

**MCALLEN HOUSING FINANCE CORPORATION**  
**JUNE 20, 1996**

A meeting of the McAllen Housing Finance Corporation was held on **June 20, 1996** at 11:30 am at the Tower Club Citrus Room, 16th Floor with the following present:

Morgan Talbot	President
Lynda Moore	Vice-President
Wilfred Dean	Member
Bill Meyers	Member
Charles Cardenas	Member
Richard Cortez	Member

Staff:	Jim Darling	City Attorney
	Leticia M. Vacek	City Secretary/Corp. Secretary
	Guillermo Seguin	Dir. of Finance/Treasurer

Also Present:           Alonzo Cantu           McAllen Affordable Homes, Inc.

**CALL TO ORDER**

President Talbot called the meeting to order.

**1.       APPROVAL OF AUGUST 24, 1995 MINUTES.**

Ms. Moore moved to approve the minutes of August 24, 1995 as submitted. Mr. Cardenas seconded the motion. Motion carried unanimously by those present.

**2.       ELECTION OF OFFICERS**

Mr. Cardenas moved to re-elect the same slate of officers. Mr. Cortez seconded the motion. The slate of officers as elected follows:

Morgan Talbot	President
Lynda Moore	Vice-President
Leticia Vacek	Secretary
Guillermo Seguin	Treasurer

Motion carried unanimously by those present.

**3.       DISCUSSION AND ACTION - AMEND CORPORATION'S EXISTING LOAN AGREEMENT TO ALLOW MCALLEN AFFORDABLE HOMES, INC. (MAHI) TO USE CORPORATE LOAN FUNDS TO PURCHASE 30 ACRES ON 5 3/4 MILE NORTH 29TH STREET**

Mr. Cantu stated that McAllen Affordable Homes Inc. (MAHI) is trying to duplicate what was done at Los Encinos Subdivision. He added that the goal of MAHI is to build 100 houses per year. Lots proposed on the 30 acre site will be sold for \$6,500.00. It was noted that MAHI would like to purchase the 30 acres in order to build 130 homes. The entire project consists of a 105 acre tract of

land located at 5 Mile Line and 29th Street. The 30 northern most acres of the 105 acres is where MAHI will build a Subdivision. It was noted that MISD will obtain 40 acres on the southern most part of the tract for a School. At this time, Mr. Cortez entered the meeting. Ms. Moore moved to amend the Corporation's existing loan agreement to allow McAllen Affordable Homes, Inc. to use corporate loan funds to purchase 30 acres on 5 3/4 Mile North 29th Street. Mr. Cardenas seconded the motion. Motion carried unanimously.

**4. REQUEST OF MAHI TO CONSIDER THE CORPORATE LOAN FUNDS A GRANT.**

Mr. Darling reported that the appraised value per acre is approximately \$15,000.00. It was noted that presently the price of a low cost lot is \$13,000.00. Individual lots will be sold to qualified participants at a cost of \$6,500.00 to \$8,000.00. Mr. Meyers commented that the money needs to continue flowing in order to make other projects a reality. It was noted that the interest received from the lot proceeds could be returned to the Corporate Fund Balance in the amount of 180,000 to \$190,000 total. Mr. Darling noted that MAHI may come back to the Corporation for a loan for the construction phase. A resolution will be drafted in order to amend the Loan Agreement. Ms. Moore moved to approve the drafting of a resolution in order to amend the Loan Agreement as noted in the above discussion. Mr. Cardenas seconded the motion. Motion carried unanimously.

**5. DISCUSS CITY'S BOND POOL PROGRAM AND UPDATE OF ARBITRAGE MONIES.**

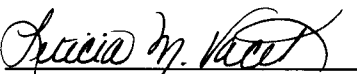
Mr. Darling commented that the report reflects only three foreclosures since 1980. Mr. Darling noted that the New Servicer is now 1st Nationwide. Mr. Seguin added that in addition to the list of fund balances that Mr. Darling distributed he had received a report from the Bank.


President Talbot suggested utilizing funds to provide needed ramps, railings, etc. for a better quality of life for the homes of the disabled elderly. Mr. Darling stated that he would contact Mr. Montesdeoca with regards to same.

**ADJOURNMENT**

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

**ATTEST:**

  
**Leticia M. Vacek**  
City Secretary

  
**Morgan Talbot, President**