

**RESOLUTION #2018-36**

**RESO AUTHORIZING THE ALLOCATION OF THE HUD RESERVE FUND IN THE AMOUNT OF \$602,963**

**WHEREAS**, the accountant for the Housing Authority of the Borough of Highland Park submitted the unaudited financials to HUD for the year ending March 31, 2018; and

**WHEREAS**, the financial report identified that the Authority had a reserve fund in the amount of \$602,963; and

**WHEREAS**, said reserve funds will be allocated to advance Federal Home Loan Bank (FHLB) funds to Park Terrace in an amount not to exceed \$365,290; and

**WHEREAS**, said Park Terrace reserve funds will be fully reimbursed by FHLB funds and put back into the reserve account prior to the Kronman Rental Assistance Demonstration (RAD) closing; and

**WHEREAS**, at the RAD closing for the Samuel J Kronman building, the reserve account will have been replenished back to its original amount of \$602,963; and

**WHEREAS**, of the \$602,963 reserve amount \$546,000 will be identified in the sources and uses at closing to be allocated to the New Jersey Housing and Mortgage Finance Agency (NJHMFA) to repay bond proceeds; and

**WHEREAS**, \$56,000 (which is the remaining amount of reserve funding of \$602,963 after \$546,000 is allocated to repay NJHMFA) will be accounted for in a line item(s) at closing.

**NOW, THEREFORE, BE IT RESOLVED** by the Board of Commissioners of the Housing Authority of the Borough of Highland Park, New Jersey, that the Executive Director is hereby authorized to allocate/distribute the HUD reserve fund in the amount of \$602,000 as follows:

- Up to \$365,290 for Park Terrace to advance construction costs and then once repaid
- \$546,000 for NJHMFA to repay bond proceeds
- \$56,000 – other (determined at closing)

Motion to adopt Resolution #2018-36 moved by Commissioner Sedehi and seconded by Commissioner Reh and upon roll call, the vote was as follows:

ROLL CALL:	Chudnick	Martinez	Methven	Monk	Rainwater	Reh	Sedehi
AYES:	Chudnick	Martinez	Methven	Monk	Rainwater	Reh	Sedehi
NAYS:	None						
Abstain:	None						
Absent:	None						

I hereby certify that the above Resolution #2018-36 is a true and exact copy of the Resolution adopted by the Board of Commissioners of the Housing Authority of the Borough of Highland Park at their Regular Meeting of July 11, 2018.

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Donna F. Brightman, Secretary

Approved as to legal form by  
Terrence Corrison, Esq.