

**MCALLEN HOUSING FINANCE CORPORATION  
OCTOBER 8, 1999**

A meeting of the McAllen Housing Finance Corporation was held on October 8, 1999 at 11:30 a.m. at The Tower Club, Chairman's Room with the following present:

	Richard Cortez	President
	Lynda Moore	Vice-President
	Wilfred Dean	Member
	Bill Meyers	Member
	Morgan Talbot	Member
	Charles Cardenas	Member
	Carlos Garza	Member
Staff	Jim Darling	City Attorney
	Annette Villarreal	Assistant City Secretary

**CALL TO ORDER**

President Cortez called the meeting to order.

**1. APPROVAL OF MINUTES FOR MEETING HELD MARCH 25, 1999.**

Ms. Moore moved to approve the minutes for the meeting held March 25, 1999 with corrections to members in attendance. Mr. Talbot seconded the motion. The question was called and the motion carried unanimously.

**2. CONSIDERATION AND ACTION ON RETIREMENT AND DEFEASANCE OF 1980 HOUSING REVENUE BOND ISSUE.**

Mr. Darling reported that he authorized the liquidation treasury note that was due October 1, 1999 on behalf of the corporation. He requested authorization to file with Internal Revenue Services the documents relating to the retirement of the bonds. Mr. Darling reported that there are 42 outstanding mortgages in the principle amount of \$390,000.

Mr. Talbot moved to authorize Mr. Darling to proceed with notifying the IRS on the retirement of the bonds. Mr. Dean seconded the motion. The question was called and the motion carried unanimously.

**3. CONSIDERATION AND ACTION ON AMENDMENT TO MCALLEN AFFORDABLE HOUSING, INC. AGREEMENT RELATING TO LOAN SERVICES.**

Said item was deferred at this time.

**4. CONSIDERATION AND ACTION ON THE DISBURSEMENT OF FUNDS.**

Mr. Darling reviewed the possibilities for the disbursement of McAllen Housing Finance Corporation funds as follows:

- McAllen Affordable Homes, Inc. (MAHI) (qualified loan servicer under Federal Law) is quite capable and willing to service those loans on behalf of the McAllen Housing Finance Corporation for the purposes of building low-income housing which meets the primary statutory purposes of the MHFC.
- The City Commission would be interested in discussing a transaction involving MAHI and the MHFC for purposes of developing parks which are a part obligation of MAHI in relationship to its subdivision development.


The Committee was in consensus to do something with the funds other than giving the funds to MAHI. Mr. Meyers suggested low income housing for the elderly. Mr. Talbot asked that Ms. Moore chair a committee to look into the possibility of Elderly Housing. Mr. Talbot agreed to co-chair this effort and report back to the committee. It was recommended that Ms. Moore contact Joe Saenz at the McAllen Housing Authority and coordinate this effort of low income housing for the elderly.

The committee authorized the City Attorney to contact several banks to submit a proposal for the sale of mortgages under the bond program. Mr. Garza mentioned that he would not submit a proposal although if no proposals are received, he would be glad to consider same.

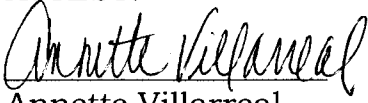
President Cortez mentioned that he would be approving a statement for payment to Mr. Darling if the board had no objections.

**AJDOURNMENT**

There being no other business to come before the Board, the meeting was unanimously adjourned at 12:40 pm.

  
Richard Cortez, President

ATTEST:

  
Annette Villarreal  
Asst. City Secretary