

**MCALLEN HOUSING FINANCE CORPORATION
JANUARY 8, 2009**

A meeting of the McAllen Housing Finance Corporation was held on Thursday, January 8, 2009 at 12:00 noon at Palm View Golf Course Meeting Room, with the following present:

Armando Martinez	President
Margaret Rose Guerra	Vice President
Paul Schwab	Member
Mercedes Espinoza	Member
Charles Cardenas	Member
Donna Rodriguez	Member

Absent: Peter Carney Member

Others Present:	Annette Villarreal	Corporation Secretary
	Jerry Dale	Corporation Treasurer
	Robert A. Calvillo	McAllen Affordable Homes Director
	Leo Lara	McAllen Housing Authority Board President
	Joe Saenz	McAllen Housing Authority Director

CALL TO ORDER

President Martinez called the meeting to order.

1. APPROVAL OF MINUTES FOR MEETING HELD AUGUST 30, 2007.

Mr. Cardenas moved to approve the minutes of the meeting held August 30, 2007, as submitted. Vice President Guerra seconded the motion. The motion carried unanimously by those present.

2. REPORT ON LOS ENCINOS IV SUBDIVISION DEVELOPMENT

Mr. Calvillo gave a report on Los Encinos IV Subdivision development noting that 98% was built out.

President Martinez asked about the ratio of delinquent accounts. Mr. Calvillo responded that the ratio of delinquent accounts is low at 4.5% but accounts are usually brought current with income tax returns.

Report only; no action required.

3. CONSIDERATION AND ACTION ON A REQUEST BY AFFORDABLE HOMES OF SOUTH TEXAS, INC. FOR AN EXTENSION OF LOAN FUNDS FOR PROPOSED TAYLOR CROSSING SUBDIVISION.

Mr. Calvillo reviewed the subdivision plat for Proposed Taylor Crossing Subdivision noting that the development was the largest in a number of years with 154 lots to be located on 4 Mile Line and Taylor Road. He reported that the development provided for a small neighborhood

park/detention facility. Moreover, Mr. Calvillo requested consideration of a loan extension in the amount of \$500,000 with the same rate and terms to complete the project.

An inquiry was made about the balance on the MHFC account. Mr. Dale reported a balance of \$202,390.01. For the benefit of the new members, a brief history was given emphasizing that this is not city money and that the only two entities of Affordable Homes of South Texas, Inc. and the McAllen Housing Authority, provide low-income housing programs that qualify for funding from the corporation.

After due consideration, Mr. Schwab moved to approve the loan extension with a 3% interest rate. Vice President Guerra seconded the motion. The motion carried unanimously by those present.

Direction was given for the corporation attorney to prepare a binding document for execution providing for the extension of said loan and to ensure that the document reflects the new official name.

4. REPORT ON MCALLEN HOUSING AUTHORITY'S DEMOLITION AND REBUILDING PROJECT OF THE RETAMA HOUSING COMPLEX (RETAMA VILLAGE I, II AND VILLAS AT BEAUMONT)

Mr. Leo Lara, Chairman of the McAllen Housing Authority, gave a history of the housing complex. He reported that the complex on 23rd and Jasmine was torn down and a new modern complex was built with energy efficient units and amenities that include a pool and computer labs. He added that the project came in under budget for both Retama 1 and 2. Additionally, Mr. Lara talked about the Beaumont Development located on 22nd and Beaumont which is an all elderly development for which the city donated the land and the McAllen Housing Authority received grants for construction.

Mr. Joe Saenz stated that the goal of the McAllen Housing Authority is to move tenants into their own home and toward independent living. He briefly noted that the elderly development of Sunset Gardens is 100% full.

Direction was given to both agencies to bring forth additional housing programs that may qualify for funding from the corporation.

ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned at 12:55 p.m.

Armando Martinez, President

Attest:

Annette Villarreal, TRMC
Corporation Secretary