

**MCALLEN HOUSING FINANCE CORPORATION  
MARCH 22, 2005**

A meeting of the McAllen Housing Finance Corporation was held on Tuesday, March 22, 2005 at 12:00 noon at the McAllen Miller International Airport in the East Conference Room, with the following present:

	Armando Martinez	President
	Margaret Rose Guerra	Vice President
	Donna Rodriguez	Member
	Charles Cardenas	Member
	Javier Salazar	Member
Absent:	Richard Cortez	Member
Staff:	Jim Darling	City Attorney
	Annette Villarreal	Corporation Secretary
Others Present:	Joe Saenz	McAllen Housing Authority Director

**CALL TO ORDER**

President Martinez called the meeting to order.

**1) APPROVAL OF MINUTES FOR MEETING HELD JANUARY 11, 2005.**

Mr. Cardenas moved to approve the minutes of January 11, 2005 as submitted. Vice President Guerra seconded the motion. The motion carried unanimously by those present.

**2) GRANT AGREEMENT FOR MCALLEN HOUSING AUTHORITY FOR:**

**A) VINE TERRACE OWNERSHIP CONVERSION**

Mr. Darling reported on two projects for McAllen Housing Authority. The first project proposes to sell the existing housing units at Vine Terrace and 26<sup>th</sup> (49 single family units) to McAllen Affordable Homes, Inc. (MAHI). MAHI proposes to refurbish the homes since the units are 20 years old and do not currently have central air. Mr. Darling noted that MAHI will be obtaining funds through the Community Development Block Grant (CDBG) to refurbish each unit; the estimated cost for each unit is \$10,000. Thereafter, MAHI will turn the units into ownership units offered to the existing residents with assistance from the Voucher Program through MAHI.

**B) LA RETAMA DEMOLITION**

Mr. Darling reported on the second project which proposes to demolish the existing units at La Retama on 23<sup>rd</sup> Street and the construction of new multi-family units. He stated that the money they receive from the sale to MAHI will go to pay for a partial amount of the cost to demolish

the units. He reported that monies from HUD would be used for the new construction. Mr. Darling added that the property closest to 23<sup>rd</sup> Street will be sold as commercial and said monies will be put into the redevelopment of La Retama. He noted that demolition costs do not qualify for tax credits; furthermore, it was recommended to build as much equity as possible.

Mr. Saenz reported that currently 150 families reside at La Retama. He emphasized that the City does not want to displace residents; hence, the project would be done in phases.

In conclusion, Mr. Darling noted that McAllen Housing Authority is requesting a grant to do appraisals and that the estimated cost for the appraisal is \$40,000. He added that they would get proposals for appraisals based on HUD requirements.

After due consideration, President Martinez recommended an alternative for board consideration to grant \$500 for each of the 49 lots for a total grant in the amount of \$24,500. Mr. Cardenas moved to approve the recommendation. Vice President Guerra seconded the motion. The motion carried unanimously by those present.

Mr. Salazar requested a list of homes from Mr. Saenz. It was the consensus of the Board to meet in May to review proposals. Additionally, the Board emphasized to Mr. Saenz to make an effort to provide homes for those current renters.

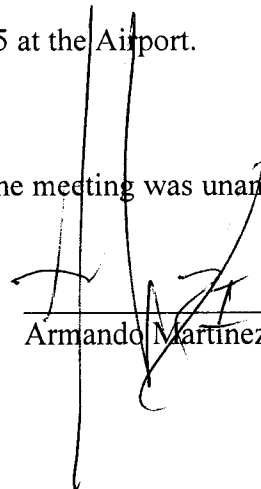
**3) MCALLEN AFFORDABLE HOMES INC. STATUS REPORT ON SUBDIVISION GRANT FOR LOS ENCINOS II.**

Mr. Darling reported on the proposal for Los Encinos II Subdivision located on South Sarah and 23<sup>rd</sup> Street, south of Los Encinos. He reported that a variance was granted by the City Commission to not put a street in. He added that 110 lots are being proposed. Mr. Darling reported that at the last meeting of the MHFC, the corporation approved a loan for MAHI in the amount of \$500,000 and that they continue repayment of the remaining \$120,000 from previous development. In conclusion, Mr. Darling reported that the cost per home is \$32,000 for a 3-bedroom, 2 bath home; \$40,000 total including the lot.


It was the consensus of the board to meet on May 17, 2005 at the Airport.

**ADJOURNMENT**

There being no other business to come before the board, the meeting was unanimously adjourned at 12:59 p.m.

  
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Armando Martinez, President

ATTEST:

  
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Annette Villarreal  
Corporation Secretary