forth in the Housing Element and the Economic Development goals set forth in the General Plan.

2. Authorizes the formation of a tax exempt nonprofit consistent with Nonprofit Public Benefit Corporation Law for public and charitable purposes under the terms and conditions set forth in its Bylaws.

3. Appoints and authorizes the City Manager and his/her designee(s), and each of them, as incorporator(s) to execute and submit documents including, but not limited to, notices, articles, agreements, applications, amendments, memoranda of understanding, certifications, assurances and so on, which may be necessary to develop the tax exempt nonprofit entity, subject to prior approval as to form by the City Attorney's Office and/or nonprofit corporate counsel, as appropriate.

MEMORANDUM OF SUPPORT
(Regarding the Creation of City Housing and Economic Development Nonprofit Organization)

This Memorandum of Support (hereinafter referred to as the "MOS") is entered into this seventh day of February, 2007, by and between the CITY OF FRESNO, a municipal corporation, acting through its Planning and Development Department - Housing and Community Development Division (hereinafter referred to as the "CITY"), and ORGANIZATION, a California non-profit public benefit corporation (collectively hereinafter referred to as "ORGANIZATION").

RECITALS

WHEREAS, the CITY is mandated by the State of California to prepare housing programs, projects, and activities as outlined in the Housing Element of the City of Fresno's 2025 General Plan and the HUD 2006-2010 Consolidated Plan; and

WHEREAS, in order to meet these needs, the City Planning and Development Department, Housing and Community Development Division (Housing Division) seeks innovative methods in meeting these goals for the next five year period; and

WHEREAS, the CITY is proposing to create a non-profit entity for housing and economic development activities, wherein consistent with housing element goals, the non-profit has the primary purpose of developing affordable housing and to assist other local non-profits in seeking funds from local, state, federal, charitable, corporate and private funding sources; and

WHEREAS, the non-profit entity will be a separate entity from the CITY and will exist solely for the purpose of producing affordable housing including, but not limited to, new construction of multi-family and single-family housing units, rehabilitation of existing housing stock, submittal of applications to grant and loan funding sources, promotion of homeownership opportunities, provision of decent housing affordable to low- and moderate-income persons within the City of Fresno; and

WHEREAS, the non-profit entity does not intend to compete with other local housing agencies and organizations for U.S. Department of Housing and Urban Development (HUD), Home Investment Partnerships (HOME) Program Community Housing Development Organization (CHDO) funds or projects as stipulated in its bylaws; and

WHEREAS, pursuant to City Council action of January 23, 2007, City staff has requested that (ORGANIZATOIN) consent to formation of the CITY non-profit, in pursuit of which the MOS is entered; and

WHEREAS, eligible CHDOs can be provided by the CITY: operating expenses (as described under 24 CFR Part 300 for eligible CHDO activities), technical assistance for eligible CHDO projects, assistance with CITY development applications and entitlement processes, and will be provided an opportunity to review changes in bylaws for the CITY's non-profit.

NOW, THEREFORE, BE IT RESOLVED THAT (ORGANIZATION) HEREBY:

1. Consents to the creation of the CITY's non-profit entity for the purpose of developing affordable housing and assisting other local nonprofits with obtaining funding from various sources to help further the production of safe, decent, and affordable housing.

EXHIBIT B

- 2. Acknowledges that the CITY's non-profit entity will not serve as a CHDO and will not utilize HOME CHDO funds with regard to housing development.
- 3. Consents to the CITY's non-profit's provisions for the sole development of a maximum of fifteen (15) units of affordable infill housing annually as stipulated in it bylaws.
- 4. Consents to and supports the City's creation of a non-profit organization as a valuable and necessary tool in the development of affordable housing for the City's low- to moderate-income families.

PLANNING AND DEVELOPMENT)
HOUSING AND COMMUNITY DEVELOPMENT)
CITY OF FRESNO)

ORGANIZATION

By: _____
NAME NAME, TITLE

Date: _____

CITY OF FRESNO
HOUSING AND COMMUNITY DEVELOPMENT DIVISION

By: _____
Michael Sigala, Manager

Date: _____



March 12, 2007

Michael Sigala
Manager
Housing and Community Development
City of Fresno
2600 Fresno St.
Fresno, CA 93721

Founders

Deacon Ira Foster
Joyce Hunter
Myser Keets
Rev. T.J. Caldwell
Rev. J.D. Adams

Executive Officers

Chair
Carolyn Carter
Retired Director EDD

Vice Chair
Ray Leon
Senior Policy Analyst
Latino Issues Forum

Secretary
Gloria Torres
Director
CA Latina Leaders in Action

Treasurer
Cherles Francis
Resident & Director of Training
Institute, Fresno City College

Board Members

Dr. Lee Farley
Associate Dean of Students
Federal Trio Program
EOP&S
Fresno City College

Sylvesta M. Hall
CEO/Managing Member
Coast to Coast Petroleum, LLC

Richard Kayes
Retired Executive
Organizational Consultant

Renee Scott
Community Business Owner

Jo Ann Unruh
Community Activist

President and CEO

Keith A. Kelley

Subject: Memorandum of Support for the City's non-profit

Dear Mr. Sigala,

The Fresno West Coalition for Economic Development Board of Directors convened on March 12, 2007; we have voted unanimously to support the City of Fresno's creation of a non-profit entity for housing and economic development activities. Based on our discussion with you, we understand that Fresno West Coalition for Economic Development will have the opportunity to access the non-profit, as well as provide input in the development of the non-profit.

Thank you,

Carolyn Carter
Board of Directors, Chair

CC: Cynthia Sterling
Councilwomen

Keith Kelley
President/C.E.O.

EXHIBIT C

MEMORANDUM OF SUPPORT
(Regarding the Creation of City Housing and Economic Development Nonprofit Organization)

This Memorandum of Support (hereinafter referred to as the "MOS") is entered into this seventh day of February, 2007, by and between the CITY OF FRESNO, a municipal corporation, acting through its Planning and Development Department - Housing and Community Development Division (hereinafter referred to as the "CITY"), and Fresno West Coalition for Economic Development, a California non-profit public benefit corporation (collectively hereinafter referred to as "FWCED").

RECITALS

WHEREAS, the CITY is mandated by the State of California to prepare housing programs, projects, and activities as outlined in the Housing Element of the City of Fresno's 2025 General Plan and the HUD 2006-2010 Consolidated Plan; and

WHEREAS, in order to meet these needs, the City Planning and Development Department, Housing and Community Development Division (Housing Division) seeks innovative methods in meeting these goals for the next five year period; and

WHEREAS, the CITY is proposing to create a non-profit entity for housing and economic development activities, wherein consistent with housing element goals, the non-profit has the primary purpose of developing affordable housing and to assist other local non-profits in seeking funds from local, state, federal, charitable, corporate and private funding sources; and

WHEREAS, the non-profit entity will be a separate entity from the CITY and will exist solely for the purpose of producing affordable housing including, but not limited to, new construction of multi-family and single-family housing units, rehabilitation of existing housing stock, submittal of applications to grant and loan funding sources, promotion of homeownership opportunities, provision of decent housing affordable to low- and moderate-income persons within the City of Fresno; and

WHEREAS, the non-profit entity does not intend to compete with other local housing agencies and organizations for U.S. Department of Housing and Urban Development (HUD), Home Investment Partnerships (HOME) Program Community Housing Development Organization (CHDO) funds or projects as stipulated in its bylaws; and

WHEREAS, pursuant to City Council action of January 23, 2007, City staff has requested that FWCED consent to formation of the CITY non-profit, in pursuit of which the MOS is entered; and

WHEREAS, eligible CHDOs can be provided by the CITY: operating expenses (as described under 24 CFR Part 300 for eligible CHDO activities), technical assistance for eligible CHDO projects, assistance with CITY development applications and entitlement processes, and will be provided an opportunity to review changes in bylaws for the CITY's non-profit.

NOW, THEREFORE, BE IT RESOLVED THAT FWCED HEREBY:

1. Consents to the creation of the CITY's non-profit entity for the purpose of developing affordable housing and assisting other local nonprofits with obtaining funding from various sources to help further the production of safe, decent, and affordable housing.

2. Acknowledges that the CITY's non-profit entity will not serve as a CHDO and will not utilize HOME CHDO funds with regard to housing development.
3. Consents to the CITY's non-profit's provisions for the sole development of a maximum of fifteen (15) units of affordable infill housing annually as stipulated in it bylaws.
4. Consents to and supports the City's creation of a non-profit organization as a valuable and necessary tool in the development of affordable housing for the City's low- to moderate-income families.

PLANNING AND DEVELOPMENT)
HOUSING AND COMMUNITY DEVELOPMENT)
CITY OF FRESNO)

Fresno West Coalition for Economic Development

By: Carolyn Carter
Carolyn Carter, FWCED Board of Directors/Chairperson

Date: 03/12/07

CITY OF FRESNO
HOUSING AND COMMUNITY DEVELOPMENT DIVISION

By: [Signature]
Michael Sigala, Manager

Date: 3/12/07

**MEMORANDUM OF SUPPORT
(Regarding the Creation of City Housing and Economic Development Nonprofit
Organization)**

This Memorandum of Support (hereinafter referred to as the "MOS") is entered into this seventh day of February, 2007, by and between the CITY OF FRESNO, a municipal corporation, acting through its Planning and Development Department - Housing and Community Development Division (hereinafter referred to as the "CITY"), and Neighborhood Opportunities for Affordable Housing Inc., a California non-profit public benefit corporation (collectively hereinafter referred to as "NOAH").

RECITALS

WHEREAS, the CITY is mandated by the State of California to prepare housing programs, projects, and activities as outlined in the Housing Element of the City of Fresno's 2025 General Plan and the HUD 2008-2010 Consolidated Plan; and

WHEREAS, in order to meet these needs, the City Planning and Development Department, Housing and Community Development Division (Housing Division) seeks innovative methods in meeting these goals for the next five year period; and

WHEREAS, the CITY is proposing to create a non-profit entity for housing and economic development activities, wherein consistent with housing element goals, the non-profit has the primary purpose of developing affordable housing and to assist other local non-profits in seeking funds from local, state, federal, charitable, corporate and private funding sources; and

WHEREAS, the non-profit entity will be a separate entity from the CITY and will exist solely for the purpose of producing affordable housing including, but not limited to, new construction of multi-family and single-family housing units, rehabilitation of existing housing stock, submittal of applications to grant and loan funding sources, promotion of homeownership opportunities, provision of decent housing affordable to low- and moderate-income persons within the City of Fresno; and

WHEREAS, the non-profit entity does not intend to compete with other local housing agencies and organizations for U.S. Department of Housing and Urban Development (HUD), Home Investment Partnerships (HOME) Program Community Housing Development Organization (CHDO) funds or projects as stipulated in its bylaws; and

WHEREAS, pursuant to City Council action of January 23, 2007, City staff has requested that NOAH consent to formation of the CITY non-profit, in pursuit of which the MOS is entered; and

WHEREAS, eligible CHDOs can be provided by the CITY: operating expenses (as described under 24 CFR Part 300 for eligible CHDO activities), technical assistance for eligible CHDO projects, assistance with CITY development applications and entitlement processes, and will be provided an opportunity to review changes in bylaws for the CITY's non-profit.

NOW, THEREFORE, BE IT RESOLVED THAT NOAH HEREBY:

1. Consents to the creation of the CITY's non-profit entity for the purpose of developing affordable housing and assisting other local nonprofits with obtaining funding from various sources to help further the production of safe, decent, and affordable housing.
2. Acknowledges that the CITY's non-profit entity will not serve as a CHDO and will not utilize HOME CHDO funds with regard to housing development.

3. Consents to the CITY's non-profit's provisions for the sole development of a maximum of fifteen (15) units of affordable infill housing annually as stipulated in it bylaws.

4. Consents to and supports the City's creation of a non-profit organization as a valuable and necessary tool in the development of affordable housing for the City's low- to moderate-income families.

PLANNING AND DEVELOPMENT)
HOUSING AND COMMUNITY DEVELOPMENT)
CITY OF FRESNO)

Neighborhood Opportunities for Affordable Housing Inc.

By: Frank Johnson, Sr.
Frank Johnson Sr., Executive Director

Date: 3-22-07

CITY OF FRESNO
HOUSING AND COMMUNITY DEVELOPMENT DIVISION

By: Michael Sigala
Michael Sigala, Manager

Date: 3/24/07

MEMORANDUM OF SUPPORT
(Regarding the Creation of City Housing and Economic Development Nonprofit Organization)

This Memorandum of Support (hereinafter referred to as the "MOS") is entered into this seventh day of February, 2007, by and between the CITY OF FRESNO, a municipal corporation, acting through its Planning and Development Department - Housing and Community Development Division (hereinafter referred to as the "CITY"), and Fresno Downtown Neighborhood Community Development Corporation, a California non-profit public benefit corporation (collectively hereinafter referred to as "FDCDC").

RECITALS

WHEREAS, the CITY is mandated by the State of California to prepare housing programs, projects, and activities as outlined in the Housing Element of the City of Fresno's 2025 General Plan and the HUD 2006-2010 Consolidated Plan; and

WHEREAS, in order to meet these needs, the City Planning and Development Department, Housing and Community Development Division (Housing Division) seeks innovative methods in meeting these goals for the next five year period; and

WHEREAS, the CITY is proposing to create a non-profit entity for housing and economic development activities, wherein consistent with housing element goals, the non-profit has the primary purpose of developing affordable housing and to assist other local non-profits in seeking funds from local, state, federal, charitable, corporate and private funding sources; and

WHEREAS, the non-profit entity will be a separate entity from the CITY and will exist solely for the purpose of producing affordable housing including, but not limited to, new construction of multi-family and single-family housing units, rehabilitation of existing housing stock, submittal of applications to grant and loan funding sources, promotion of homeownership opportunities, provision of decent housing affordable to low- and moderate-income persons within the City of Fresno; and

WHEREAS, the non-profit entity does not intend to compete with other local housing agencies and organizations for U.S. Department of Housing and Urban Development (HUD), Home Investment Partnerships (HOME) Program Community Housing Development Organization (CHDO) funds or projects as stipulated in its bylaws; and

WHEREAS, pursuant to City Council action of January 23, 2007, City staff has requested that FDCDC consent to formation of the CITY non-profit, in pursuit of which the MOS is entered; and

WHEREAS, eligible CHDOs can be provided by the CITY: operating expenses (as described under 24 CFR Part 300 for eligible CHDO activities), technical assistance for eligible CHDO projects, assistance with CITY development applications and entitlement processes, and will be provided an opportunity to review changes in bylaws for the CITY's non-profit.

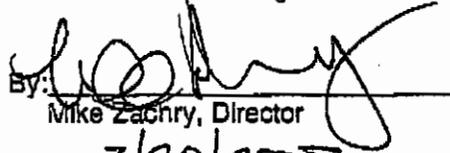
NOW, THEREFORE, BE IT RESOLVED THAT FDCDC HEREBY:

1. Consents to the creation of the CITY's non-profit entity for the purpose of developing affordable housing and assisting other local nonprofits with obtaining funding from various sources to help further the production of safe, decent, and affordable housing.

- 2. Acknowledges that the CITY's non-profit entity will not serve as a CHDO and will not utilize HOME CHDO funds with regard to housing development.
- 3. Consents to the CITY's non-profit's provisions for the sole development of a maximum of fifteen (15) units of affordable infill housing annually as stipulated in it bylaws.
- 4. Consents to and supports the City's creation of a non-profit organization as a valuable and necessary tool in the development of affordable housing for the City's low- to moderate-income families.

PLANNING AND DEVELOPMENT)
 HOUSING AND COMMUNITY DEVELOPMENT)
 CITY OF FRESNO)

Fresno Downtown Neighborhood Community Development Corporation

By: 
 Mike Zachry, Director
 Date: 3/20/2007

CITY OF FRESNO
 HOUSING AND COMMUNITY DEVELOPMENT DIVISION

By: 
 Michael Sigala, Manager
 Date: 3/20/07

MEMORANDUM OF SUPPORT
(Regarding the Creation of City Housing and Economic Development Nonprofit Organization)

This Memorandum of Support (hereinafter referred to as the "MOS") is entered into this seventh day of February, 2007, by and between the CITY OF FRESNO, a municipal corporation, acting through its Planning and Development Department - Housing and Community Development Division (hereinafter referred to as the "CITY"), and Cornerstone Foundation, a California non-profit public benefit corporation.

RECITALS

WHEREAS, the CITY is mandated by the State of California to prepare housing programs, projects, and activities as outlined in the Housing Element of the City of Fresno's 2025 General Plan and the HUD 2006-2010 Consolidated Plan; and

WHEREAS, in order to meet these needs, the City Planning and Development Department, Housing and Community Development Division (Housing Division) seeks innovative methods in meeting these goals for the next five year period; and

WHEREAS, the CITY is proposing to create a non-profit entity for housing and economic development activities, wherein consistent with housing element goals, the non-profit has the primary purpose of developing affordable housing and to assist other local non-profits in seeking funds from local, state, federal, charitable, corporate and private funding sources; and

WHEREAS, the non-profit entity will be a separate entity from the CITY and will exist solely for the purpose of producing affordable housing including, but not limited to, new construction of multi-family and single-family housing units, rehabilitation of existing housing stock, submittal of applications to grant and loan funding sources, promotion of homeownership opportunities, provision of decent housing affordable to low- and moderate-income persons within the City of Fresno; and

WHEREAS, the non-profit entity does not intend to compete with other local housing agencies and organizations for U.S. Department of Housing and Urban Development (HUD), Home Investment Partnerships (HOME) Program Community Housing Development Organization (CHDO) funds or projects as stipulated in its bylaws; and

WHEREAS, pursuant to City Council action of January 23, 2007, City staff has requested that Cornerstone Foundation consent to formation of the CITY non-profit, in pursuit of which the MOS is entered; and

WHEREAS, eligible CHDOs can be provided by the CITY: operating expenses (as described under 24 CFR Part 300 for eligible CHDO activities), technical assistance for eligible CHDO projects, assistance with CITY development applications and entitlement processes, and will be provided an opportunity to review changes in bylaws for the CITY's non-profit.

NOW, THEREFORE, BE IT RESOLVED THAT CORNERSTONE FOUNDATION HEREBY:

1. Consents to the creation of the CITY's non-profit entity for the purpose of developing affordable housing and assisting other local nonprofits with obtaining funding from various sources to help further the production of safe, decent, and affordable housing.

2. Acknowledges that the CITY's non-profit entity will not serve as a CHDO and will not utilize HOME CHDO funds with regard to housing development.
3. Consents to the CITY's non-profit's provisions for the sole development of a maximum of fifteen (15) units of affordable infill housing annually as stipulated in it bylaws.
4. Consents to and supports the City's creation of a non-profit organization as a valuable and necessary tool in the development of affordable housing for the City's low- to moderate-income families.

PLANNING AND DEVELOPMENT)
HOUSING AND COMMUNITY DEVELOPMENT)
CITY OF FRESNO)

Cornerstone Foundation

By: 
Jesus Padrón, Director

Date: 2/21/07

CITY OF FRESNO
HOUSING AND COMMUNITY DEVELOPMENT DIVISION

By: 
Michael Sigala, Manager

Date: 2/21/07

MEMORANDUM OF SUPPORT
(Regarding the Creation of City Housing and Economic Development Nonprofit Organization)

This Memorandum of Support (hereinafter referred to as the "MOS") is entered into this seventh day of February, 2007, by and between the CITY OF FRESNO, a municipal corporation, acting through its Planning and Development Department - Housing and Community Development Division (hereinafter referred to as the "CITY"), and Housing Resource Center, a California non-profit public benefit corporation (collectively hereinafter referred to as "HRC").

RECITALS

WHEREAS, the CITY is mandated by the State of California to prepare housing programs, projects, and activities as outlined in the Housing Element of the City of Fresno's 2025 General Plan and the HUD 2006-2010 Consolidated Plan; and

WHEREAS, in order to meet these needs, the City Planning and Development Department, Housing and Community Development Division (Housing Division) seeks innovative methods in meeting these goals for the next five year period; and

WHEREAS, the CITY is proposing to create a non-profit entity for housing and economic development activities, wherein consistent with housing element goals, the non-profit has the primary purpose of developing affordable housing and to assist other local non-profits in seeking funds from local, state, federal, charitable, corporate and private funding sources; and

WHEREAS, the non-profit entity will be a separate entity from the CITY and will exist solely for the purpose of producing affordable housing including, but not limited to, new construction of multi-family and single-family housing units, rehabilitation of existing housing stock, submittal of applications to grant and loan funding sources, promotion of homeownership opportunities, provision of decent housing affordable to low- and moderate-income persons within the City of Fresno; and

WHEREAS, the non-profit entity does not intend to compete with other local housing agencies and organizations for U.S. Department of Housing and Urban Development (HUD), Home Investment Partnerships (HOME) Program Community Housing Development Organization (CHDO) funds or projects as stipulated in its bylaws; and

WHEREAS, pursuant to City Council action of January 23, 2007, City staff has requested that HRC consent to formation of the CITY non-profit, in pursuit of which the MOS is entered; and

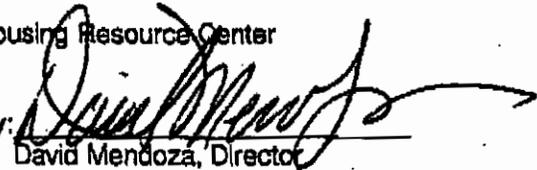
WHEREAS, eligible CHDOs can be provided by the CITY: operating expenses (as described under 24 CFR Part 300 for eligible CHDO activities), technical assistance for eligible CHDO projects, assistance with CITY development applications and entitlement processes, and will be provided an opportunity to review changes in bylaws for the CITY's non-profit.

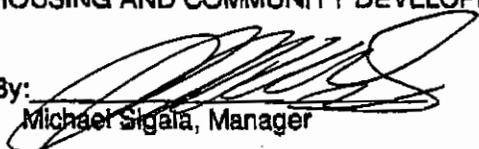
NOW, THEREFORE, BE IT RESOLVED THAT HRC HEREBY:

1. Consents to the creation of the CITY's non-profit entity for the purpose of developing affordable housing and assisting other local nonprofits with obtaining funding from various sources to help further the production of safe, decent, and affordable housing.

- 2. Acknowledges that the CITY's non-profit entity will not serve as a CHDO and will not utilize HOME CHDO funds with regard to housing development.
- 3. Consents to the CITY's non-profit's provisions for the sole development of a maximum of fifteen (15) units of affordable Infill housing annually as stipulated in it bylaws.
- 4. Consents to and supports the City's creation of a non-profit organization as a valuable and necessary tool in the development of affordable housing for the City's low- to moderate-income families.

PLANNING AND DEVELOPMENT)
 HOUSING AND COMMUNITY DEVELOPMENT)
 CITY OF FRESNO)

Housing Resource Center
 By: 
 David Mendoza, Director
 Date: 02-16-07

CITY OF FRESNO
 HOUSING AND COMMUNITY DEVELOPMENT DIVISION
 By: 
 Michael Sigala, Manager
 Date: 2/16/07

MEMORANDUM OF SUPPORT
(Regarding the Creation of City Housing and Economic Development Nonprofit Organization)

This Memorandum of Support (hereinafter referred to as the "MOS") is entered into this seventh day of February, 2007, by and between the CITY OF FRESNO, a municipal corporation, acting through its Planning and Development Department - Housing and Community Development Division (hereinafter referred to as the "CITY"), and Fresno Interdenominational Refugee Ministries, a California non-profit public benefit corporation (collectively hereinafter referred to as "FIRM").

RECITALS

WHEREAS, the CITY is mandated by the State of California to prepare housing programs, projects, and activities as outlined in the Housing Element of the City of Fresno's 2025 General Plan and the HUD 2006-2010 Consolidated Plan; and

WHEREAS, in order to meet these needs, the City Planning and Development Department, Housing and Community Development Division (Housing Division) seeks innovative methods in meeting these goals for the next five year period; and

WHEREAS, the CITY is proposing to create a non-profit entity for housing and economic development activities, wherein consistent with housing element goals, the non-profit has the primary purpose of developing affordable housing and to assist other local non-profits in seeking funds from local, state, federal, charitable, corporate and private funding sources; and

WHEREAS, the non-profit entity will be a separate entity from the CITY and will exist solely for the purpose of producing affordable housing including, but not limited to, new construction of multi-family and single-family housing units; rehabilitation of existing housing stock, submittal of applications to grant and loan funding sources, promotion of homeownership opportunities, provision of decent housing affordable to low- and moderate-income persons within the City of Fresno; and

WHEREAS, the non-profit entity does not intend to compete with other local housing agencies and organizations for U.S. Department of Housing and Urban Development (HUD), Home Investment Partnerships (HOME) Program Community Housing Development Organization (CHDO) funds or projects as stipulated in its bylaws; and

WHEREAS, pursuant to City Council action of January 23, 2007, City staff has requested that FIRM consent to formation of the CITY non-profit, in pursuit of which the MOS is entered; and

WHEREAS, eligible CHDOs can be provided by the CITY: operating expenses (as described under 24 CFR Part 300 for eligible CHDO activities), technical assistance for eligible CHDO projects, assistance with CITY development applications and entitlement processes, and will be provided an opportunity to review changes in bylaws for the CITY's non-profit.

NOW, THEREFORE, BE IT RESOLVED THAT FIRM HEREBY:

1. Consents to the creation of the CITY's non-profit entity for the purpose of developing affordable housing and assisting other local nonprofits with obtaining funding from various sources to help further the production of safe, decent, and affordable housing.

2. Acknowledges that the CITY's non-profit entity will not serve as a CHDO and will not utilize HOME CHDO funds with regard to housing development.

3. Consents to the CITY's non-profit's provisions for the sole development of a maximum of fifteen (15) units of affordable infill housing annually as stipulated in it bylaws.

4. Consents to and supports the City's creation of a non-profit organization as a valuable and necessary tool in the development of affordable housing for the City's low- to moderate-income families.

PLANNING AND DEVELOPMENT)
HOUSING AND COMMUNITY DEVELOPMENT)
CITY OF FRESNO)

Fresno Interdenominational Refugee Ministries

By: Rev. Sharon Stanley
Rev. Sharon Stanley, Director

Date: 2/16/07

CITY OF FRESNO
HOUSING AND COMMUNITY DEVELOPMENT DIVISION

By: [Signature]
Michael Sigala, Manager

Date: 2/11/07

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(Regarding the Creation of City Housing and Economic Development Nonprofit Organization)

This Memorandum of Support (hereinafter referred to as the "MOS") is entered into this seventh day of February, 2007, by and between the CITY OF FRESNO, a municipal corporation, acting through its Planning and Development Department - Housing and Community Development Division (hereinafter referred to as the "CITY"), and Self Help Enterprises, a California non-profit public benefit corporation (collectively hereinafter referred to as "SHE").

RECITALS

WHEREAS, the CITY is mandated by the State of California to prepare housing programs, projects, and activities as outlined in the Housing Element of the City of Fresno's 2025 General Plan and the HUD 2006-2010 Consolidated Plan; and

WHEREAS, in order to meet these needs, the City Planning and Development Department, Housing and Community Development Division (Housing Division) seeks innovative methods in meeting these goals for the next five year period; and

WHEREAS, the CITY is proposing to create a non-profit entity for housing and economic development activities, wherein consistent with housing element goals, the non-profit has the primary purpose of developing affordable housing and to assist other local non-profits in seeking funds from local, state, federal, charitable, corporate and private funding sources; and

WHEREAS, the non-profit entity will be a separate entity from the CITY and will exist solely for the purpose of producing affordable housing including, but not limited to, new construction of multi-family and single-family housing units, rehabilitation of existing housing stock, submittal of applications to grant and loan funding sources, promotion of homeownership opportunities, provision of decent housing affordable to low- and moderate-income persons within the City of Fresno; and

WHEREAS, the non-profit entity does not intend to compete with other local housing agencies and organizations for U.S. Department of Housing and Urban Development (HUD), Home Investment Partnerships (HOME) Program Community Housing Development Organization (CHDO) funds or projects as stipulated in its bylaws; and

WHEREAS, pursuant to City Council action of January 23, 2007, City staff has requested that SHE consent to formation of the CITY non-profit, in pursuit of which the MOS is entered; and

WHEREAS, eligible CHDOs can be provided by the CITY: operating expenses (as described under 24 CFR Part 300 for eligible CHDO activities), technical assistance for eligible CHDO projects, assistance with CITY development applications and entitlement processes, and will be provided an opportunity to review changes in bylaws for the CITY's non-profit.

NOW, THEREFORE, BE IT RESOLVED THAT SHE HEREBY:

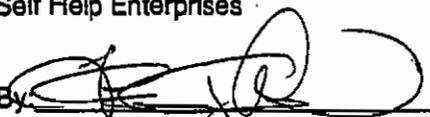
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3. Consents to the CITY's non-profit's provisions for the sole development of a maximum of fifteen (15) units of affordable infill housing annually as stipulated in it bylaws.

4. Consents to and supports the City's creation of a non-profit organization as a valuable and necessary tool in the development of affordable housing for the City's low- to moderate-income families.

PLANNING AND DEVELOPMENT)
HOUSING AND COMMUNITY DEVELOPMENT)
CITY OF FRESNO)

Self Help Enterprises

By: 
Tom Collishaw, Vice President

Date: 2/16/07

CITY OF FRESNO
HOUSING AND COMMUNITY DEVELOPMENT DIVISION

By: 
Michael Sigala, Manager

Date: 2/16/07

MEMORANDUM OF SUPPORT
(Regarding the Creation of City Housing and Economic Development Nonprofit Organization)

This Memorandum of Support (hereinafter referred to as the "MOS") is entered into this seventh day of February, 2007, by and between the CITY OF FRESNO, a municipal corporation, acting through its Planning and Development Department - Housing and Community Development Division (hereinafter referred to as the "CITY"), and Central Community Development Center, a California non-profit public benefit corporation (collectively hereinafter referred to as "CCDC").

RECITALS

WHEREAS, the CITY is mandated by the State of California to prepare housing programs, projects, and activities as outlined in the Housing Element of the City of Fresno's 2025 General Plan and the HUD 2006-2010 Consolidated Plan; and

WHEREAS, in order to meet these needs, the City Planning and Development Department, Housing and Community Development Division (Housing Division) seeks innovative methods in meeting these goals for the next five year period; and

WHEREAS, the CITY is proposing to create a non-profit entity for housing and economic development activities, wherein consistent with housing element goals, the non-profit has the primary purpose of developing affordable housing and to assist other local non-profits in seeking funds from local, state, federal, charitable, corporate and private funding sources; and

WHEREAS, the non-profit entity will be a separate entity from the CITY and will exist solely for the purpose of producing affordable housing including, but not limited to, new construction of multi-family and single-family housing units, rehabilitation of existing housing stock, submittal of applications to grant and loan funding sources, promotion of homeownership opportunities, provision of decent housing affordable to low- and moderate-income persons within the City of Fresno; and

WHEREAS, the non-profit entity does not intend to compete with other local housing agencies and organizations for U.S. Department of Housing and Urban Development (HUD), Home Investment Partnerships (HOME) Program Community Housing Development Organization (CHDO) funds or projects as stipulated in its bylaws; and

WHEREAS, pursuant to City Council action of January 23, 2007, City staff has requested that CCDC consent to formation of the CITY non-profit, in pursuit of which the MOS is entered; and

WHEREAS, eligible CHDOs can be provided by the CITY: operating expenses (as described under 24 CFR Part 300 for eligible CHDO activities), technical assistance for eligible CHDO projects, assistance with CITY development applications and entitlement processes, and will be provided an opportunity to review changes in bylaws for the CITY's non-profit.

NOW, THEREFORE, BE IT RESOLVED THAT CCDC HEREBY:

1. Consents to the creation of the CITY's non-profit entity for the purpose of developing affordable housing and assisting other local nonprofits with obtaining funding from various sources to help further the production of safe, decent, and affordable housing.



BETTER OPPORTUNITIES BUILDER INC.

a California nonprofit public benefit corporation

March 7, 2007

Stephen Sotomayor
City of Fresno
2600 Fresno Street
Room 3076
Fresno, CA 93721

Dear Stephen:

This letter serves to convey our conditional support of the City of Fresno forming a non-profit entity. The conditions are as follows: 1) that the majority of the board of directors be represented by CHDO's; 2) that the City add to the Memorandum of Support in paragraph five language that includes that the non-profit entity does not intend to compete with other local housing agencies and organizations for an allocation of Tax Credit or Revenue Bonds. We understand that the City intends to limit the activities of the non-profit to 15 units of in-fill per year and appreciate the efforts being made by the City to bring the Community Housing Development Organizations together.

Should you have any questions or concerns please feel free to contact me at 559-445-8932 or via email at adundore@bobinc.org. In the event that you agree, please counter sign this letter, and forward us a Memorandum of Support with Kathleen Paley, CEO as the signatory, and we will get it forwarded back to you.

Thank you;

Angela Dundore
Development Services Manager

City of Fresno
Housing and Community
Development Division

Michael Sigala, Manager

Date



2219 San Joaquin
Fresno, CA 93721
559-237-4102 phone
559-237-1451 fax
www.habitatfresno.org

3-13-07

Michael Sigala
Manager
Housing and Community Development Division
City of Fresno
1600 O Street
Fresno, CA 93721

Mr. Michael Sigala,

The Habitat for Humanity Fresno County Board of Directors has taken the City's request for support for the creation of the non-profit organization, outlined in your Memorandum of Support dated 2/13/07, into serious consideration.

The Board is very grateful for the support Habitat has received from the City, with the completion of the Crossroads subdivision, single family infill developments, technical assistance, land acquisition and more. The Board supports the City in looking to find creative way to develop more affordable units, and build a stronger community.

The Board believes that many positive opportunities are developing from these discussions, such as:

1. Gathering the CHDOs for monthly or quarterly meetings to inform them of all available opportunities i.e. land, technical assistance funding, HOME funds, etc.
2. The City acquiring more land on which more affordable units can be built.
3. Building the capacity of existing non-profits through joint projects and using technical assistance money to hire a consultant to assist CHDOs through more complicated aspects of the development process, including land development.
4. Having another entity in the City, who will build units that current CHDOs are unwilling or unable to build.

However, the Board firmly believe that additional guidelines, for the new non-profit, are necessary to benefit the existing non-profits and provide needed housing and make the most use of the City's non-profit organization.

In order to have the Board's full support for the creation of a non-profit organization they request that the City agree to the following:

1. The Board of Directors of the non-profit is composed of at least 51% of non-profit, affordable housing developers and that 50% of those members be current CHDOs.
2. All current CHDOs should have first right of refusal, on any projects that are available, and that the City non-profit would take on a project only after the other non-profits have been offered the opportunity.

The Board believes this situation could be a win – win, for both the City and the current CHDOs. For the current CHDOs, - as a way to build their capacity, and a win for the City. This will provide them with a specific, supportive niche in the development of more affordable units, and also a win for low-income families who will move into these new homes.

We look forward to building a great Fresno together.

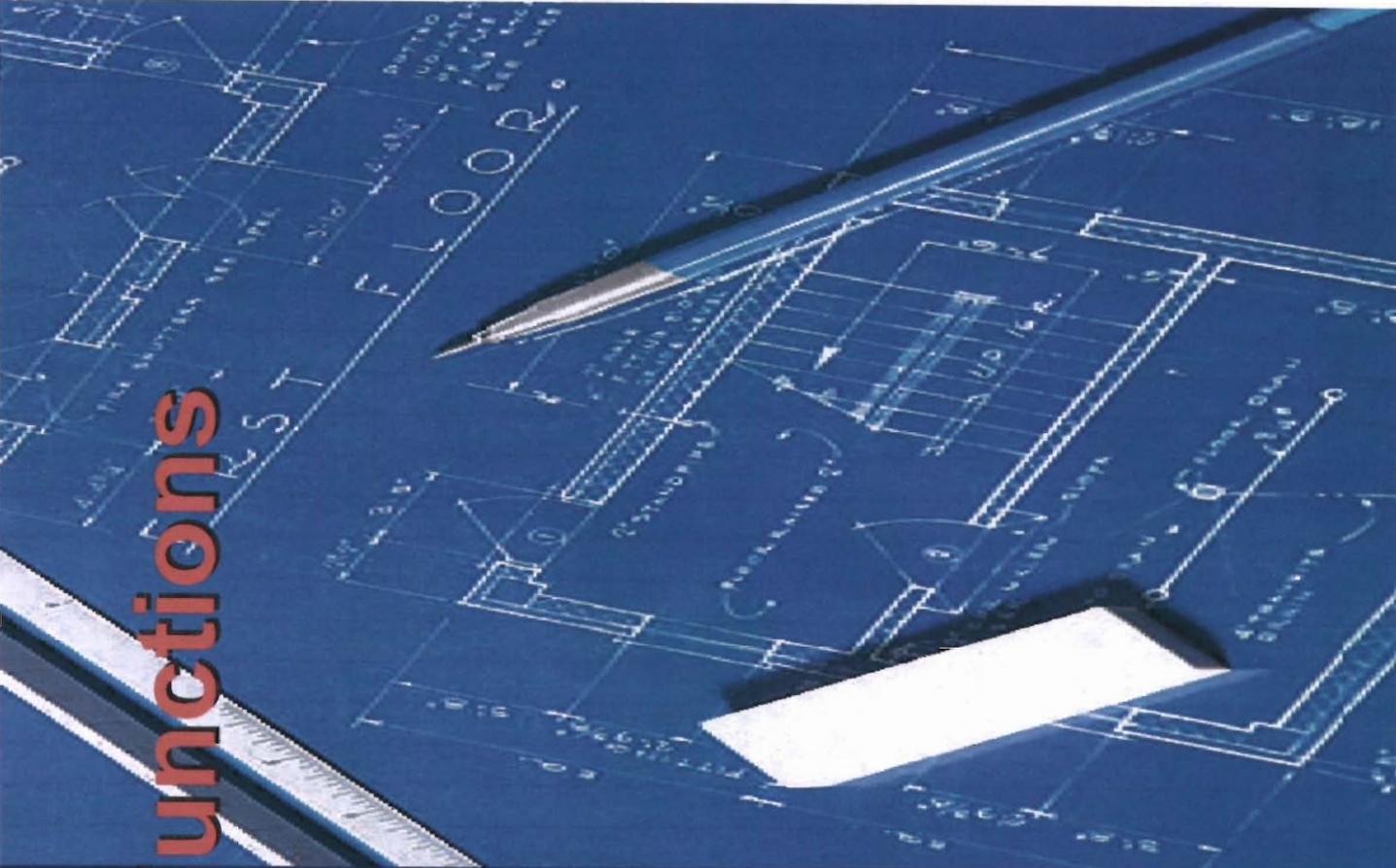
Sincerely,

A handwritten signature in black ink, appearing to read 'Anthony J. Miranda', written in a cursive style.

Anthony J. Miranda
Executive Director

Proposed City-Sponsored Non-Profit

Proposed Functions

The background of the slide features a close-up, high-angle view of architectural blueprints. The blueprints are printed on a light blue background with white lines and text. A silver pen is positioned diagonally across the center of the image, pointing towards the bottom right. A white ruler is visible in the lower-left corner, partially overlapping the blueprints. The text 'WEST FLOOR' is clearly visible on the blueprints. The overall lighting is bright, creating a professional and technical atmosphere.

- Affordable Housing
- Economic Development
- Grant Submission
- Land Acquisition for future CHDO Projects
- Technical Assistance
- Planning Support

Operations

- Limited to the Provisions Provided in the Memorandum of Support:
 - Limited to producing 15 units of housing a year.
 - Non-Profit will not compete for 9% Tax Credits (unless in partnership with a CHDO).
 - Non-Profit will not utilize CHDO funds.

Staffing

- Non-profit will not have an executive director.
- In-kind staffing will be provided through the Housing and Community Development Division.
- Non-profit will be on an “as needed” basis.

Board Composition

- Total of 9 board members:
- Three board members to be CHDO representatives.
- Two members will be from the Residential Development Community.
- Two members will be from the Economic Development Community.
- Two members will be from Financial Institutions.

Appointing the Board

- Board nominations will come from the communities identified in the board composition: residential development, CHDO, financial institutions, and economic development organizations
- Board Members will be appointed by the incorporator of the Non-Profit (City Manager)
- City Council will approve the initial board

Non-Profit Benefits

- The non-profit will compete for funding that municipal corporations are usually not eligible for.
- The non-profit is a long-term commitment to our CHDOs for capacity building.
- The non-profit is one more “tool” in the hands of the City and its partners to achieve their goals for affordable housing, economic development and planning.