

**MCALLEN HOUSING FINANCE CORPORATION**

**June 17, 1993**

A meeting of the McAllen Housing Finance Corporation was held on **June 17, 1993** at 12:00 noon at the Tower Club with the following present:

Morgan Talbot	President
Lynda Moore	Vice-President
Bill Meyers	Member
Wilfred Dean	Member
Richard Cortez	Member
Carlos Garza	Member

Staff:	Mike Perez	City Manager
	Jim Darling	City Attorney
	Leticia M. Vacek	City Secretary

Also Present:            Marc Riggs                    MAHI

**CALL TO ORDER**

President Talbot called the meeting to order.

**APPROVAL OF MAY 7, 1992 MINUTES**

Mr. Dean moved to approve the minutes of May 7, 1992 as submitted. Mr. Garza seconded the motion. Motion carried unanimously.

**CONSIDERATION OF BOND PROGRAM FOR MCALLEN AFFORDABLE HOMES, INC. PROJECT**

Mr. Darling reported on the Bank's standpoint, Bonds, Costs for Bond Counsel, Local Bank as Paying Agent. He added that the Bond Counsel, McCall Parkhurst and Horton would not approve this Program. He noted that the McAllen Affordable Homes, Inc. needed to initiate the project. He added that this should be done within the guidelines to obtain lower income housing.

Mr. Garza expressed his concern with high cost of issuance. Mr. Darling stated that the cost can be negotiated with bond counsel.

Mr. Dean moved to authorize the City Attorney to proceed with allotment the fee in the amount

of \$5,000. Ms. Moore seconded the motion. Motion carried unanimously.

**CONSIDERATION OF AMENDMENT REGARDING LOAN TO MCALLEN AFFORDABLE HOMES, INC. FROM A SINGLE FAMILY HOUSING LOAN TO A REAL PROPERTY DEVELOPMENT LOAN**

Mr. Darling stated that McAllen Affordable Homes, Inc. (MAHI) developed Oak Terrace Subdivision with affordable lots at low costs which was very successful. He added that MAHI is presently planning a 60 acre net development. Mr. Darling proposed that the McAllen Housing Finance Corporation (MHFC) has approved a loan at \$8,500 per acre for a total of 60 acres in the amount of \$500,000. He clarified that the loan is from the corporation to MAHI to pay for the planned development. It was stated that the proposed property is in bankruptcy with two conditions. Mr. Darling mentioned Sarah and 23rd Streets, being a 1/4 mile west of the fire station. He noted that the School will purchase the northern 20 acres. Mr. Darling mentioned that said property is in the low income target area and within the city limits.

It was suggested that a grant or loan be obtained from HUD land purchase and for infrastructure. Mr. Darling mentioned that the cost of each lot will be \$4,000. A discussion followed.

Mr. Garza asked if this would amend the existing loan agreement. Mr. Darling stated that he would re-write the agreement. He noted that the loan rate at this time is 7 1/2% to 8%. Mr. Riggs stated that three out of four applicants do not own a lot.

Ms. Moore moved that the City Attorney develop a proposal with respect to facilitate this project and to amend the existing agreement with MAHI to be considered by the board. Additionally, the board is approving the concept and will work out the mechanics at the next meeting when the document has been drafted. Mr. Cardenas seconded the motion. Motion carried unanimously by those present.

**APPROVAL OF GRANT PROJECT FOR SUBSTANDARD REHAB PROGRAM (JTPA, CIS, MAHI, AND HIDALGO HOME BUILDER'S ASSOCIATION)**

Mr. Darling recommended that he will come up a budget next week subject to MAHI approval. He added that JTPA will be responsible for kids who will be supervised by Hidalgo Home Builder's Association. He noted the increments of \$50,000 and that JTPA will do strictly the labor only.

Ms. Moore moved to approve the grant project for Substandard Rehab Program as recommended. Mr. Dean seconded the motion. Motion carried unanimously by those present.

**CONSIDERATION OF APPROVAL OF NEW BOARD MEMBER VACANCY**

It was noted that there was no vacancy.

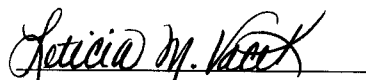
**OTHER BUSINESS**

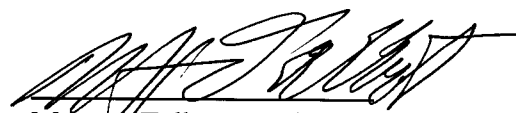
No other business was discussed.

**ADJOURNMENT**

There being no further business to come before the board, the meeting was unanimously adjourned at 1:20 pm.

Respectfully submitted,

  
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Leticia M. Vacek  
City Secretary

  
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Morgan Talbot, President