

**MCALLEN HOUSING FINANCE CORPORATION**  
**MAY 17, 2005**

A meeting of the McAllen Housing Finance Corporation was held on Tuesday, May 17, 2005 at 12:00 noon at the McAllen Miller International Airport in the East Conference Room, with the following present:

Armando Martinez	President
Margaret Rose Guerra	Vice President
Charles Cardenas	Member
Javier Salazar	Member
Richard Cortez	Member
Jim Darling	Corporation Attorney
Annette Villarreal	Corporation Secretary

Absent: Donna Rodriguez Member

Others Present: Joe Saenz McAllen Housing Authority Director

**CALL TO ORDER**

President Martinez called the meeting to order.

**1) APPROVAL OF MINUTES FOR MEETING HELD MARCH 22, 2005.**

Mr. Cardenas moved to approve the minutes for meeting held March 22, 2005 as submitted. Vice President Guerra seconded the motion. The motion carried unanimously by those present.

Items 2 and 3 were addressed concurrently.

**2) STATUS REPORT ON MCALLEN HOUSING AUTHORITY PROJECT VINE TERRACE.**

**3) CONSIDERATION AND ACTION ON GRANT REQUEST BY MCALLEN HOUSING AUTHORITY FOR RETAMA HOUSING AUTHORITY PROJECT (DEMOLITION AND REBUILDING).**

A handout was distributed and reviewed. Mr. Darling outlined the improvements to the units. He reported that \$490,000 was funded through the Community Development Block Grant for Vine Terrace Housing Project for the homeownership program.

The financing issue was discussed. Mr. Darling mentioned the participating lenders include Inter National Bank (INB), International Bank of Commerce (IBC), and Texas State Bank which would offer a home financing rate of 6%. He reported that the same financing guidelines applicable for McAllen Affordable Homes, Inc. would apply.

Mr. Saenz reviewed the demographics of the occupants and reported that a pool of 199 families was available for the Homeownership Program including families residing at Vine Terrace, Retama, Section 8 Program and MAHI wait list. He reported that a preliminary analysis depicted that all but one family currently residing at Vine Terrace qualified for the program. In such a case, this family would be accommodated at the Retama housing complex. Lastly, he reported that the first meeting with the tenants will be June 1<sup>st</sup>. Mr. Salazar expressed interest in attending said meeting with the tenants to hear the sentiments towards the transition.

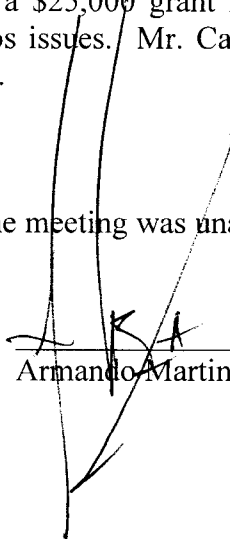
With respect to item 4, Mr. Saenz requested consideration of a grant to assist with asbestos clean-up in conjunction with the demolition and rebuilding of the Retama housing complex. He reported that they will solicit formal bids since the clean-up project is estimated at \$27,000; nevertheless, he noted that staff is confident that it can be accomplished just under said amount.

Concerns were expressed relating to the corporation money being diminished if the grant was given as opposed to a loan with repayment. A discussion ensued relating to the grant and other avenues for funding. Mr. Saenz reported that other funding sources were sought; however, they were unsuccessful in obtaining some.

After due consideration, Mr. Salazar moved to approve a \$25,000 grant maximum combined with the previous grant of \$24,000, based on the asbestos issues. Mr. Cardenas seconded the motion. The motion carried unanimously by those present.

**ADJOURNMENT**

There being no other business to come before the board, the meeting was unanimously adjourned at 1:05 p.m.



Armando Martinez, President

ATTEST:

  
Annette Villarreal  
Corporation Secretary