

MCALLEN HOUSING FINANCE CORPORATION
February 9, 1995

A meeting of the McAllen Housing Finance Corporation was held on **February 9, 1995** at 12:00 noon at the Airport East Conference Room with the following present:

MCALLEN HOUSING FINANCE CORP.

Morgan Talbot	President
Lynda Moore	Vice-President
Bill Meyers	Member
Carlos Garza	Member

Staff:	Leticia M. Vacek
	Guillermo Seguin

MCALLEN HOUSING AUTHORITY

Soila Garcia	Chairperson
Clifton King	Member
Carol Roberts	MHA Director
Juan Alvarez	MHA Staff

City Secretary
Finance Director

CALL TO ORDER

President Talbot called the meeting to order.

1) APPROVAL OF NOVEMBER 17, 1994

Mr. Garza moved to approve the minutes of November 17, 1994 as corrected. Ms. Moore seconded the motion. Motion carried unanimously by those present.

2) CONSIDER ACQUISITION AND REHABILITATION OF EL CAMINO REAL COMPLEX

Mr. Garza stated an inspection will be performed to be certain that there is no major structural problems with the complex. He also added that the Corporation is looking at 100% financing. Mr. Garza expressed concern with the cost of issuance fees. Mr. Garza read the details and fees of the cost of issuance. He stated that the total debt is \$2.7 million. He noted that said Project has a solid rental history.

Mr. Garza asked how this project could work with the Housing Authority. Ms. Roberts replied that the tenants would have to meet HUD criteria.

Mr. Garza stated that in order for the bonds to be tax exempt the existing roster of tenants has to meet HUD Guidelines. Ms. Roberts noted that the current roster meets those guidelines. It was asked if the Housing Authority could take on the project. Ms. Roberts stated that the Project would need an on-site Manager and Maintenance Personnel. Mr. Garza replied that such personnel are already in place. He also added that rent collections are good. It was commented that a facility would still need to be constructed sometime in the future.

Ms. Garcia mentioned obtaining funding through Section 202. Ms. Roberts noted that the

Housing Authority could not apply for said funding; but that the City and/or the Corporation could apply for said funds.

Mr. Meyers moved to authorize the City Attorney to enter into negotiations and authorized President Talbot to execute an earnest money contract not to exceed a maximum purchase price of \$2.3 million and also authorized the City Attorney to draft a letter of inducement to be in place as well as the issuance of bonds. Ms. Moore seconded the motion. Motion carried unanimously by those present. The City Attorney was asked to bring forth the details for the ratification of the purchase price.

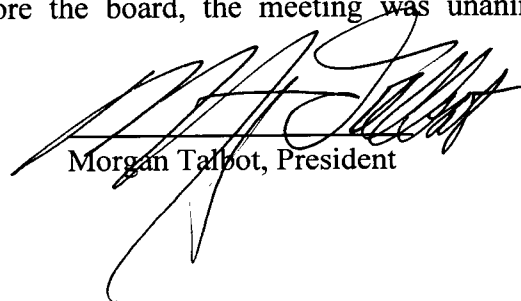
3. OTHER BUSINESS

A brief discussion followed relating to housing for the elderly and constructing a housing facility for same.

Mr. Garza moved to authorize the hiring of a Consulting Engineer on a limited basis for preliminary plans. He commented that much can be done through the McAllen Housing Finance Corporation who can build a top quality and efficient facility (Elderly Housing Development) with landscaping for \$30 per sq. ft. and yet not spend more than \$5,000 to achieve a site plan on the four acres where the Detention Center was located on Tamarack. Ms. Moore seconded the motion. Motion carried unanimously by those present.

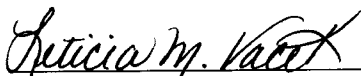
ADJOURNMENT

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



Morgan Talbot, President

Respectfully submitted,



Leticia M. Vacek
City Secretary