

**MCALLEN HOUSING FINANCE CORPORATION
NOVEMBER 3, 2000**

A meeting of the McAllen Housing Finance Corporation was held on November 3, 2000 at 11:30 am at The McAllen Country Club, Hickory Grill, with the following present:

Present:	Richard Cortez	President
	Bill Meyers	Member
	Charles Cardenas	Member
	Morgan Talbot	Member
Absent:	Lynda Moore	Vice-President
	Wilfred Dean	Member
	Carlos Garza	Member
Also Present:	John Schrock, Jr.	McAllen Affordable Homes
	Bobby Calvillo	McAllen Affordable Homes
Staff:	Mike Perez	City Manager
	Jim Darling	City Attorney
	Leticia M. Vacek	City Secretary/Corp.Secretary
	Jerry Dale	Finance Director/Treasurer

CALL TO ORDER

Mr. Cortez called the meeting to order.

Mr. Darling presented the Analysis of Deposits held for the McAllen Housing Finance Corporation. Balance as of September 30, 2000, is \$715,379.75.

MINUTES

1. APPROVAL OF MINUTES FOR MEETING HELD MAY 16, 2000

Mr. Cardenas moved to approve the minutes for the meeting held May 16, 2000. Mr. Meyers seconded the motion to approve the minutes with corrections. Motion carried unanimously by those present.

2. CONSIDERATION AND ACTION - LOAN/GRANT TO MCALLEN AFFORDABLE HOMES, INC., FOR DEVELOPMENT OF PROPERTY ON JORDAN ROAD

Mr. Darling showed a map of the Los Encinos del Norte Subdivision located on Jordan Road next to the Palmview Community Center.

He proposed a loan with no interest and that the Corporation could recapture the money as lots are sold. He added that the land would be donated by the City and that the subdivision would be done in phases.

Mr. Darling reported contacting the McAllen Housing Authority and did not get a response for this type of housing for the elderly. Mr. Cortez asked if this is approved as a loan would it be interest-free. Mr. Talbot objected to an interest free loan. Mr. Cortez asked how long the pay back would be. Mr. Calvillo responded that it would take 33 months to get it back if it is done as a package lot and a home. Mr. Darling stated that the Corporation acts on behalf of the City and exists to assist in housing. Mr. Meyers stated that there is a need for elderly housing/assisted living facilities. Mr. Cortez asked that the matter be tabled or that the board approve it setting the interest rate at 6%.

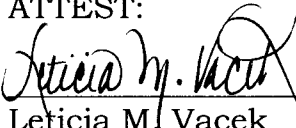
Mr. Talbot moved that the MHFC approve a loan setting the interest rate at 6%. Mr. Cardenas seconded the motion. There being no opposition, the motion carried by those present. Mr. Darling noted that he would contact Amigos Del Valle.

There being no other business to come before the board, the meeting was unanimously adjourned at 12:28 p.m.



Richard Cortez, President

ATTEST:



Leticia M. Vacek
Corporation Secretary