

**MCALLEN HOUSING FINANCE CORPORATION
SEPTEMBER 20, 2001**

A meeting of the McAllen Housing Finance Corporation was held on Thursday, September 20, 2001 at 12:00 pm at The Tower Club, with the following present:

Present:	Richard Cortez	President
	Lynda Moore	Vice-President
	Carlos Garza	Member
	Bill Meyers	Member
	Morgan Talbot	Member
Absent:	Wilfred Dean	Member
	Charles Cardenas	Member
	<u>McAllen Housing Facility Corporation</u>	
	Pete Morales	President
	Nancy Narro	Member
	Carrie Beth Welch	Member
	Leo Lara	Member
	Virginia Chavez	Financial Officer
Staff:	Brent Branham	Deputy City Manager
	Jim Darling	City Attorney
	Leticia M. Vacek	City Secretary/Corp.Secretary
	Jerry Dale	Finance Director/Treasurer

CALL TO ORDER

President Cortez called the meeting to order.

MINUTES

1. APPROVAL OF MINUTES FOR MEETING HELD MAY 2, 2001.

Mr. Talbot moved to approve the minutes for the meeting held May 2, 2001 as submitted. Mrs. Moore seconded the motion. The motion carried unanimously by those present.

2. JOINT MEETING WITH MCALLEN HOUSING FACILITY CORPORATION.

a) INDUCEMENT RESOLUTION FOR JORDAN ROAD – ELDERLY HOUSING PROJECT.

President Cortez called the joint meeting to order with the McAllen Housing Facility Corporation.

Ms. Moore moved to approve the Inducement Resolution in favor of McAllen Housing Facility Corporation for the construction of the Jordan Road Elderly Housing Project and upon request of such corporation authorized Bond Counsel to apply for the Housing Bond State Allotment for the project. Mr. Talbot seconded the motion. The motion carried as follows:

AYE: Ms. Moore, Mr. Talbot, Mr. Meyers, Mr. Cortez
NAY: None.
ABSTAIN: Carlos Garza
ABSENT: Mr. Dean, Mr. Cardenas

It was the consensus of the McAllen Housing Facility Corporation members present to approve the Inducement Resolution as approved by the McAllen Housing Finance Corporation members.

b) TRANSFER OF INFRASTRUCTURE GRANT FROM AMIGOS DEL VALLE TO MCALLEN HOUSING FACILITY CORPORATION (MCALLEN HOUSING AUTHORITY) FOR ELDERLY DEVELOPMENT SITE AT JORDAN ROAD AND 32ND STREET.


Mr. Darling reported that Amigos Del Valle did not get the housing grant and therefore would not be building the project. Nevertheless, the McAllen Housing Facility Corporation has been substituted by the City to build the Elderly Housing Project on Jordan Road and the City has entered into a new land transaction with McAllen Housing Facility Corporation.

Mr. Darling recommended that the grant for the infrastructure in the amount of \$185,139.00 be rescinded as it relates to Amigos Del Valle and that such grant now be made to the McAllen Housing Facility Corporation for the Jordan Road Elderly Housing Project with such funds to be deposited into such corporation's account with a final accounting of the use of such funds to be given to the Board.

Mr. Talbot made a motion to rescind the amount of the grant to Amigos Del Valle and re-grant the infrastructure costs of \$185,139.00 to the McAllen Housing Facility Corporation as recommended for the Jordan Road Elderly Project. Mr. Meyers seconded the motion. The motion carried unanimously by those present.

ADJOURNMENT

There being no other business to come before the boards, the meeting was unanimously adjourned at 12:45 p.m.


Richard Cortez, President

ATTEST:


Leticia M. Vacek
Corporation Secretary

Originals

**NOTICE OF A MEETING TO BE HELD BY THE
MCALLEN HOUSING FINANCE CORPORATION**

DATE: Thursday, September 20, 2001

TIME: 12:00 NOON

PLACE: The Tower Club
Citrus Room (16th Floor)
200 S. 10th Street
McAllen, Texas 78501

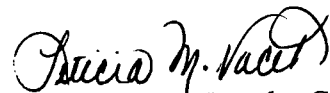
SUBJECT MATTERS:

1. Approval of minutes for meeting held May 2, 2001.
2. JOINT MEETING WITH MCALLEN HOUSING FACILITY CORPORATION
 - a) Inducement Resolution for Jordan Road - Elderly Housing Project.
 - b) Transfer of Infrastructure Grant from Amigos Del Valle to McAllen Housing Facility Corporation (McAllen Housing Authority) for Elderly Development site at Jordan Road and 32nd Street.

ADJOURNMENT

C E R T I F I C A T I O N

I, the Undersigned authority, do hereby certify that the attached agenda of meeting of the McAllen Housing Finance Corporation is a true and correct copy and that I posted a true and correct copy of said notice on the bulletin board in the Municipal Building, a place convenient and readily accessible to the general public at all times, and said Notice was posted on the 13th day of September, 2001 at 11:00 am and will remain so posted continuously for at least 72 hours preceding the scheduled time of said meeting in accordance with Chapter 551 of the Texas Government Code.


Leticia M. Vacek, CMC
City Secretary

CITY OF McALLEN
SECTION 272(g) LOCAL GOVERNMENT CODE
LOW INCOME HOUSING DEVELOPMENT AGREEMENT
McAllen Housing Facility Corporation

WHEREAS, the SECTION 272(g), Local Government Code authorizes the City to implement programs for purposes of low income housing development under which cities may grant public real estate for the purposes of developing local low income housing activity in the cities; and

WHEREAS, the City has considered a program for the purposes of providing units of low income housing to be developed by McAllen Housing Facility Corporation. (MHFC) on Real Property described as set out in Exhibit "A" attached hereto; and

WHEREAS, the Board of Commissioners deems it in the best interest to the City to donate the Real Property for the purposes of assisting (MHFC) in establishing an elderly housing development.

NOW, THEREFORE, in mutual consideration of the following the City of McAllen (City) and McAllen Housing Facility Corporation. (MHFC) agrees as follows:

1. MHFC will seek permanent financing for purposes of constructing and operating low-income elderly housing on the Real Property (3201 Jordan Road)
2. Upon the approval of permanent financing of the Development from both public and private sources, City will deed a special warranty deed to (MHFC). The Real Property is conditioned upon (MHFC) or the McAllen Housing Authority, operating a low-income elderly housing development thereon.
3. **Mutual Assistance** The City and (MHFC) shall do all things necessary or appropriate to carry out the terms and provision of this Agreement and to aid and assist each other in carrying out such terms and provisions.

4. **Representations and Warranties** The City represents and warrants to (MHFC) that it is duly authorized and empowered to donate the Real Property and enter into this Agreement. (MHFC) represents and warrants to the City that it has the requisite authority to enter into this Agreement.

5. **Default.** If either party should default in performing any obligation under this Agreement, the other party shall provide such defaulting party written notice of default and provide the defaulting party a minimum period of thirty (30) days to cure such default prior to instituting an action for breach or pursuing any other remedy for default. Subject to providing such notice of default, the party aggrieved by default under this Agreement shall have the right to terminate this Agreement, or pursue any other remedy available at law or in equity, for breach hereof.

6. **Attorneys' Fees.** In the event any legal action or proceeding is commenced between the City and (MHFC) to enforce provisions of the Agreement or recover damages for breach hereof, the prevailing party in such legal action shall be entitled to recover its reasonable attorney's fees and expenses incurred by reason of such action.

7. **Entire Agreement.** The Agreement contains the entire agreement between the parties with respect to the transaction contemplated herein and supercedes all previous agreements. This Agreement may only be amended, altered, or revoked by written instrument signed by (MHFC) and the City.

8. **Notice.** Any notice and/or statement required and permitted to be delivered shall be deemed delivered by depositing same in the United States mail, certified with return receipt requested, postage prepaid, addressed to the appropriate party at the following addresses:

McAllen Housing Facility Corporation

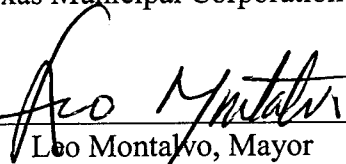
2301 Jasmine Avenue
McAllen, Texas 78501

CITY: City of McAllen

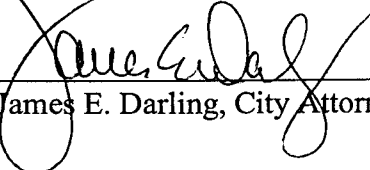
1300 Houston
McAllen, Texas 78501
Attn: City Manager

9. **Applicable Law.** This Agreement is made, and shall be construed and interpreted under the laws of the State of Texas and venue shall lie in Hidalgo County, Texas.

CITY OF McALLEN,
A Texas Municipal Corporation

By: 
Leo Montalvo, Mayor

APPROVED AS TO FORM:


James E. Darling, City Attorney

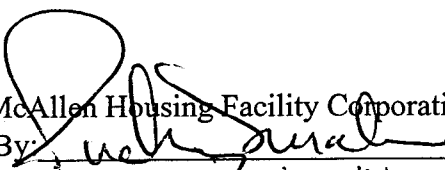
McAllen Housing Facility Corporation
By: 
Printed Name: Pedro Morales
Title: President

EXHIBIT "A"

Being a 5.24 acre tract, more or less, out of Lots 55 & 56, McAllen Second Suburban Citrus Groves Subdivision, Hidalgo County, Texas, said tract of land being more particularly described by metes and bounds as follows:

COMMENCING for reference at a 60-D nail found at the Northeast corner of Lot 57, Thence, North 58 Deg. 36 Min. 21 Sec. West, (North 58 Deg. 37 Min. 00 Sec. West Record) with and along the North line of Lots 57, and 56, and also being the centerline of Jordan Avenue, a distance of 977.05 feet to a 60-D nail set for the Northeast corner of this description for the POINT OF BEGINNING;

THENCE, South 08 Deg. 43 Min. 00 Sec. West, parallel to the West line of Lot 56, a distance of 43.35 feet to a ½ inch diameter iron rod set at the South right-of-way line of Jordan Avenue, a total distance of 487.90 feet to a ½ inch diameter iron rod found for the Southeast corner;

THENCE, North 62 Deg. 04 Min. 53 Sec. West, a distance of 74.29 feet pass the West line of Lot 56, a total distance of 480.19 feet to a ½ inch diameter iron rod for the Southwest corner;

THENCE, North 08 Deg. 43 Min. 00 Sec. East, parallel to the West line of Lot 55, a distance of 476.10 feet pass a ½ inch diameter iron rod set at the South right-of-way line of Jordan Avenue, a total distance of 519.45 feet to a 60-D nail set on the North line of Lot 55, for the Northwest corner;

THENCE, South 58 Deg. 36 Min. 21 Sec. East, (South 58 Deg. 37 Min. 00 Sec. East record) with and along the North line of Lots 55 and 56, and also being the centerline of Jordan Avenue, a distance of 491.47 feet to a 60-D nail set for the Northeast corner of this description for the POINT OF BEGINNING said tract of land containing 5.24 acres gross, more or less, basis of bearing North 58 Deg. 36 Min. 21 Sec. West, found a 60-D nail at the Northeast corner of Lot 57, and 60-D nail found at angle point between Lots 52 and 53, McAllen Second Suburban Citrus Groves Subdivision.



LEO MONTALVO, Mayor
CARLOS I. GARZA, Mayor Pro-Tem and Commissioner District 1
MARCUS C. BARRERA, Commissioner District 2
HILDA SALINAS, Commissioner District 3
AIDA RAMIREZ, Commissioner District 4
RIC GODINEZ, Commissioner District 5
JAN M. KLINCK, Commissioner District 6

MIKE R. PEREZ, City Manager

September 20, 2001

Mr. Pete Morales, President
McAllen Housing Facility Corporation
2301 Jasmine Avenue
McAllen, Texas 78501

Dear Mr. Morales:

The McAllen Housing Finance Corporation at its September 20, 2001 meeting voted to provide \$185,139 for the necessary site improvements and park dedication fees for the proposed 2001 McAllen Housing Facilities Corporation sponsored Elderly Housing Development.

This commitment is contingent upon the McAllen Housing Housing Facility Corporation approving permanent financing for building the proposed elderly housing units on the proposed site, Jordan Road and 32nd Street, McAllen, Texas. This 5.24-acre site is to be donated by the City of McAllen as per their approval on September 10, 2001.

The Housing Corporation is delighted to be able to provide financial support for such a worthwhile project. Our support, along with that of the City of McAllen for existing Palmview Community Center, Branch Library, Bus Transportation, and proposed Park, will make this an outstanding location for Elderly Housing in our City.

Please let me know if the McAllen Housing Corporation can be of further assistance.

Sincerely,

Richard Cortez, President
McAllen Housing Finance Corporation

cc: Mayor and City Commission
Mike R. Perez, City Manager

ABB:vs



LEO MONTALVO, Mayor
CARLOS I. GARZA, Mayor Pro-Tem and Commissioner District 1
MARCUS C. BARRERA, Commissioner District 2
HILDA SALINAS, Commissioner District 3
AIDA RAMIREZ, Commissioner District 4
RIC GODINEZ, Commissioner District 5
JAN M. KLINCK, Commissioner District 6

MIKE R. PEREZ, City Manager

September 13, 2001

Mr. Joe Saenz, Executive Director
McAllen Housing Authority
2301 Jasmine Avenue
McAllen, Texas 78501

RE: Housing Development Project at Jordan Avenue

Dear Mr. Saenz,

Based on our meeting of September 12, 2001 the following is a tentative schedule for the project located on the 5.26 ac. Tract of land fronting on Jordan Ave.

September 25, 2001	Formal approval by the McAllen Housing Authority Board of Directors for Architectural and Engineering services by the City of McAllen.
October 30, 2001	Schematic Design Phase and preliminary cost estimate review of on-site construction project and off-site utilities.
November 26, 2001	Design Development Phase review of on-site construction project and off-site utilities.
December 17, 2001	50% Construction Document Phase review of on-site construction project and final review of off-site utilities.
January 12 & 19, 2002	Advertise for bids of Off-Site utilities under McAllen Housing Authority Regulations with assistance by City of McAllen staff.
January 29, 2002	100% Construction Document Phase review and authorization to Bid.
February 9 & 16, 2002	Advertise for Bids of on-site construction project under McAllen Housing Authority Regulations with assistance by City of McAllen staff.
February 26, 2002	Receipt of Bids.

10/15/01
Send to Mr. Saenz
McAllen Housing Authority

March 2002

Special Meeting of the McAllen Housing Authority Board of Directors for Award of Bid for General Construction work.

March 2002

Pre-Construction Meeting and Notice to Proceed for General Construction work.

March/April, 2002

Construction project beings; 6-8 month duration. McAllen Housing Authority in-house Project Management with field construction assistance by City of McAllen staff.

Based on the above schedule, we anticipate project completion and closeout by the end of the year, 2002. Please note that under the above schedule, the active role of the City of McAllen extends only through the Construction Document Phase. Your Board of Directors or their Designee would handle all other work beyond this, starting with the Bidding and Negotiation Phase. This can be accomplished in-house by the McAllen Housing Authority with assistance by City of McAllen staff.

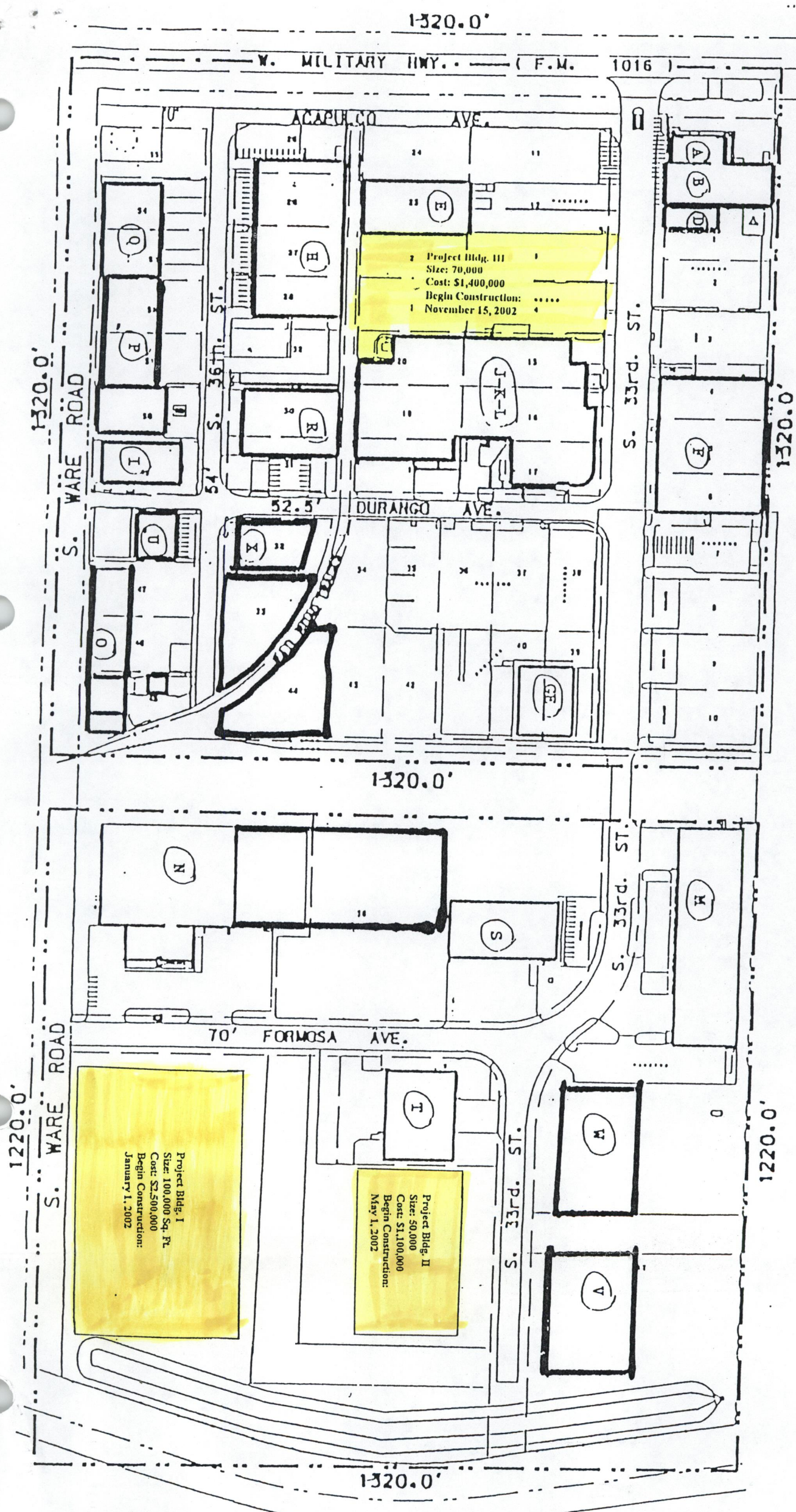
Should you have questions, comments or require additional clarification please do not hesitate to contact me at 956-972-7243.

Sincerely yours,
City of McAllen



Jaime C. Condit, AIA
City Architect

Cc: Lamberto J. (Bobby) Balli, City Engineer / Public Works Director



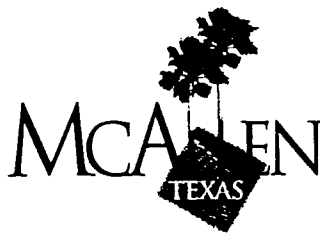
Frederick M. Manno

UNIT "B" UNIT "A"

Project Bldg. I
Size: 100,000 Sq. Ft.
Cost: \$2,500,000
Begin Construction:
January 1, 2002

Project Bldg. II
Size: 50,000
Cost: \$1,100,000
Begin Construction:
May 1, 2002

Project Bldg. III
Size: 70,000
Cost: \$1,400,000
Begin Construction:
November 15, 2002



McAllen FTZ Buildings

Building	Space (Sq. Ft.)	
Bldg. (B)	13,000	
Akers Bldg. (E)	20,000	
Baucum Bldg. (H)	48,000	
Moffit Bldg. (J)	95,000	
Whetsel Bldg. (M)	50,000	
Freeland Bldg. (N)	120,000	Subtotal: 350,000
<hr/>		
Project Bldg. I (Jan. 1, 2002)	100,000	
Project Bldg. II (May, 1, 2002)	50,000	
Project Bldg. III (Nov. 15, 2002)	70,000	Subtotal: 220,000
<hr/>		
		Total: 570,000
<hr/>		
Annual Input: Total Sq. Ft. x .40 = \$2,736,000		



CITY OF McALLEN
STANDARDIZED RECOMMENDATION FORM

CITY COMMISSION _____
UTILITY BOARD _____
PLANNING & ZONING BOARD _____
OTHER _____

AGENDA ITEM
DATE SUBMITTED
MEETING DATE

26

08-29-01

09-10-01

- 1 Agenda Item: Consider Contractual Agreement with McAllen Housing Facility Corporation for donation of 5.24 acres of Elderly Development site at Jordan Road and 32nd Street.
- 2 Party Making Request: Joe Saenz, McAllen Housing Authority and McAllen Housing Facility Corp, Executive Director
- 3 Nature of Request: (Brief Overview) Attachments: x Yes No
This contract will provide initial commitment for an Elderly Housing Development proposed by the McAllen Housing Facility Corp. for the same site as the 202 Application of Amigos Del Valle which was not funded by HUD.
- 4 Policy Implication: This agreement will be part of a package provided to local banks for permanent financing of development based upon attached timeline.
- 5 Budgeted: Yes X No N/A
Bid Amount: _____ Budgeted Amount: _____
Under Budget: _____ Over Budget: _____
Amount Remaining: _____
- 6 Alternate option costs: _____
- 7 Routing:
- | NAME/TITLE | INITIALS | DATE | CONCURRENCE
YES/NO |
|---------------------------------------|----------|---------|-----------------------|
| a) A. Brent Branham, Deputy City Mgr. | | 8/30/01 | yes |
| b) _____ | | | |
- 8 Staff Recommendation: Approve the contractual agreement.
- 9 Advisory Board: Approved Disapproved x None
- 10 City Attorney: Approved Disapproved None
- 11 Manager's Recommendation: Approved Disapproved None

August 29, 2001
Proposed Timetable for Elderly Housing Development
at Jordan Road
Sponsored by
McAllen Housing Facility Corporation

Date	Responsibility	Action
Sept. 10, 2001	McAllen City Commission	Approval of Agreement with McAllen Housing Facility Corporation for donation of Property
Prior to Sept. 26, 2001	Joint Meeting, McAllen Housing Finance Corporation and McAllen Housing Facility Corporation Authority	Provide Commitment letter for Infrastructure requirements
Sept. 26, 2001	McAllen Housing Facility Corporation	Send permanent financing request to Local Banks and Rio Grande Valley Multi. Bank
Oct. 3, 2001	Rio Grande Valley Multi. Bank	Review and Consider Commitment for Funding
Oct. 10, 2001	Special Meeting of McAllen Housing Facility Corporation	To approve permanent financing from Proposals Received
Oct., 2001 - Jan., 2002	McAllen Housing Facility Corporation Contract	For Architect Design Services
Jan., 2002 - June, 2003	McAllen Affordable Homes (Acting as General Contractor)	Platting, Bidding and Actual Construction of units
July, 2003	McAllen Affordable Homes	Completion for Occupancy of all units
July, 2003 - on	McAllen Housing Authority	Operation and Maintenance of all units under Contract with McAllen Housing Facility Corporation