



THE HOUSING AUTHORITY OF THE CITY OF McALLEN

NOTICE OF REGULAR MEETING

The Board of Commissioners of the McAllen Housing Commission will meet in a Regular Session scheduled for 11:30 a.m. (concurrently with MHFC & MHDC Board Meeting).

Thursday, January 30, 2025

Family Development Center | 2501 W. Maple Ave. | McAllen, TX 78501

or

via ZOOM Teleconference

<https://us06web.zoom.us/j/89901000107?pwd=nf4YRiak2pdUHyiDMuieGoQGPJctBZ.1>

Meeting ID: 899 0100 0107

United State +1 346 248 7799

Passcode: 693075

For the following purpose:

AGENDA

1. Call Meeting to Order
2. Public Comment
3. Pledge of Allegiance
4. Invocation **Pg. 3**
5. Action Items:
 - a) Consideration and Possible Action to Approve Meeting Minutes of the Workshop Meeting and Regular Board Meeting of November 20, 2024. **Pg. 4-6**
 - b) Consideration and Possible Action to Approve the Annual Financial Audit Report for the Year ending June 30, 2024; as prepared by Cascos & Associates, PC.
 - c) Consideration and Possible Action to Approve Resolution McHC 2025-01; A Resolution of the housing Authority of the City of McAllen Approving Revisions to the Housing Choice Voucher (HCV) Admin. Plan, 2025 Annual Agency Plan and 5 Year 2025 – 2029 PHA Plan. **Pg. 7-41**
 - d) Consideration and Possible Action to Approve Bids for McHC Administration Building – Security Improvements. **Pg. 42-43**
 - e) Consideration and Possible Action to Approve Bids for McHC Administration Building – New HVAC Units. **Pg. 44-45**

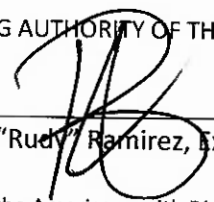
6. Non-Action Items:
 - a) Update on 2025 LIHTC Applications
 - b) Executive Director Report
 - c) Financial Report **Pg. 46-50**
7. Executive Session: Closed Session Under Government Code 551 Sections
8. Reconvene to Open Session; Action, if any, on:
9. Board Agenda Requests for February Board Meeting
10. Adjournment

Executive Session: If during the course of the meeting, any discussion of any item on the agenda should be held in executive or closed session, the Board of Commissioners shall convene in such executive session or closed session in accordance with the Texas Open Meeting Act, Texas Government Code Section 551.007 through 551.075. Before any such session is convened, the presiding officer shall publicly identify the section or sections of the act authorizing the executive session. All final votes, actions, or discussions shall be taken in open session.

I certify that this Notice of Regular Meeting was posted on Friday, January 24, 2025, at or before 12:00 p.m., at the Main Office of the McAllen Housing Authority and Municipal Government Office, 1300 Houston Ave, McAllen, TX 78501 in compliance with Chapter 551, Government Code.



THE HOUSING AUTHORITY OF THE CITY OF MCALLEN



Rodolfo "Rudy" Ramirez, Executive Director

The Housing Authority of the City of McAllen is committed to compliance with the Americans with Disabilities Act (ADA). This meeting site/video conference is accessible to disabled persons. Reasonable accommodation and equal access to communications will be provided to those who provide notice to the Executive Director at (956) 686-3951 at least 48 hours in advance of the meeting.

Invocation

We gather here today intent on doing good work. May we use only our best skills and judgment, keeping ourselves impartial and neutral as we consider each matter that is placed before us and always act in accordance with what is best for our community.

MINUTES OF THE MEETING
OF THE MCALLEN HOUSING COMMISSION REGULAR BOARD MEETING
Wednesday, November 20, 2024

CALL TO ORDER AND ROLL CALL – The regular meeting of the Board of Commissioner of the McAllen Housing Commission was held Wednesday, November 20, 2024, at the Family Development Center. Chair Elva M. Cerda called the meeting to order at 11:01 a.m. (concurrently with MHFC & MHDC Board Meeting) Present and attendance for roll call were:

Present: Chair Elva M. Cerda
Commissioner Marc David Garcia
Resident Commissioner Kristel Garcia
Assistant City Attorney Evaristo Garcia

Absent: Vice Chair Eliseo “Tito” Salinas

Staff: Executive Director Rodolfo “Rudy” Ramirez
Deputy Director Daniel Delgado
FSS Coordinator Maria Loreda
Finance Director Jose Garcia
HCV Director Elena Saucedo

Guest: Madhouse Development President Henry Flores
Attorney Marissa Carranza Hernandez

1. Call the meeting to order – 11:01 a.m.
2. Public Comment – N/A
3. Pledge of Allegiance – Executive Director Rodolfo “Rudy” Ramirez
4. Invocation – Commissioner Marc David Garcia
5. Action Items:
 - a) Consideration and Possible Action to Approve Meeting Minutes of the Workshop Meeting and Regular Board Meeting of October 23, 2024. **Board identified corrections to the minutes specific to adding names of absent board members - Absence of Resident Commissioner Kristel Garcia for Workshop and Regular Board Meeting of August 29, 2024, and absence of Vice-Chair Eliseo “Tito” Salinas for Special Meeting of October 9, 2024. Chair Elva M. Cerda entertained a motion to approve Meeting Minutes of the Regular Board Meeting of October 23, 2024, with corrections. Commissioner Marc David Garcia made a motion to approve; Resident Commissioner Kristel Garcia second the motion. Motion carried unanimously.**
6. Non-Action Items:

- a) Update on 2025 LIHTC Applications
 - Madhouse Development President Henry Flores provided update on Villas at Primrose application. Application came out as number 4th in the region and only the first 3 applications were to be funded. In the state collapse Villas at Primrose application continued to be the 4th application and only the first two applications were funded. Will most likely not be selected this year, proposing MOU to be extended another year for the opportunity to resubmit again in 2025. La Vista is highest priority transaction in portfolio and will be looked into further for a solution of higher profit.
- b) Executive Director Report
 - Christmas Luncheon invitation will be sent out to commissioners – to be held December 10th at Dave & Busters from 12:00 p.m. – 3:00 p.m.
 - January Workshop will be held Jan 22nd at 10:30 a.m.– Will be covering a need assessment of properties, FSS Program, agency goals, tax credit and other real estate ventures. Accounting policy as previously discussed will be added in January meeting after being reviewed by City Attorney Austin Stevenson and Assistant City Attorney Evaristo Garcia.
 - MOU’s to be ratified in January 2025
 - Thanksgiving and Christmas Holiday office schedule presented – McHC offices to be closed November 28th – 29th, December 24th - 25th.
- c) Presentation of FSS Graduates
 - FSS Graduation presentation of Public Housing Resident Angela Amaya and Housing Choice Voucher Resident Reyna Herton. Both residents fulfilled their FSS Contracts successfully allowing them to graduate from program.
- d) Financial Report
 - Financial Director Jose Garcia reported Financial Update for October 2024 with no significant findings.

7. Executive Session: Closed Session Under Government Code 551 Sections

- Consultation with Legal Counsel Regarding LIHTC Applications (T.G.C 551.071). **Chair Elva M. Cerda entertained a motion for Executive Session. Commissioner Marc David Garcia made a motion to approve; Resident Commissioners Kristel Garcia second the motion. Commissioners entered Executive Session at 11:07 a.m.**

8. Reconvene to Open Session; Action, If any, on:

- **Chair Elva M. Cerda reconvened meeting at 11:23 a.m.**

Consultation with Legal Counsel Regarding LIHTC Applications. Board recommends approval as discussed in Executive Session. Chair Elva M. Cerda entertained a motion to approve and proceed as discussed in Executive Session (T.G.C 551.071). Commissioner Marc David Garcia made a motion to approve; Resident Commissioner second the motion. Motion carried unanimously.

9. Board Agenda Requests for January Board Meeting

- N/A

10. Adjournment. **Chair Elva M. Cerda entertained a motion to adjourn the meeting. Commissioner Marc David Garcia made a motion to approve; Resident Commissioner Kristel Garcia second the motion. Meeting adjourned at 11:37 a.m.**

Rodolfo "Rudy" Ramirez, Executive Director

Executive Summary

Item: 2024 Public Housing Agency (PHA) Annual, 2025-2029 5-Year Plan and HCV Admin Plan for McAllen Housing Authority.

Discussion: The 2024 PHA Annual, 5-Year Plan, and HCV Admin Plans are recommended for revision to permit the expanded use of Project Based Vouchers in developing future affordable housing developments. **The existing HCV Admin plan will be discontinued, and we are proposing to adopt an entirely new plan as written by Nan McKay & Associates.**

Publications of the proposed plans were published in Saturday editions of the Monitor legal sections from December 1 – 21, 2024. In addition, a public hearing was held at FDC and via Zoom on December 17, 2024, and a favorable public comment was received. No public comments against the revisions were received.

Recommendation: Staff recommends approval.

**MCALLEN HOUSING AUTHORITY
RESOLUTION 2025-01**

A RESOLUTION OF THE HOUSING AUTHORITY OF THE CITY OF MCALLEN APPROVING THE SUBMISSION OF REVISIONS TO THE 2024-TX028 ANNUAL AND 2025-2029 AGENCY PLAN TO THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT.

STATE OF TEXAS

COUNTY OF HIDALGO

WHEREAS, section 5A of the United States Housing Act of 1937 as amended requires the preparation and submission of 5-year and annual Public Housing Authority agency plan; and

WHEREAS, McAllen Housing Authority has prepared a **revision** to its 2024 and 2025-2029 Annual Agency Plan as required; and

WHEREAS, proper notice has been given to both the public and residents through advertisement and a public hearing of the proposed 2024 Annual and 2025-2029 Agency Plan.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE CITY OF MCALLEN, TEXAS THAT:

The Executive Director is hereby authorized to submit the revised 2024 -TX028 Annual and 2025-2029 Agency Plan to the U.S. Department of Housing and Urban Development via the HUD electronic submission system or email.

(SEE ATTACHED HUD 50077 RESOLUTION AND ANNUAL PLAN DOCUMENTS)

READ, CONSIDERED, PASSED AND APPROVED this 22nd day of January 2025 at a regular meeting of the Board of Commissioners of the Housing Authority at which a quorum was present and which was held in accordance with Chapter 551 Government Voce.

Signed this 22nd day of January 2025

MCALLEN HOUSING AUTHORITY

BY: _____
Elva M. Cerda, Chairman
Housing Authority Board of Commissioners

ATTEST: _____
Rodolfo “Rudy” Ramirez, Executive Director

Civil Rights Certification
(Qualified PHAs)

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
OMB Approval No. 2577-0226
Expires 3/31/2024

Civil Rights Certification

Annual Certification and Board Resolution

Acting on behalf of the Board of Commissioners of the Public Housing Agency (PHA) listed below, as its Chairperson or other authorized PHA official if there is no Board of Commissioners, I approve the submission of the 5-Year PHA Plan, hereinafter referred to as "the Plan", of which this document is a part, and make the following certification and agreements with the Department of Housing and Urban Development (HUD) for the fiscal year beginning 07-01-2024 in which the PHA receives assistance under 42 U.S.C. 1437f and/or 1437g in connection with the mission, goals, and objectives of the public housing agency and implementation thereof:

The PHA certifies that it will carry out the public housing program of the agency in conformity with title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d-2000d—4), the Fair Housing Act (42 U.S.C. 3601-19), Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), title II of the Americans with Disabilities Act (42 U.S.C. 12101 et seq.), and other applicable civil rights requirements and that it will affirmatively further fair housing in the administration of the program. In addition, if it administers a Housing Choice Voucher Program, the PHA certifies that it will administer the program in conformity with the Fair Housing Act, title VI of the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1973, title II of the Americans with Disabilities Act, and other applicable civil rights requirements, and that it will affirmatively further fair housing in the administration of the program. The PHA will affirmatively further fair housing, which means that it will take meaningful actions to further the goals identified in the Assessment of Fair Housing (AFH) conducted in accordance with the requirements of 24 CFR § 5.150 through 5.180, that it will take no action that is materially inconsistent with its obligation to affirmatively further fair housing, and that it will address fair housing issues and contributing factors in its programs, in accordance with 24 CFR § 903.7(o)(3). The PHA will fulfill the requirements at 24 CFR § 903.7(o) and 24 CFR § 903.15(d). Until such time as the PHA is required to submit an AFH, the PHA will fulfill the requirements at 24 CFR § 903.7(o) promulgated prior to August 17, 2015, which means that it examines its programs or proposed programs; identifies any impediments to fair housing choice within those programs; addresses those impediments in a reasonable fashion in view of the resources available; works with local jurisdictions to implement any of the jurisdiction’s initiatives to affirmatively further fair housing that require the PHA’s involvement; and maintains records reflecting these analyses and actions.

Housing Authority of The City of McAllen

TX028

PHA Name

PHA Number/HA Code

I hereby certify that all the statement above, as well as any information provided in the accompaniment herewith, is true and accurate. **Warning:** HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802)

Name of Executive Director: Rodolfo "Rudy" Ramirez

Name of Board Chairperson: Elva M. Cerda

Signature

Date

Signature

Date

The United States Department of Housing and Urban Development is authorized to collect the information requested in this form by virtue of Title 12, U.S. Code, Section 1701 et seq., and regulations promulgated thereunder at Title 12, Code of Federal Regulations. Responses to the collection of information are required to obtain a benefit or to retain a benefit. The information requested does not lend itself to confidentiality. The information is collected to ensure that PHAs carry out applicable civil rights requirements.

Public reporting burden for this information collection is estimated to average 0.16 hours per response, including the time for reviewing instructions, searching existing data sources, gathering, and maintaining the data needed, and completing and reviewing the collection of information. HUD may not collect this information, and respondents are not required to complete this form, unless it displays a currently valid OMB Control Number.

Goals and Objectives. Identify the PHA's quantifiable goals and objectives that will enable the PHA to serve the needs of low-income and very low-income, and extremely low-income families for the next five years. (Items 1 – 6) Include a report on the progress the PHA has made in meeting the goals and objectives described in the previous 5-Year Plan. (Items 7 – 12)

GOALS AND OBJECTIVES 5-YEAR PLAN 2025- 2029

1- PHA Goal: Expanding the supply of assisted housing:

- Apply for additional tenant-based vouchers when available.
- Submit NOFA/NOFO applications for funding and/or program changes that permit the expansion of housing as available.
- Reduce Public Housing vacancies by maintaining proper unit capital improvement needs subsequently reducing unit turnaround time. While keeping an active waiting list for quick unit assignment.
- Leverage private or other public funds to create additional affordable housing units.
- Work with community partners to expand services and upward mobility opportunities for targeted families.

2- PHA Goal: Improve the quality of assisted housing:

- Maintain high level of performance with programs as measured by HUD. (i.e SEMAP, PHAS & REAC)
- Maintain a high level of customer satisfaction by training staff in customer relations.
- Assure that unit maintenance and capital needs are addressed in a timely manner.
- Submit demolition and disposition of obsolete units and/or developments.
- Provide replacement units for disposed or demolished units as funding sources permit.

3- PHA Goal: Increase assisted housing choices:

- Conduct landlord outreach to expand the availability of units for the tenant-based Section 8 program.
- Educate Section 8 participants in the mobility of their voucher assistance and the benefits of locating in higher income and opportunity areas.
- Educate Section 8 participants in the ability to utilize their voucher toward homeownership.
- Utilize the opportunity to assign Tenant Based vouchers to Project Based Voucher for the purpose of expanding safe, decent, and affordable housing. The PHA intends to apply for funding in 2025 that would allow 25 units to be project based vouchers in the North- Northwest McAllen area. Additionally, the PHA intends to have an ownership interest in the proposed project and may use non-competitive selection for PBV assistance. The use of Project Based Vouchers in the proposed development would be new construction and consistent with the PHA annual plan by increasing assisted housing choices, improving the quality of assisted housing and expanding the supply of assisted housing.
- Maintain a understanding of changing regulations and opportunities to change programs for the expansion of affordable housing units and submit applications for such opportunities as the agency chooses.

4- PHA Goal- Promote self-sufficiency and asset development of assisted households:

- Increase of the number of program participants who are employed by partnering with community organizations who offer education, training, and job skills.
- Expand the resource of available community partners who offer self-sufficiency opportunities.
- Expand the resources of available community partners who can educate participants in the benefits of financial and asset management.
- Develop, manage, and maintain an effective Family Self-Sufficiency (FSS) Action Plan. Update annually or as needed.
- Increase the number of FSS program participants to one hundred twenty-five (125)

5- PHA Goal- Ensure equal opportunity and affirmatively further fair housing:

- Undertake affirmative measures to ensure access to assisted housing is available to families regardless of race, color, religion, national origin, sex, family status and disabilities.
- Encourage community investors and developers to construct housing with accessibility for families with disabilities.

6- PHA Goal- Provide an improved living environment:

- Offer a diverse opportunity of services for families such as self-sufficiency, education and training.
- For the elderly population, social entertainment activities and health awareness opportunities.
- Maintain measures of de-concentration by promoting mixed income developments and bringing higher income households within lower income developments.

PROGRESS REPORT FOR THE PREVIOUS 5-PLAN 2020-2024

5.2

7- **PHA Progress: Expanding the supply of assisted housing:**

- 8- Apply for additional tenant based vouchers when available. No additional tenant based vouchers available during this progress report.
- 9- Submit NOFA/NOFO applications for funding and/or program changes that permit the expansion of housing as available. **PHA was successful in adding additional VASH vouchers, Emergency Housing Vouchers and Stability vouchers to portfolio. PHA intends to apply for funding that would permit 25 project based vouchers.**
- 10- Reduce Public Housing vacancies by maintaining proper unit capital improvement needs subsequently reducing unit turnaround time. While keeping an active waiting list for quick unit assignment. **PHA REAC Physical Inspection scored high and demonstrates a satisfactory performance in maintaining units and assets.**
- 11- Leverage private or other public funds to create additional affordable housing units. **Successful application to TDHCA Tax Credit program for the development of Hibiscus Village, a 96 unit development for multi-family.**
- 12- Work with community partners to expand services and upward mobility opportunities for targeted families. **Successfully working with McAllen School District and area partners for educational (GED) courses and self-sufficiency programs.**

8- **PHA Progress: Improve the quality of assisted housing:**

- Maintain high level of performance with programs as measured by HUD . (i.e SEMAP, PHAS & REAC) **High-Performer**
- Maintain a high level of customer satisfaction by training staff in customer relations. **Satisfactory outcome (minimal complaints) and continued education for staff.**
- Assure that unit maintenance and capital needs are addressed timely. **Work Order turnaround within 24 hrs. and HUD 99 REAC Physical Site Inspection Score**
- Submit demolition and disposition of obsolete units and/or developments. Successfully submitted a disposition application to assist with the Hibiscus Village tax credit development.
- Provide replacement units for disposed or demolished units as funding sources permit. **N/A**

9- **PHA Progress: Increase assisted housing choices:**

- Conduct landlord outreach to expand the availability of units for the tenant based Section 8 program. **Section 8 department maintains open communication for landlords and potential landlords. Annual Landlord Outreach. PHA is on a committee with other local PHAs to create and host a regional landlord symposium.**
- Educate Section 8 participants in the mobility of their voucher assistance and the benefits of locating in higher income and opportunity areas. **Section entry briefings and recertification introduce and reinforce mobility opportunities.**
- Educate Section 8 participants in the ability to utilize their voucher toward homeownership. **Successful outcome by partnering with Affordable Homes of South Texas families have been utilizing voucher for homeownership.**
- Utilize the opportunity to assign Tenant Based vouchers to Project Based Voucher for the purpose of expanding safe, decent and affordable housing. **PHA intends to apply for funding that would enable 25 Project Based Vouchers.**
- Maintain an understanding of changing regulation and opportunities to change programs for the expansion of the affordable housing units and submit application for such opportunities as the agency chooses. **PHA was awarded additional vouchers for the Emergency and Stability Vouchers program and has maintained high utilization rates.**

10- **PHA Progress- Promote self-sufficiency and asset development of assisted households:**

- Increase of the number of program participants who employed by partnering with community organizations who offer education, training and job skills. **73 families are currently enrolled in our Family Self-Sufficiency program.**
- Expand the resource of available community partners who offer self-sufficiency opportunities. **Working with local Workforce agency to promote job opportunities.**
- Expand the resources of available community partners who can educate participants in the benefits of financial and asset management.

11- **PHA Progress- Ensure equal opportunity and affirmatively further fair housing:**

- Undertake affirmative measures to ensure access to assisted housing is available to families regardless of race, color, religion, national origin, sex, family status and disabilities. **Successful application (no Complaints filed)**
- Encourage community investors and developers to construct housing with accessibility for families with disabilities. **Successful outreach to developers.**

12- **PHA Progress- Provide an improved living environment:**

- Offer a diverse opportunity of services for families such as self-sufficiency, education, and training. **Successful with education and training opportunities within the new Family Development Center. Monthly scheduled GED and Training sessions are conducted.**
- For elderly population provide for social entertainment activities and health awareness opportunities.

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- Maintain measures of de-concentration by promoting mixed income developments and bringing higher income households within lower income developments. **Successful with the scheduling of Social Activities for elderly and partnering with medical service providers for health education fairs.**

PHA Plan Update

(a) Identify all PHA Plan elements that have been revised by the PHA since its last Annual Plan submission:

- **Utility Allowance Schedule for Calendar Year 2024**
- **Payment Standard for Calendar 2024**
- **PHA HCV Administrative Plan 2024**

(b) Identify the specific location(s) where the public may obtain copies of the 5-Year and Annual PHA Plan. For a complete list of PHA Plan elements, see Section 6.0 of the instructions.

PHA Plan Elements (924 CFR 903.7) – All documents listed below are located at the administrative offices of the McAllen Housing Authority at 1200 N. 25th St., McAllen, Texas. or the PHA website www.mcallenhc.org

1. The Public Housing Admissions and (Continued) Occupancy Policy (A&O/ACOP); the Section 8 Admin Plan which includes participant Eligibility for both programs; the Tenant Selection and Assignment Plan (TSAP) and the Waiting List Procedure.
2. The Capital Fund Grant Program Annual Statement / Performance and Evaluation Reports for any active grant year. Most recent board-approved operating budget for the public housing program
3. The Public Housing rent determination policies, including the method for setting public housing flat rents and schedule of flat rents are included in the PHA A&O Policy. The Housing Choice Voucher rent determination and payment standards are included in Section 8 Administrative Plan.
4. The Public Housing management and maintenance policy documents, including policies for the prevention or eradication of pest infestation.
5. The Public Housing grievance procedures are included in the PHA A&O Policy and Section 8 informal review and hearing procedures are included in Section 8 Administrative Plan.
6. There are no public housing developments which the PHA owns or operates that are Designated Housing for Elderly and Disabled Families. The PHA participates in a Voucher Base development for elderly/disabled/handicapped with 36 vouchers from its current allocation.
7. The Public Housing Community Service Policy/Programs for families in public housing developments are included in PHA A&O Policy.
8. The PHA contracts and provides security services with off-duty police officers at its developments for safety and crime prevention measures of the public housing residents. Officers document incidents for reporting and tracking purposes. PHA follows up with family counseling and lease enforcement as necessary. Officers also have arresting authority if incident requires such action.
9. The Policy on Ownership of Pets in Public Housing Family Developments is included in the PHA A&O Policy.
10. The documents reflecting that the PHA has examined its programs or proposed programs, identified any impediments to fair housing choice in those programs, addressed or is addressing those impediments in a reasonable fashion in view of the resources available, and worked or is working with local jurisdictions to implement any of the jurisdictions' initiatives to affirmatively further fair housing that require the PHA's involvement.
11. The results of the most recent fiscal year audit conducted by the PHA under the Single Audit Act as implemented by OMB Circular A-133, the results of that audit and the PHA's response to any findings are available upon request.
12. The PHA opted out of Asset Management.
13. The PHA has an MOU in place with Women Together/Mujeres Unidas that address matters involved with issues of domestic violence. The PHA has also set aside, depending upon funding, availability of vouchers for family unification and/or housing assistance to victims of domestic violence who have met the services program of Women Together and require housing to complete their program of work towards independence. The PHA adheres to VAWA processes in its assessment of incidents involving domestic disputes in assisted housing.

5.2

PHA Plan Update

(a) Identify all PHA Plan elements that have been revised by the PHA since the last Annual Plan Submission:

The following PHA Plan elements marked 'R' have been revised since the last Annual Plan submission by the McAllen Housing Authority. 'NR' notes no revision and 'NA' denotes not applicable,

R 903.7 (1) Eligibility, Selection and Admission Policies, including Deconcentration and Wait List Procedures

NR 903.7 (2) Financial Resources

NR 903.7 (3) Rent Determination

R 903.7 (4) Operation and Management

NR 903.7 (5) Grievance Procedures

NR 903.7 (6) Designated Housing for Elderly and Disabled Families

NR 903.7 (7) Community Service and Self-Sufficiency

NR 903.7 (8) Safety and Crime Prevention

NR 903.7 (9) Pets

NR 903.7(10) Civil Rights Certification

NR 903.7(11) Fiscal Year Audit

NR 903.7(12) Asset Management

NR 903.7(13) Violence Against Women Act (VAWA)

6.0

(b) Identify the specific locaton(s) where the public may obtain copies of the Annual and 5-Year Plan.

The following are the specific locations where the public may obtain copies of the 2024 Annual and 2025-2029 Five Year Plan:

- Administrative Office- 1200 N. 25th St., McAllen, Texas 78501
- PHA website - www.mcallenhc.org

Plan Elements

903.7 (1) Eligibility, Selection and Admissions Policies, including Decentration and Wait List Procedures

A. Public Housing

Public Housing policies that govern resident or tenant eligibility, selection and admission, unit assignment, procedures to maintaining waiting list for admissions to public housing and site-based waiting lists:

Eligibility-

The McAllen Housing Authority (PHA) verifies eligibility for admission to public housing when:

- Families are number (1) on the waiting list. Within 24 hours of the tenant advisement to vacate is received, eligibility for the next family is processed.

The PHA uses the following non-income screening factors to establish eligibility for admissions to public housing:

- Criminal or Drug related activity
- Rental history
- Housekeeping
- Eviction of Public Housing or Section 8 HCV Program for Drug or Criminal Activity

The PHA requests criminal records from the following enforcement agencies for screening purposes:

- Local law enforcement agencies
- State Law enforcement agencies
- FBI Criminal Records

Selection and Assignment-

Selection for admission to public housing shall be made from the PHA's current waiting list in accordance with the date and time of the application and applicable preference(s) as follows:

Preferences-

The PHA does not plan to exceed the federal targeting requirements by targeting more than 40% of all new admissions to public housing to families at or below 30% of median area income.

It is the policy of the PHA that the transfers will take precedence over new admissions in the following circumstances:

- Emergencies
- Over-Housed
- Under-Housed
- Medical Justification
- Administrative reasons determined by the PHA
- Domestic Violence
- Incentive Transfers-Modernized units can be filled with existing PH families provided they are in good standing with the PHA
- Deconcentration Transfers- to correct or avoid concentration of economically and deprived families within sites or between sites.

The PHA utilizes the following admission preferences:

- #1- Date & Time
- #2-Type of development and unit available

In relationship of preferences to income targeting requirements, the pool of applicant families ensures that the PHA will meet targeting requirements.

6.0

Unit Assignment-

Applicants are ordinarily given two (2) vacant choices before they fall to the bottom of the waiting list. They are given new date and time based on the date of unit rejection. This policy is consistent across all waiting list types.

Maintaining Waiting List-

The PHA maintains a community-wide waiting list. Interested persons may apply for admission to public housing at the main administrative office located at 1200 N. 25th St. McAllen, Tx. 78501 or online at www.mcallenhc.org

Occupancy-

Applicants and residents may use the following reference materials to obtain information about the rules and of occupancy of public housing:

- The PHA Resident Lease
- The PHA Admission and Continued Occupancy Policy
- PHA briefing seminars and seminar material

Residents must notify the PHA of changes in family composition at the time the change occurs and at the annual Reexamination.

Deconcentration and Income Mixing-

The PHA has performed its annual deconcentration and income mixing analysis to determine if the PHA has any general occupancy public housing developments covered by the deconcentration rule. The analysis results are as follows:

The PHA does have general occupancy public housing developments covered by the deconcentration rule and none of the covered developments have average income that fall above or below the Established Income Range. Additionally, the PHA is below the 100 public housing unit threshold and is exempt from deconcentration.

B. Section 8 Home Choice Voucher Program

Section 8 HCV policies that govern participant eligibility, selection for assistance and procedures for maintaining waiting list.

Eligibility-

The PHA conducts screening to the extent of:

- Criminal or Drug related activity only to the extent required by law or regulation.
- Past Fraudulent History related to any Federal Housing Program

The PHA requests criminal records from the following enforcement agencies for screening purposes:

- Local Law enforcement agencies
- State law enforcement agencies
- FBI Criminal Records

Waiting List Organization-

The PHA waiting list for the Section 8 Home Choice Voucher tenant-based assistance is merged with the other program waiting list.

Interested persons may apply for admission to Section 8 HCV program assistance at:

- PHA main administrative office; 1200 N. 25th St., McAllen, Texas 78501 or at www.mcallenhc.org

Search Time-

PHA does give extensions on the standard 60-day search period for a unit under the following circumstances:

- Hard to house
- Other good cause

Preferences-

The PHA does not plan to exceed the federal targeting requirements by targeting more than 75% of all new admissions to the Section 8 HCV program to families at or below 30% of the median area income.

The PHA employs the following priority preferences:

- 1 Rental Assistance Demonstration (RAD)
- 2 Project Based Voucher (PBV)
- 3 Date and Time

Among applicants on the waiting list with equal preferences status applicants are selected based on Time & Date of application.

In relationship of preferences to income targeting requirements, the pool of applicant families ensures that the PHA will meet income targeting requirements.

Special Purpose Section 8 Assistance Programs-

The policies governing eligibility, selection and admissions to any special purpose Section 8 program administered by the PHA are contained in the following documents or other referencing material:

- The Section 8 HCV Administrative Plan
- Briefing sessions and materials.

6.0

903.7 (2) Financial Resources

Financial Resources Planned Sources and Uses		
Source	Amount	Use
2024 Public Housing Operating Fund	\$200,000	PHA Management/Operations
2024 Public Housing Capital Fund	\$165,000	Capital Improvements & Operations
2024 Section 8 HCV awards		
HAP Administration	\$8,121,292 \$959,330	Tenant Based Rental Assistance Operation/Administration of Program
2024 Family Self-Sufficiency/FSS	\$53,300	Operation/Administration of Program
Non-Dwelling Rental Revenue	\$42,000	HCV Admin Services
Tax Credit Development Revenue	\$15,000	Public Housing Supportive Services
2023 Public Housing Capital Fund (Unobligated balance)	\$136,283.10	Capital Improvements & Operations
Total Resources	\$9,692,205	

903.7 93) Rent Determination Policies

6.0

Public Housing

Income Based Rent Policies-

a. Use of discretionary policies

The PHA will employ discretionary rent setting policies for income-based rent in Public Housing.

b. Minimum Rent

The PHA's minimum rent is \$50.00.

The PHA has adopted the following discretionary minimum rent hardship exemption policies:

- Under certain circumstances, the family may request a waiver in writing and the PHA may grant request for up to 90-days.

c. Rents set at less than 30% than adjusted income

The PHA does not plan to charge rents at fixed amount or percentage less than 30% of adjusted income.

d. Discretionary deductions and/or exclusion policies

The PHA does not plan to employ any discretionary (optional) deductions and/or exclusion policies.

e. Ceiling Rents

The PHA does not have ceiling rents

f. Rent Re-determinations

Between annual income reexaminations the tenant is required to report changes in income or family composition to the PHA such that changes result in an adjustment to rent as follows:

- Any Time the family experiences an income increase or decrease
- Changes in family composition

- g. Individual Savings accounts (ISA's)
The PHA does not plan to implement individual savings accounts for residents as an alternative to the required 12 month disallowance of earned income and phasing in the rent increase in the next year.

Flat Rent-

The PHA used the following sources of information in setting the market-based flat rent to establish comparability and assurance that flat rent is set to no less than 80% of area FMR.

- The Section 8 rent reasonableness study of comparable housing.

Section 8 HCV Tenant-Based Assistance

Payment Standards-

The PHA's payment standard is:

- At or above 90% but below 110% of SAFMR
- 1 Bedroom units 105% of SAFMR
- 2 Bedroom units 105% of SAFMR
- 3 Bedroom units 105% of SAFMR
- 4 Bedroom units 105% of SAFMR

Minimum rent-

The PHA's minimum, rent is \$50.00.

The PHA has adopted the following discretionary minimum rent hardship exemption policies:

- Waiting period for eligibility for federal, state or local financial assistance
- Change in family income due to separation, divorce or abandonment
- Loss of employment
- Family would be evicted as a result of imposing minimum rent
- Death in Family
- Other hardships as determined by the PHA such as but not limited to no-receipt of alimony/child support etc.

6.0 903.7 (4) Operation and Management

PHA Management Structure-

- a. A brief description of the management structure and organization of the PHA
The Executive Director directs the day-to-day management and operation of the Housing Authority with the assistance of the Deputy Director, The following are the department manager positions:
 - Housing Choice Voucher Program Manager
 - Maintenance Supervisor
 - Finance Director
- b. HUD programs under PHA Management
 - Public Housing – 89 units
 - Section 8 HCV Program- 1,359
- c. Management and Maintenance Policies
The PHA has adopted the following policies that contain the Agency's rules, standards and policies that govern management, operation and maintenance of the Public Housing and Section 8 HCV programs:

Public Housing Management

- Admissions and Continued Occupancy Policy (ACOP)
- Maintenance Work Plan
- Pet Policy
- Transfer Policy
- Grievance Policy
- Community Service Policy
- VAWA Policy
- Schedule of Charges

Section 8 HCV Management

- Administrative Plan, includes VAWA, Homeownership, and EHV

903.7 (5) Grievance Procedures

a. Public Housing

The PHA has not established any written grievance procedures in addition to federal requirements found at 24 CFR Part 96, Subpart B, for residents of public housing.

Residents or applicants who desire to initiate the PHA grievance process should contact the following:

- PHA main administrative office; 1200 N. 25th St., McAllen Tx. 78501

b. Section 8 HCV Tenant-Based Assistance

The PHA has not established informal review and informal hearing procedures for applicants to the Section 8 HCV Tenant-Based Assistance program in addition to federal requirements at 24 CFR 982.

Section 8 HCV applicants or assisted families who desire to initiate the informal review and informal hearing process should contact the following:

- PHA main administrative office; 1200 N. 25th St., McAllen Tx. 78501

903.7 (6) Designated Housing for Elderly and Disabled Families

The PHA has not designated or applied for approval to designate or does not plan to apply to designate any public housing for occupancy only by the elderly families or only by families with disabilities, or by elderly families and families with disabilities or will not apply for designation for occupancy by only elderly families or only families with disabilities, or by elderly families with disabilities as provided by section 7 of the U.S. Housing Act of 1937 (42 U.S.C. 1437e) in the upcoming fiscal year.

903.7 (7) Community Service and Self-Sufficiency

a. PHA Coordination with the Welfare Agency (TANF)

The PHA has not entered into a cooperative agreement with the TANF agency, to share information and/or target supportive services (as contemplated by section 12(d)(7) of Housing Act of 1937)

Other coordination effort between the PHA and TANF agency include:

- Coordinate the provision of specific social and self-sufficiency services and programs to eligible families
- Jointly administer programs
- Partner to administer a HUD Welfare-to-Work voucher program when available
- Joint administration of other demonstration programs as they materialize.

b. Services and programs offered to residents and participants by the PHA are as follows:

Self-Sufficiency-

The PHA will employ discretionary policies to enhance the economic and social self-sufficiency of assisted families in the following areas:

- Public housing rent determination policies
- Public housing admissions policies
- Section 8 HCV admissions policies
- Preferences in admission to Section 8 HCV for certain public housing families
- Preference/eligibility for public homeownership option participation
- Preference/eligibility for Section 8 HCV homeownership participation

Economic and Social self-sufficiency programs-

The PHA does coordinate, promote or provide services or programs for residents and participants.

Service Description	Estimate Number	Allocation Type	Access Site	Eligible Participants
English Language	15	PH/Sec. 8 HCV	Family Development Center	PH/Sec 8 HCV
Financial Planning	25	PH/Sec. 8 HCV	Family Development Center	PH/Sec. 8 HCV
Homeownership	25	PH/Sec. 8 HCV	Family Development Center	PH/Sec. 8 HCV

6.0

Scholarship Program	15	PH/Sec. 8 HCV	Family Development Center	PH/Sec. 8 HCV
Annual Health Fair	100	PH/Sec. 8 HCV	Family Development Center	PH/Sec. 8 HCV
Summer Lunch Program	50	PH/Sec. 8 HCV	Family Development Center	PH/Sec. 8 HCV
Nutrition Classes for Elderly	50	PH/Sec. 8 HCV	Family Development Center	PH/Sec. 8 HCV
GED	10	PH/Sec. 8 HCV	Family Development Center	PH/Sec. 8 HCV
M.I.S.D. Parent Involvement Program	10	PH/Sec. 8 HCV	Family Development Center	PH/Sec. 8 HCV

Family Self-Sufficiency programs-

Program	Required Participants	Actual Participants (01/31/2024)
Public Housing & Section 8 HCV	25	73

Welfare Benefit Reductions-

The PHA is complying with statutory requirements of section 12(d) of the U.S. Housing Act of 1937 (relating to the treatment of income changes resulting from welfare program requirements) by:

- Adopting appropriate changes to the PHA's public housing rent determination policies and training staff to carry out those policies
- Informing residents of new policy on admission and reexamination
- Actively notifying the public and residents of new policy as it is adopted
- Establishing or pursuing a cooperative agreement with all appropriate TANF agencies regarding the exchange of information and coordination of services
- Establishing a protocol for exchange of information with all appropriate TANF agencies.

Community Service Requirements-

Pursuant to section 12(c) of U.S. Housing Act of 1937, the PHA will comply with requirements of community service by identifying the number of tenant required to perform community service, the number of tenants granted exemptions, the number of tenants in non-compliance, and the number of tenants terminated/evicted due to non-compliance.

- Number of tenants required to perform community service 4
- Number of tenants performing community service 2
- Number of tenants granted exemptions 77
- Number of tenants in non-compliance 2
- Number of tenants terminated/evicted due to non-compliance 0

6.0

903.7 (8) Safety and Crime Prevention

The PHA's plan for safety and crime prevention to ensure the safety of the public housing residents is addressed as follows:

Need for measures to ensure safety of public housing residents-

Description of the need for measures to ensure the safety of public housing residents:

- High incidence of violent and/or drug related crime in some or all of the PHA's developments
- High incidence of violent and/ or drug related crime in areas surrounding PHA's developments
- Resident fearful for their safety and/or the safety of their family members
- Observed lower-level crime, vandalism and/or graffiti.
- People on waiting list unwilling to move into one or more developments due to perceived and/or actual levels of violence and/or drug related activity.

Information or data used by the PHA to determine the need for PHA actions to improve safety of residents:

- Safety and security survey of residents
- Analysis of crime statistics over time for crime committed "in and around" public housing developments.
- Analysis of cost trends over time for the repair of vandalism and removal of graffiti
- Resident reports

- PHA employee Reports
- Police Reports
- Fire Department Reports
- Demonstrable, quantifiable success with previous or ongoing anti-crime & anti-drug programs

Developments that are most affected

- All Development and PHA properties

Crime and Drug Prevention activities the PHA has undertaken or plans to undertake.

List of crime prevention activities:

- Contracting with outside and/or resident organization for the provision of crime and/or drug prevention activities
- Crime Prevention through environmental design
- Activities targeted to at-risk youth, adults or seniors
- Volunteer resident patrol/block watchers program
- Notices of safety measures are distributed
- Off-duty Police Officers are hired to patrol all PHA properties

Developments that are most affected:

- All Developments and PHA properties

Coordination between PHA and Police.

Description of the coordination between the PHA and the appropriate police precinct for carrying out crime prevention measures and activities:

- Police involvement in development, implementation, and/or ongoing evaluation of drug-elimination plan
- Police provide crime data to housing authority staff for analysis and action
- Police have established a physical presence on housing authority developments and properties
- Police regularly testify in and otherwise support eviction cases
- Police regularly meet with PHA management and residents
- Agreement between PHA and local law enforcement agency for provision of above baseline law enforcement services.

Developments that are most affected:

- All Developments and PHA properties

6.0

903.7 (9) Pets

Description of Pet Policy-

All residents are permitted to own and keep common domesticated household pets. Common household pet means a domesticated cat, dog, bird, gerbil, and hamster. Guinea pig, and fish in aquariums. Reptiles of any kind, as well as mice and rats are prohibited. Small turtles or lizards in a terrarium are permitted. These definitions do not include any wild animal, bird of prey, dangerous fish, snakes, spiders or other insects, or any farm animal.

Each household shall have only one (1) pet (except fish or birds). The limit for bird is two (2).

Pet owner may have only a small cat or a small dog. Limitations: weight not to exceed twenty (20) pounds; height shall not exceed fifteen (15) inches. This does not apply to service animals that assist persons with disabilities.

Pet owner must agree to abide by the PHA's Pet Ownership Rules. Pet owners shall license their pets (if required by state law or local ordinances) yearly with the City of McAllen or as required. The pet owner must show the PHA proof of rabies and distemper booster inoculations and licensing annually.

Pet owner must not violate any state or local health or humane laws. Pet must be spayed or neutered at the cost of the owner. A veterinarian shall verify the spaying and neutering has been accomplished. All cats shall be declawed and proof of compliance shall be furnished to management.

Pet must be maintained on leash and kept under control when taken outside the unit.

No resident shall keep, raise, train, breed or maintain any pet of any kind at any location, either inside or outside the dwelling unit, for any commercial purpose.

No resident shall keep a vicious or intimidating pet on premises (i.e. Pit bulls, or any other vicious or intimidating breed). Any animal identified as dangerous or vicious by state law or local ordinances will be prohibited.

No pet owner shall permit his or her pet to disturb, interfere or diminish the peaceful enjoyment of the pet owner's neighbors or other residents.

Each pet owner shall pay a non-refundable pet fee of \$200.00 and a refundable pet deposit of \$50.00. A refundable pet deposit of \$50.00 will be assessed for caged animals such as; birds, gerbils, hamsters, guinea pigs or turtles and is intended to cover costs directly attributable to the pet's presence. The non-refundable pet fee is intended to cover the reasonable operating costs to the development directly attributed to a pet or pets in the unit (i.e. fumigation of a unit). Elderly/Handicapped will pay a \$200.00 refundable pet fee and no deposit will be charged for caged animals.

Animals that are used to assist the disabled (pertaining to ownership of service animals) are excluded from the size, weight, type and non-refundable fee requirements; however, they will be required to assure that the proper licensing, inoculations, leash restraints, etc. in accordance with the State and Local ordinances are observed. Residents needing a service animal must provide documentation and/or verification for this need and that the animal is considered to be a service animal from a recognized and proper authority.

Please see complete pet ownership rules in the Pet Policy provided by the PHA.

903.7 (10) Civil Rights Certification

The PHA has examined its programs and proposed to identify any impediments to fair housing choices, has addressed those impediments in a reasonable fashion, and is working with the local jurisdiction to implement any of the jurisdiction's initiatives to affirmatively further fair housing. The PHA assures that the annual plan is consistent with any applicable Consolidated Plan for its jurisdiction.

The PHA has taken the following specific actions to Affirmative Further Fair Housing in its public housing and Section 8 HCV programs.

The PHA **will not**, on grounds of race, color, creed, sex, religion, age, disability, national origin or familial status:

- Deny a person or family admission to housing assistance programs
- Provide housing which is different than that provided others, except for elderly and/or disabled where accessibility features may be required
- Subject a person to segregation or disparate treatment
- Restrict a person's access to any benefit enjoyed by others in connection with the housing program
- Treat a person differently in determining eligibility or other requirements for admission or assistance
- Deny any person access to the same level of services provided others
- Deny a person the opportunity to participate in a planning or advisory group that is an integral part of housing programs

The PHA will not intimidate, threaten or take any retaliatory action against any applicant, resident, or participant because of a person's participation in civil rights activities or assertion of civil rights.

HUD Fair Housing Posters are posted at the PHA main administrative office and at each development office.

The PHA will ensure accessibility to offices to afford persons with disabilities the opportunity to apply for admission or assistance to the public housing programs.

The PHA will make sure that all employees of the PHA are familiar with non-discrimination requirements, especially those employees who are involved in the admissions process.

The PHA prominently displays a fair housing poster at each office where applications are taken and at each management office.

The PHA's policies and practices are designed to provide assurance that all persons with disabilities will be provided reasonable accommodations so that they can fully access utilize the housing programs and related services.

The PHA will identify and eliminate situations and/or practices that create barriers to equal housing opportunities for all.

The PHA reviews its policies and procedures, at least annually, to assure compliance with civil rights requirements

6.0

	<p>903.7 (11) Fiscal Year Audit</p> <p>The PHA is required to have an audit conducted under section 5(h) (2) of the U.S. Housing Act of 1937 (42 U.S.C. 1437 c(h)).</p> <p>The most recent fiscal audit was submitted to HUD. There were no findings as a result of the audit.</p> <p>903.7 (12) Asset Management Not Applicable</p> <p>903.7 (13) Violence Against Women Act (VAWA)</p> <p>The PHA adheres to VAWA processes in its assessment of incidents involving domestic disputes in assisted housing. The current Admissions and Continued Occupancy policy (ACOP) and the Section 8 HCV Administrative Plan include VAWA processes.</p>
7.0	<p>Hope VI, Mixed Finance Modernization or Development, Demolition and/or Disposition, Conversion of Public Housing, Homeownership Programs, and Project-based Vouchers. <i>Include statements related to these programs as applicable.</i></p> <p>(a) McAllen Housing Authority continues to solicit properties in anticipation of undertaking another mixed finance development to increase inventory for families in need of housing and/or to replace the 61 public housing units that were demolished in prior years' demolition activity. Financing for these developments will be any of following individually or in combination as required; Capital Fund Financing Program, Replacement Housing Factor Funding, Public Housing Operating Funds, Local, State, Federal and Private funding sources.</p> <p>(b) Homeownership – The McAllen Housing Authority continues to market its Voucher Homeownership program that affords voucher participants the opportunity to purchase their own home. The program has assisted fifty-five (55) families since its inception in July 2004. Of the fifty-five families assisted, forty-one have “graduated” towards no longer needing voucher assistance. Family Self-Sufficiency (FSS) Program is also in place to assist families from a rental environment into homeownership. Funding was awarded for 25 voucher participants and PHA will continue to solicit funding for family transitioning into homeownership with this program.</p> <p>(c) Project Based Vouchers- The McAllen Housing Authority may elect to project base a portion of its Tenant Based vouchers as permitted by federal regulation and/or may submit applications via NOFA or other awards as they may become available. Such action will be for promoting and development of safe, decent and affordable housing for eligible families. MHA intends to apply for funding in 2025 to permit the use of 25 project based vouchers in North-Northwest McAllen area. The Housing Authority will continue to review Project Based Voucher options for its Public Housing Developments as per any new or existing Federal program may permit. (i.e. Rental Demonstration Program (RAD), Public Housing Conversion)</p>
8.0	<p>8.0 Capital Improvements. Please complete Parts 8.1 through 8.3, as applicable.</p>
8.1	<p>Capital Fund Program Annual Statement/Performance and Evaluation Report. As part of the PHA 5-Year and Annual Plan, annually complete and submit the <i>Capital Fund Program Annual Statement/Performance and Evaluation Report</i>, form HUD-50075.1, for each current and open CFP grant and CFFP financing. Please 50075.1, 50075.2 & P&E Reports attached.</p> <ul style="list-style-type: none"> • Performance and Evaluation Report as of 12/31/2023 for TX59P02850122 • Performance and Evaluation Report as of 12/31/2023 for TX59P02850123
8.2	<p>8.2 Capital Fund Program Five-Year Action Plan. As part of the submission of the Annual Plan, PHAs must complete and submit the <i>Capital Fund Program Five-Year Action Plan</i>, form HUD-50075.2, and subsequent annual updates (on a rolling basis, e.g., drop current year, and add latest year for a five-year period). Large capital items must be included in the Five-Year Action Plan.</p>

<p>8.3</p>	<p>Capital Fund Financing Program (CFFP).</p> <p><input type="checkbox"/> Check if the PHA proposes to use any portion of its Capital Fund Program (CFP)/Replacement Housing Factor (RHF) to repay debt incurred to finance capital improvements.</p> <p>The Capital Fund Financing Program (CFFP) is being considered in anticipation of financing improvements for the following activities:</p> <ul style="list-style-type: none"> • Renovation and/or new construction improvements for the Administration Building of the McAllen Housing Authority • The use of this funding on property acquisition and/or public donated land for new construction of a new development to replace public housing units previously demolished for prior mixed finance developments. • The use of this funding to acquire existing multi-family apartment complexes to replace public housing units previously demolished for prior mixed finance developments.
<p>9.0</p>	<p>Housing Needs. Based on information provided by the applicable Consolidated Plan, information provided by HUD, and other generally available data, make a reasonable effort to identify the housing needs of the low-income, very low-income, and extremely low-income families who reside in the jurisdiction served by the PHA, including elderly families, families with disabilities, and households of various races and ethnic groups, and other families who are on the public housing and Section 8 tenant-based assistance waiting lists. The identification of housing needs must address issues of affordability, supply, quality, accessibility, size of units, and location.</p> <p>City of McAllen Community Development Block Grant Action Plan FY 2023-2024</p> <p>Highlights identifying obstacles to meeting underserved families:</p> <ul style="list-style-type: none"> • McAllen is located in one of the fastest growing regions in the country, and its population threatens to outstrip the existing capacity of local housing and community development organizations. With ongoing cutbacks to public services, individuals and families will be hard pressed to meet their needs for affordable housing and other community development assistance. • McAllen percentage of households living in poverty was 20.97%; higher than average unemployment at 4.3% • Housing market analysis: the median gross rent has risen 47.7% from \$541 (2017) to \$799 (2021) during the same period. This drastic inflation of the rental market indicates a growing barrier to affordable housing for renters in McAllen and throughout Hidalgo County. • Much of the region continues to struggle with high unemployment. The February 21, 2024 data for non-seasonal adjusted unemployment rate for the McAllen-Edinburg-Mission MSA was 7.0% (Bureau of Labor Statistics) • A major contributor to the region’s high unemployment and poverty rates is its low educational attainment levels. According to the 2018-2022 Census assessment, 78.7 percent of residents of McAllen have at least a high school diploma, compared to 85.2 % statewide. However, the percent of McAllen’s residents who have a bachelor’s degree or higher are comparable with the state level, 31.8% and 32.3% respectively. <p>In order to overcome the identified obstacles, the City of McAllen has designated social services, housing and infrastructure, public facilities and economic developments activities as “High” priorities. As such HUD-awarded funds will be utilized to further these types of activities for the benefit of low-and moderate income persons.</p>

Housing Needs of Families on the Waiting List

Waiting list type: (select one)

- Section 8 tenant-based assistance
- Public Housing
- Combined Section 8 and Public Housing
- Public Housing Site-Based or sub-jurisdictional waiting list (optional)

If used, identify which development/sub jurisdiction:

AS 01/31/2024	# of families	% of total families	Annual Turnover
Waiting list total	878		120
Extremely low income <=30% AMI	732	83%	
Very low income (>30% but <=50% AMI)	99	11%	
Low income (>50% but <80% AMI)	37	4%	
Families with children	558	64%	
Elderly families	159	18%	
Families with Disabilities	191	22%	
White	616	70%	
Black/African American	77	9%	
Hispanic	725	83%	
Other or Declined to Report	185	21%	

Characteristics by Bedroom Size (Public Housing Only)	Section 8 WL		
1BR	N/A		
2 BR	N/A		
3 BR	N/A		
4 BR	N/A		
5 BR	N/A		
5+ BR	N/A		

Is the waiting list closed (select one) No Yes

If yes: Section 8 HCV only

HOW LONG HAS IT BEEN CLOSED (# OF MONTHS)? 6 MONTHS

Does the PHA expect to reopen the list in the PHA Plan year? No Yes

Does the PHA permit specific categories of families onto the waiting list, even if generally closed?

No Yes

9.0

Housing Needs of Families on the Waiting List

Waiting list type: (select one)

- Section 8 tenant-based assistance
 Public Housing
 Combined Section 8 and Public Housing
 Public Housing Site-Based or sub-jurisdictional waiting list (optional)
 If used, identify which development/sub jurisdiction:

As of 01/31/2024	# of families	% of total families	Annual Turnover
Waiting list total	214		50
Extremely low income <=30% AMI	132	62%	
Very low income (>30% but <=50% AMI)	55	26%	
Low income (>50% but <80% AMI)	25	12%	
Families with children	121	57%	
Elderly families	66	31%	
Families with Disabilities	53	25%	
White	210	81%	
Black/ African American	2	.93%	
Hispanic	210	98%	
Other or Declined to Report	2	.93%	

Characteristics by Bedroom Size (Public Housing Only)	Public Housing WL		
1BR	99		
2 BR	56		
3 BR	58		
4 BR	1		
5 BR	0		
5+ BR	0		

Is the waiting list closed (select one) No Yes
 If yes: Section 8 HCV only
HOW LONG HAS IT BEEN CLOSED (# OF MONTHS)?
 Does the PHA expect to reopen the list in the PHA Plan year? No Yes
 Does the PHA permit specific categories of families onto the waiting list, even if generally closed?
 No Yes

9.0

<p>9.1</p>	<p>Strategy for Addressing Housing Needs. Provide a brief description of the PHA’s strategy for addressing the housing needs of families in the jurisdiction and on the waiting list in the upcoming year.</p> <p>The McAllen Housing Authority will continue to work with partners such as the City of McAllen, McAllen CDBG, City Police Dept., City Fire Dept., McAllen School District, local business, media, developers and partners to expand the housing needs of extremely, low and moderate income families. Gaining community support for our programs through education and outreach will be key to expanding the services we provide.</p>
<p>10.0</p>	<p>Additional Information. Describe the following, as well as any additional information HUD has requested.</p> <p>(a) Progress in Meeting Mission and Goals. Provide a brief statement of the PHA’s progress in meeting the mission and goals described in the 5-Year Plan.</p> <p>5-Year Plan (2020-2024) Mission and Goals Accomplishments</p> <ul style="list-style-type: none"> • Continue to manage 49 unit multi-family development RAD PBV property known as Vine Terrace; • Continue to support 89 public housing units in two LIHTC developments with operating subsidy; • Continue to administer the Voucher Program allocation of 1,359 vouchers which includes 21 VASH and 5 Stability vouchers; • Successful administration and high utilization of the Emergency Housing Voucher program (54 vouchers) • Continue to administer the Voucher Homeownership Program; 55 families assisted with this program • Continue management arrangements with McAllen Housing Facility Corporation to manage 106-unit elderly developments known as Sunset Gardens and Villas at Beaumont; • Continue management arrangements with McAllen Housing Facility Corporation to manage 78-unit family development known as Orchid Place Apartments. • Continue management arrangements with McAllen Housing Development Corporation to manage 20-unit multi-family development known as Hibiscus Apartments. • Continue to administer in a fiscally responsible and prudent manner, with no audit findings, the Public Housing, Housing Choice Voucher and Capital Fund Program; • Continue to fulfill the reporting program requirements as directed by HUD for PHAS, SEMAP, FASS, VMS, etc. • Continue efforts of land acquisition activity for replacement of demolished public housing units or to build new units; including acquisition of existing multi-family developments to increase housing inventory • Continue to explore funding venues including CFFP, LIHTC, Bond Issues, RHF, Operating Subsidy and regular financing to construct 61 new public housing units to replace previously demolished units not in inventory • Added 1 multi-family LIHTC development to portfolio and will continue to explore options for similar developments. • Achieved the Connect Home designation for the PHA. • Enrollment of new members/community stakeholders within the FSS PCC Committee. • Increased community and local stakeholder engagement to enhance services and educational scholarship opportunities to low-income families <p>(b) Significant Amendment and Substantial Deviation/Modification. Provide the PHA’s definition of “significant amendment” and “substantial deviation/modification”</p> <p>Significant Amendment:</p> <ul style="list-style-type: none"> ▪ Any increase or decrease over 50% in the funds projected in the Financial Resource Statement and/or the Capital Fund Program Annual Statement; ▪ Any change being submitted to HUD that requires a separate notification to residents, such as changes in the Hope VI, Public Housing Conversion, Demolition/Disposition, Designated Housing or Public Housing Homeownership programs; and ▪ Any change in policy or operation that is inconsistent with the applicable Consolidated Plan. <p>Substantial Deviation/Modification</p> <ul style="list-style-type: none"> ▪ Any change to the Mission Statement; ▪ 50% deletion from or addition to the goals and objectives as a whole; and ▪ 50% or more decrease in the quantifiable measurement of any individual goal or objective.

11.0	<p>Required Submission for HUD Field Office Review. In addition to the PHA Plan template (HUD-50075), PHAs must submit the following documents. Items (a) through (g) may be submitted with signature by mail or electronically with scanned signatures, but electronic submission is encouraged. Items (h) through (i) must be attached electronically with the PHA Plan. Note: Faxed copies of these documents will not be accepted by the Field Office.</p> <ul style="list-style-type: none"> (a) Form HUD-50077, <i>PHA Certifications of Compliance with the PHA Plans and Related Regulations</i> (which includes all certifications relating to Civil Rights) (b) Form HUD-50070, <i>Certification for a Drug-Free Workplace</i> (PHAs receiving CFP grants only) (c) Form HUD-50071, <i>Certification of Payments to Influence Federal Transactions</i> (PHAs receiving CFP grants only) (d) Form SF-LLL, <i>Disclosure of Lobbying Activities</i> (PHAs receiving CFP grants only) (e) Form SF-LLL-A, <i>Disclosure of Lobbying Activities Continuation Sheet</i> (PHAs receiving CFP grants only) (f) Resident Advisory Board (RAB) comments. Comments received from the RAB must be submitted by the PHA as an attachment to the PHA Plan. PHAs must also include a narrative describing their analysis of the recommendations and the decisions made on these recommendations. (g) Challenged Elements (h) Form HUD-50075.1, <i>Capital Fund Program Annual Statement/Performance and Evaluation Report</i> (PHAs receiving CFP grants only) (i) Form HUD-50075.2, <i>Capital Fund Program Five-Year Action Plan</i> (PHAs receiving CFP grants only)
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This information collection is authorized by Section 511 of the Quality Housing and Work Responsibility Act, which added a new section 5A to the U.S. Housing Act of 1937, as amended, which introduced 5-Year and Annual PHA Plans. The 5-Year and Annual PHA plans provide a ready source for interested parties to locate basic PHA policies, rules, and requirements concerning the PHA's operations, programs, and services, and informs HUD, families served by the PHA, and members of the public of the PHA's mission and strategies for serving the needs of low-income and very low-income families. This form is to be used by all PHA types for submission of the 5-Year and Annual Plans to HUD. Public reporting burden for this information collection is estimated to average 12.68 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. HUD may not collect this information, and respondents are not required to complete this form, unless it displays a currently valid OMB Control Number.

Privacy Act Notice. The United States Department of Housing and Urban Development is authorized to solicit the information requested in this form by virtue of Title 12, U.S. Code, Section 1701 et seq., and regulations promulgated there under at Title 12, Code of Federal Regulations. Responses to the collection of information are required to obtain a benefit or to retain a benefit. The information requested does not lend itself to confidentiality

Annual Statement/Performance and Evaluation Report
 Capital Fund Program, Capital Fund Program Replacement Housing Factor and
 Capital Fund Financing Program

U.S. Department of Housing and Urban Development
 Office of Public and Indian Housing
 OMB No. 2577-0157
 Expires 11/30/2023

“Public reporting burden for this collection of information is estimated to average 2.2 hours. This includes the time for collecting, reviewing, and reporting the data. The information requested is required to obtain a benefit. This form is used to verify allowable and reasonableness of grant expenses. There are no assurances of confidentiality. HUD may not conduct or sponsor, and an applicant is not required to respond to a collection of information unless it displays a currently valid OMB control number.

PHA Name Housing Authority of the City of McAllen	Grant Type and Number TX59P02850122 Capital Fund Program Grant No: Replacement Housing Factor Grant No: Date of CFFP:	FFY of Grant: FFY of Grant Approval: 2022
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- Type of Grant
- Original Annual Statement
 Reserve for Disasters/Emergencies
 Revised Annual Statement (revision no:
- Performance and Evaluation Report for Period Ending:
 Final Performance and Evaluation Report

Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost ¹	
		Original	Revised ²	Obligated	Expended
1	Total non-CFP Funds				
2	1406 Operations (may not exceed 20% of line 15) ³	98,675.10		98,675.10	98,675.10
3	1408 Management Improvements				
4	1410 Administration (may not exceed 10% of line 15)	19,555.90		19,555.90	19,555.90
5	1480 General Capital Activity	78,000.00		78,000.00	0.00
6	1492 Moving to Work Demonstration				
7	1501 Collateralization Expense / Debt Service Paid by PHA				
8	1503 RAD-CFP				
9	1504 RAD Investment Activity				
10	1505 RAD-CPT				
11	9000 Debt Reserves				
12	9001 Bond Debt Obligation paid Via System of Direct Payment				
13	9002 Loan Debt Obligation paid Via System of Direct Payment				
14	9900 Post Audit Adjustment				

¹ To be completed for the Performance and Evaluation Report.
² To be completed for the Performance and Evaluation Report or a Revised Annual Statement.
³ PHAs with under 250 units in management may use 100% of CFP Grants for operations.

Annual Statement/Performance and Evaluation Report
 Capital Fund Program, Capital Fund Program Replacement Housing Factor and
 Capital Fund Financing Program

U.S. Department of Housing and Urban Development
 Office of Public and Indian Housing
 OMB No. 2577-0157
 Expires 11/30/2023

Part I: Summary					
PHA Name: Housing Authority of the City of McAllen		Grant Type and Number TX59P02850122		FFY of Grant: FFY of Grant Approval: 2022	
		Capital Fund Program Grant No: Replacement Housing Factor Grant No: Date of CFFP:			
Type of Grant					
<input type="checkbox"/> Original Annual Statement		<input type="checkbox"/> Reserve for Disasters/Emergencies		<input type="checkbox"/> Revised Annual Statement (revision no:	
<input checked="" type="checkbox"/> Performance and Evaluation Report for Period Ending:				<input type="checkbox"/> Final Performance and Evaluation Report	
Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost ¹	
		Original	Revised ²	Obligated	Expended
15	Amount of Annual Grant:: (sum of lines 2 - 14)	196,231.00		196,231.00	118,231.00
16	Amount of line 15 Related to LBP Activities				
17	Amount of line 15 Related Sect. 504, ADA, and Fair Housing Act Activities.				
18	Amount of line 15 Related to Security - Soft Costs				
19	Amount of line 15 Related to Security - Hard Costs				
20	Amount of line 15 Related to Energy Conservation Measures				
Signature of Executive Director *		Date		Signature of Public Housing Director	
				Date	

* I certify that the information provided on this form and in any accompanying documentation is true and accurate. I acknowledge that making, presenting, or submitting a false, fictitious, or fraudulent statement, representation, or certification may result in criminal, civil, and/or administrative sanctions, including fines, penalties, and imprisonment.

¹ To be completed for the Performance and Evaluation Report.

² To be completed for the Performance and Evaluation Report or a Revised Annual Statement.

³ PHAs with under 250 units in management may use 100% of CFP Grants for operations.

Part III: Implementation Schedule for Capital Fund Financing Program					
PHA Name: Housing Authority of The City of McAllen					Federal FFY of Grant: 2022
Development Number Name/PHA-Wide Activities	All Fund Obligated (Quarter Ending Date)		All Funds Expended (Quarter Ending Date)		Reasons for Revised Target Dates ¹
	Original Obligation End Date	Actual Obligation End Date	Original Expenditure End Date	Actual Expenditure End Date	
TX028	05-11-2024	09-30-2023	05-11-2026		

¹ Obligation and expenditure end dated can only be revised with HUD approval pursuant to Section 9j of the U.S. Housing Act of 1937, as amended.

Annual Statement/Performance and Evaluation Report
 Capital Fund Program, Capital Fund Program Replacement Housing Factor and
 Capital Fund Financing Program

U.S. Department of Housing and Urban Development
 Office of Public and Indian Housing
 OMB No. 2577-0157
 Expires 11/30/2023

“Public reporting burden for this collection of information is estimated to average 2.2 hours. This includes the time for collecting, reviewing, and reporting the data. The information requested is required to obtain a benefit. This form is used to verify allowable and reasonableness of grant expenses. There are no assurances of confidentiality. HUD may not conduct or sponsor, and an applicant is not required to respond to a collection of information unless it displays a currently valid OMB control number.

PHA Name Housing Authority of the City of McAllen	Grant Type and Number TX59P02850123 Capital Fund Program Grant No: Replacement Housing Factor Grant No: Date of CFFP:	FFY of Grant: FFY of Grant Approval: 2023
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- Type of Grant
- Original Annual Statement
 Reserve for Disasters/Emergencies
 Revised Annual Statement (revision no:
- Performance and Evaluation Report for Period Ending:
 Final Performance and Evaluation Report

Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost ¹	
		Original	Revised ²	Obligated	Expended
1	Total non-CFP Funds				
2	1406 Operations (may not exceed 20% of line 15) ³	39,616.00		39,616.00	39,616.00
3	1408 Management Improvements				
4	1410 Administration (may not exceed 10% of line 15)	19,475.90		19,475.90	19,475.90
5	1480 General Capital Activity	136,283.10		0.00	0.00
6	1492 Moving to Work Demonstration				
7	1501 Collateralization Expense / Debt Service Paid by PHA				
8	1503 RAD-CFP				
9	1504 RAD Investment Activity				
10	1505 RAD-CPT				
11	9000 Debt Reserves				
12	9001 Bond Debt Obligation paid Via System of Direct Payment				
13	9002 Loan Debt Obligation paid Via System of Direct Payment				
14	9900 Post Audit Adjustment				

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² To be completed for the Performance and Evaluation Report or a Revised Annual Statement.
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Annual Statement/Performance and Evaluation Report
 Capital Fund Program, Capital Fund Program Replacement Housing Factor and
 Capital Fund Financing Program

U.S. Department of Housing and Urban Development
 Office of Public and Indian Housing
 OMB No. 2577-0157
 Expires 11/30/2023

Part I: Summary					
PHA Name: Housing Authority of the City of McAllen		Grant Type and Number Capital Fund Program Grant No: Replacement Housing Factor Grant No: Date of CFFP:		FFY of Grant: FFY of Grant Approval: 2023	
		TX59P02850123			
Type of Grant					
<input type="checkbox"/> Original Annual Statement		<input type="checkbox"/> Reserve for Disasters/Emergencies		<input type="checkbox"/> Revised Annual Statement (revision no:	
<input checked="" type="checkbox"/> Performance and Evaluation Report for Period Ending:				<input type="checkbox"/> Final Performance and Evaluation Report	
Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost ¹	
		Original	Revised ²	Obligated	Expended
15	Amount of Annual Grant:: (sum of lines 2 - 14)	195,375.00		59,091.90	59,091.90
16	Amount of line 15 Related to LBP Activities				
17	Amount of line 15 Related Sect. 504, ADA, and Fair Housing Act Activities.				
18	Amount of line 15 Related to Security - Soft Costs				
19	Amount of line 15 Related to Security - Hard Costs				
20	Amount of line 15 Related to Energy Conservation Measures				
Signature of Executive Director *		Date		Signature of Public Housing Director	
				Date	

* I certify that the information provided on this form and in any accompanying documentation is true and accurate. I acknowledge that making, presenting, or submitting a false, fictitious, or fraudulent statement, representation, or certification may result in criminal, civil, and/or administrative sanctions, including fines, penalties, and imprisonment.

¹ To be completed for the Performance and Evaluation Report.

² To be completed for the Performance and Evaluation Report or a Revised Annual Statement.

³ PHAs with under 250 units in management may use 100% of CFP Grants for operations.

Part III: Implementation Schedule for Capital Fund Financing Program					
PHA Name: Housing Authority of The City of McAllen				Federal FFY of Grant: 2023	
Development Number Name/PHA-Wide Activities	All Fund Obligated (Quarter Ending Date)		All Funds Expended (Quarter Ending Date)		Reasons for Revised Target Dates ¹
	Original Obligation End Date	Actual Obligation End Date	Original Expenditure End Date	Actual Expenditure End Date	
TX028	02-16-2025		02-16-2027		

¹ Obligation and expenditure end dated can only be revised with HUD approval pursuant to Section 9j of the U.S. Housing Act of 1937, as amended.

The HCV Admin plan:

<https://mcallenhc.org/wp-content/uploads/2024/12/McHC-2025-HCV-Admin-Plan.pdf>

Executive Summary

Item: 2024 Public Housing Agency (PHA) Annual, 2025-2029 5-Year Plan and HCV Admin Plan for McAllen Housing Authority.

Discussion: The 2024 PHA Annual, 5-Year Plan, and HCV Admin Plans are recommended for revision to permit the expanded use of Project Based Vouchers in developing future affordable housing developments. **The existing HCV Admin plan will be discontinued, and we are proposing to adopt an entirely new plan as written by Nan McKay & Associates.**

Publications of the proposed plans were published in Saturday editions of the Monitor legal sections from December 1 – 21, 2024. In addition, a public hearing was held at FDC and via Zoom on December 17, 2024, and a favorable public comment was received. No public comments against the revisions were received.

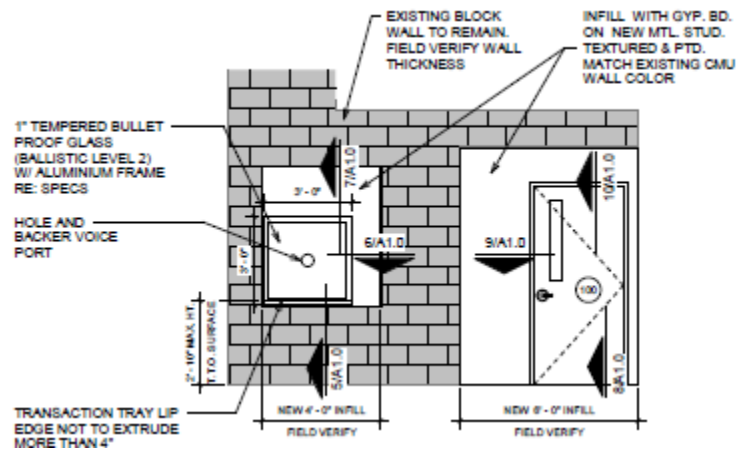
Recommendation: Staff recommends approval.

Executive Summary

Item: Security Improvements at MHC Joe A. Saenz Admin. Building

Discussion: This agenda item is a request to approve security improvements at the MHC Joe A. Saenz Administration building located at 1200 N. 25th St. These improvements aim to create a more secure environment for residents, staff, and the general public. The improvements are all interior-based and consist of removing two existing glass portions and sliding window and replace with reinforced materials to create a more secure guest lobby.

A new partition will divide the space from administrative offices, and a new secure door and transaction window will be installed. The work will also include replacing sixteen (16) existing door locksets with new, more secure ones.



McHC Staff requested bids from multiple local contractors however, only two (2) contractors submitted a bid for this project.

Junior Construction Enterprises, LLC	\$ 27,912.00
Araiza General Construction	\$ 43,318.16

Recommendation: Staff recommends approval to award the project to the lowest bidder Junior Construction Enterprises, LLC. Funds for this project are immediately available within our Capital Fund grant program/s.

Executive Summary

Item: HVAC Equipment Upgrades at McHC Joe A. Saenz Admin. Building

Discussion: This agenda item is a request to approve new air conditioning upgrades at the Joe A. Saenz Administration Building. Staff has identified multiple HVAC units that have fully depreciated and have a short useful life based on the installation date.

ITEM	AREA	INSTALL DATE
CONDENSER	LOBBY AREA	1-Jun-2013
AIR HANDLER	LOBBY AREA	1-Apr-2013
AIR HANDLER	EXEC OFFICE	1-Apr-2013
CONDENSER	EXEC OFFICE	1-Jun-2013
CONDENSER	FINANCE DIR	1-Sep-2006
AIR HANDLER	FINANCE DIR	1-May-1997
CONDENSER	RESIDENT SERV	1-Jun-2007
AIR HANDLER	RESIDENT SERV	1-Jun-2007
AIR HANDLER	HALLWAY	1-Apr-2013
CONDENSER	FILE ROOM/ACCT	1-Jun-2011
AIR HANDLER	FILE ROOM/ACCT	1-Apr-2013

McHC Staff requested bids from multiple local contractors to upgrade to new units. The bid tabulation for this project is as follows:

BID TAB	
1/14/25	
ADMIN A/C AIR HANDLER & CONDENSER UNITS QUOTES	
<p>EVERESST SERVICES TECH RHEEM / CARRIER UNITS</p> <p>3- 4 TON INDOOR / OUTDOOR 2- 5 TON INDOOR / OUTDOOR 1-5 TON AIR HANDLER</p>	<p>4 TON SETS \$ 4,300.00 EACH (\$12,900.00) 5 TON SETS \$ 4,800.00 EACH (\$9,600.00) 5 TON AIR HANDLER \$2,400.00 LABOR INCLUDED</p> <p style="text-align: center;">TOTAL \$ 24,900.00</p>
<p>AJ'S HEATING & COOLING CARRIER UNITS</p> <p>3- 4 TON INDOOR / OUTDOOR 2- 5 TON INDOOR / OUTDOOR 1-5 TON AIR HANDLER MISC MATERIALS LABOR</p>	<p>4 TON SETS \$ 4,034.51 EACH (\$12,103.53) 5 TON SETS \$ 4,339.86 EACH (\$8,679.72) 5 TON AIR HANDLER \$1,695.19 MISC MATERIALS \$3,500.00 LABOR FOR 11 UNITS \$6,500.00</p> <p style="text-align: center;">TOTAL \$ 32,478.44</p>
<p>MCV CONSTRUCTION CARRIER UNITS</p> <p>1- 3 TON INDOOR / OUTDOOR 2- 4 TON INDOOR / OUTDOOR 2- 5 TON INDOOR / OUTDOOR 1-5 TON AIR HANDLER</p>	<p>3 TON SET \$ 4,350.00 4 TON SETS \$ 4,650.00 EACH (\$9,300.00) 5 TON SETS \$ 4,840.00 EACH (\$9,680.00) 5 TON AIR HANDLER \$2,150.00 LABOR INCLUDED</p> <p style="text-align: center;">TOTAL \$ 25,480.00</p>

Recommendation: Staff recommends approval to award the project to the lowest bidder Everesst Services Tech. Funds for this project are immediately available within our Capital Fund grant program/s.

McAllen Housing Commission - All Entities (Excluded Third-Party Managed Properties)

Dashboard Financial Summary

12/31/2024

Budget Variance Highlights

1	Unrestricted Cash - CY	\$ 5,936,089	QTD Revenues	QTD Operating Exp.	QTD Operating Inc. (Loss)	QTD HAP / Other	QTD Net Income (Loss)	
2	Prior Year	\$ 5,565,508	\$1,115,263	\$937,681	\$177,582	(\$2,259,511)	\$486,351	
3	Variance	↑ \$ 370,582	YTD Revenues	YTD Operating Exp.	YTD Operating In. (Loss)	YTD HAP / Other	YTD Net Income (Loss)	
4			Actual	Actual	Actual	Actual	Actual	
5	Restricted Cash - CY	\$ 2,703,460	\$2,164,739	\$1,922,790	\$241,949	\$102,935	\$528,177	
6	Prior Year	\$ 2,750,167	Budget	Budget	Budget	Budget	Budget	
7	Variance	↓ \$ (46,707)	\$2,253,148	\$2,043,140	\$210,008	(\$11,416)	\$212,809	
8			Variance	Variance	Variance	Variance	Variance	
9	Total Asset	\$ 18,562,507	↓ (88,409)	-	↓ (120,350)	↑ 31,941	↑ 114,352	↑ 315,368
10	Prior Year	\$ 18,398,963						
11	Variance	↑ \$ 163,544						
12	Vacancy Rate	⇒ \$ -						

Entity Snapshots

36	METRIC	12/31/2024	% Change	12/31/2023	Budget	Budget Variance	CYR to Last YR
37	QTD - Tenant Revenue	\$ 527,807	⇒ 2.3%	\$ 515,854	\$ 600,245	↓ \$ (72,438)	11,953
38	YTD - Tenant Revenue	\$ 1,048,866	↑ 3.2%	\$ 1,016,548	\$ 1,200,491	↓ \$ (151,624)	32,318
39	QTD - Grant Admin Funding	\$ 299,370	↓ 12.3%	\$ 266,551	\$ 289,149	↑ \$ 10,221	32,819
40	YTD - Grant Admin Funding	\$ 579,784	↓ -10.8%	\$ 649,728	\$ 578,298	↓ \$ 1,486	(69,944)
41	QTD - Administrative Expense	\$ 443,476	⇒ 1.8%	\$ 435,484	\$ 490,636	↓ \$ (47,160)	7,992
42	YTD - Administrative Expense	\$ 923,060	↑ 8.3%	\$ 852,518	\$ 981,273	↓ \$ (58,213)	70,542
43	QTD - Replacement Costs	\$ 17,769	↓ -15.2%	\$ 20,955	\$ 25,351	↓ \$ (7,582)	(3,186)
44	YTD - Replacement Costs	\$ 57,227	↓ 44.0%	\$ 39,733	\$ 50,702	↓ \$ 6,525	17,493
45	QTD - Maintenance and Operations	\$ 201,028	↓ -0.6%	\$ 202,316	\$ 248,270	↓ \$ (47,242)	(1,288)
46	YTD - Maintenance and Operations	\$ 444,773	↓ 5.5%	\$ 421,642	\$ 496,540	↓ \$ (51,767)	23,132
47	QTD - Developer Fees	\$ 212,001	↑ 278.6%	\$ 56,000	\$ -	↑ \$ 212,001	156,001
48	YTD - Developer Fees	\$ 212,101	↑ 182.9%	\$ 74,963	\$ -	↓ \$ 212,101	137,138

McALLEN HOUSING COMMISSION

Dashboard Financial Summary

12/31/2024

Budget Variance Highlights

1	Unrestricted Cash - CY	\$ 482,508	QTD Revenues	QTD Operating Exp.	QTD Operating Inc. (Loss)	QTD HAP / Other	QTD Net Income (Loss)
2	Prior Year	\$ 438,741	\$116,515	\$95,927	\$20,589	\$50,738	\$71,327
3	Variance	↑ \$ 43,768	YTD Operating Revenues	YTD Operating Exp.	YTD Operating Inc. (Loss)	YTD HAP	YTD Net Income (Loss)
4			Actual	Actual	Actual	Actual	Actual
5	Restricted Cash - CY	\$ 994,097	\$229,451	\$243,979	(\$14,528)	(\$2,321)	\$73,911
6	Prior Year	\$ 992,870	Budget	Budget	Budget	Budget	Budget
7	Variance	↑ \$ 1,226	\$223,726	\$322,808	(\$99,082)	(\$3,263)	(\$33,826)
8			Variance	Variance	Variance	Variance	Variance
9	Total Asset	\$ 3,983,428	↑ 5,725	↓ (78,830)	↑ 84,555	↑ 942	↑ 107,737
10	Prior Year	\$ 3,776,214					
11	Variance	↑ \$ 207,214					
12	Vacancy Rate	⇒ 0%					

Entity Snapshots

METRIC	12/31/2024	% Change	12/31/2023	Budget	Budget Variance	CYR to Last YR
37 QTD - Tenant Revenue	\$ -		\$ -	\$ -	⇒ \$ -	-
38 YTD - Tenant Revenue	\$ -		\$ -	\$ -	⇒ \$ -	-
39 QTD - Grant Admin Funding	\$ 98,196	↑ 2.8%	\$ 95,539	\$ 88,419	↑ \$ 9,776	2,657
40 YTD - Grant Admin Funding	\$ 192,761	↑ 7.7%	\$ 179,049	\$ 176,839	↓ \$ 15,922	13,713
41 QTD - Administrative Expense	\$ 28,682	↓ -48.9%	\$ 56,180	\$ 66,007	↓ \$ (37,325)	(27,498)
42 YTD - Administrative Expense	\$ 96,370	⇒ -14.1%	\$ 112,189	\$ 132,015	↓ \$ (35,645)	(15,819)
43 QTD - Replacement Costs	\$ -		\$ -	\$ -	↑ \$ -	-
44 YTD - Replacement Costs	\$ -		\$ -	\$ -	↑ \$ -	-
45 QTD - Maintenance and Operations	\$ 13,521	⇒ -14.4%	\$ 15,803	\$ 26,608	↓ \$ (13,087)	(2,282)
46 YTD - Maintenance and Operations	\$ 37,454	↑ -10.0%	\$ 41,603	\$ 53,216	↓ \$ (15,763)	(4,150)
47 QTD - Developer Fees	\$ -		\$ -	\$ -	↑ \$ -	-
48 YTD - Developer Fees	\$ -		\$ -	\$ -	↓ \$ -	-

Capital Funds

Dashboard Financial Summary

12/31/2024

Budget Variance Highlights

1	Unrestricted Cash - CY	\$ -	QTD Revenues	QTD Operating Exp.	QTD Operating Inc. (Loss)	QTD HAP / Other	QTD Net Income (Loss)
2	Prior Year	\$ -	\$37,221	\$0	\$37,221	(\$51,544)	\$1
3	Variance	⇒ \$ -	YTD Operating Revenues	YTD Operating Expenses	YTD Operating Inc(Loss)	YTD Other Inc(Exp)	YTD Net Income (Loss)
4			Actual	Actual	Actual	Actual	Actual
5	Restricted Cash - CY	\$ 20.18	\$58,733	\$0	\$0	(\$90,759)	\$1
6	Prior Year	\$15	Budget	Budget	Budget	Budget	Budget
7	Variance	↑ \$5	\$29,421	\$0	\$0	(\$68,520)	(\$33,826)
8			Variance	Variance	Variance	Variance	Variance
9	Total Asset	\$19	↑ 29,312 -	⇒ -	↑ 29,312	↑ 22,239	↑ 107,737
10	Prior Year	\$12					
11	Variance	↑ \$7					
12	Vacancy Rate	⇒ 0%					

Entity Snapshots

METRIC	12/31/2024	% Change	12/31/2023	Budget	Budget Variance	CYR to Last YR
37 QTD - Tenant Revenue	\$ -		\$ -	\$ -	⇒ \$ -	-
38 YTD - Tenant Revenue	\$ -		\$ -	\$ -	⇒ \$ -	-
39 QTD - Grant Admin Funding	\$ 37,220.59	↑ 74.3%	\$ 21,355	\$ -	↑ \$ 37,221	15,866
40 YTD - Grant Admin Funding	\$ 58,732	↓ -2.7%	\$ 60,355	\$ -	↓ \$ 58,732	(1,623)
41 QTD - Administrative Expense	\$ -		\$ -	\$ -	↓ \$ -	-
42 YTD - Administrative Expense	\$ -		\$ -	\$ -	⇒ \$ -	-
43 QTD - Replacement Costs	\$ -		\$ -	\$ -	↑ \$ -	-
44 YTD - Replacement Costs	\$ -		\$ -	\$ -	↑ \$ -	-
45 QTD - Maintenance and Operations	\$ -		\$ -	\$ -	↑ \$ -	-
46 YTD - Maintenance and Operations	\$ -		\$ -	\$ -	↓ \$ -	-
47 QTD - Developer Fees	\$ -		\$ -	\$ -	↑ \$ -	-
48 YTD - Developer Fees	\$ -		\$ -	\$ -	↓ \$ -	-

Housing Choice Voucher Program

Dashboard Financial Summary

12/31/2024

Budget Variance Highlights

1	Unrestricted Cash - CY	\$ 2,103,171	QTD Revenues	QTD Operating Exp.	QTD Operating Inc. (Loss)	QTD HAP / Other	QTD Net Income (Loss)
2	Prior Year	\$ 2,009,610	\$416,699	\$354,984	\$61,715	(\$2,185,972)	\$136,771
3	Variance	\$ 93,562	YTD Operating Revenues	YTD Operating Exp.	YTD Operating Inc (Loss)	YTD HAP	YTD Net Income (Loss)
4			Actual	Actual	Actual	Actual	Actual
5	Restricted Cash - CY	\$ 196,178	\$793,701	\$684,541	\$109,160	(\$4,392,093)	\$205,161
6	Prior Year	\$ 235,281	Budget	Budget	Budget	Budget	Budget
7	Variance	\$ (39,103)	\$728,564	\$669,419	\$59,145	(\$4,625,111)	\$49,193
8			Variance	Variance	Variance	Variance	Variance
9	Total Asset	\$ 2,417,146	65,137	15,122	50,015	105,953	155,968
10	Prior Year	\$ 2,374,219					
11	Variance	\$ 42,928					
12	Vacancy Rate	0%					

Entity Snapshots

METRIC	12/31/2024	% Change	12/31/2023	Budget	Budget Variance	CYR to Last YR
QTD - Tenant Revenue	\$ -		\$ -	\$ -	\$ -	-
YTD - Tenant Revenue	\$ -		\$ -	\$ -	\$ -	-
QTD - Grant Admin Funding	\$ 299,370	12.3%	\$ 266,551	\$ 289,149	\$ 10,221	32,819
YTD - Grant Admin Funding	\$ 579,784	-10.8%	\$ 649,728	\$ 578,298	\$ 1,486	(69,944)
QTD - Administrative Expense	\$ 247,996	7.1%	\$ 231,521	\$ 257,886	\$ (9,891)	16,475
YTD - Administrative Expense	\$ 488,281	8.7%	\$ 449,075	\$ 515,773	\$ (27,492)	39,206
QTD - Replacement Costs	\$ -		\$ -	\$ -	\$ -	-
YTD - Replacement Costs	\$ -		\$ -	\$ -	\$ -	-
QTD - Maintenance and Operations	\$ 7,734	325.8%	\$ 1,816	\$ 3,054	\$ 4,680	5,918
YTD - Maintenance and Operations	\$ 15,534	364.9%	\$ 3,341	\$ 6,108	\$ 9,426	12,193
QTD - Developer Fees	\$ -		\$ -	\$ -	\$ -	-
YTD - Developer Fees	\$ -		\$ -	\$ -	\$ -	-

Emergency Housing Voucher Program

Dashboard Financial Summary

12/31/2024

Budget Variance Highlights

1	Unrestricted Cash - CY	\$ 94,814	QTD Revenues	QTD Operating Exp.	QTD Operating Inc. (Loss)	QTD HAP / Other	QTD Net Income (Loss)	
2	Prior Year	\$ 56,000	\$2,956	\$9,015	(\$6,059)	(\$72,733)	\$7,514	
3	Variance	↑ \$ 38,814	YTD Operating Revenues	YTD Operating Exp.	YTD Operating Inc(Loss)	YTD HAP	YTD Net Income (Loss)	
4			Actual	Actual	Actual	Actual	Actual	
5	Restricted Cash - CY	\$ 9,019	\$4,892	\$19,147	(\$14,255)	(\$148,339)	(\$4,999)	
6	Prior Year	\$ 1,224	Budget	Budget	Budget	Budget	Budget	
7	Variance	↑ \$ 7,795	\$18,870	\$24,017	(\$5,148)	(\$139,001)	(\$3,348)	
8			Variance	Variance	Variance	Variance	Variance	
9	Total Asset	\$ 126,804	↓ (13,978)	-	↓ (4,870)	↓ (9,108)	↑ 22,239	↓ (1,651)
10	Prior Year	\$ 57,224						
11	Variance	↑ \$ 69,579						
12	Vacancy Rate	⇒ 0%						

Entity Snapshots

METRIC	12/31/2024	% Change	12/31/2023	Budget	Budget Variance	CYR to Last YR
37 QTD - Tenant Revenue	\$ -		\$ -	\$ -	⇒ \$ -	-
38 YTD - Tenant Revenue	\$ -		\$ -	\$ -	⇒ \$ -	-
39 QTD - Grant Admin Funding	\$ -	↓ -100.0%	\$ 11,674	\$ 9,194	↓ \$ (9,194)	(11,674)
40 YTD - Grant Admin Funding	\$ 4,517	↓ -80.6%	\$ 23,264	\$ 18,389	↓ \$ (13,872)	(18,747)
41 QTD - Administrative Expense	\$ 2,123	↑ -38.6%	\$ 3,455	\$ 3,892	↓ \$ (1,769)	(1,332)
42 YTD - Administrative Expense	\$ 5,989	↑ -12.4%	\$ 6,836	\$ 7,784	↓ \$ (1,794)	(847)
43 QTD - Replacement Costs	\$ -		\$ -	\$ -	↑ \$ -	-
44 YTD - Replacement Costs	\$ -		\$ -	\$ -	↑ \$ -	-
45 QTD - Maintenance and Operations	\$ -		\$ -	\$ -	↑ \$ -	-
46 YTD - Maintenance and Operations	\$ -		\$ -	\$ -	↓ \$ -	-
47 QTD - Developer Fees	\$ -		\$ -	\$ -	↑ \$ -	-
48 YTD - Developer Fees	\$ -		\$ -	\$ -	↓ \$ -	-



NOTICE OF REGULAR MEETING

The Board of Commissioners of the McAllen Housing Facility Corporation will meet in a Regular Session scheduled for 11:30 a.m. (concurrently with McHC & MHDC Regular Board Meeting).

Thursday, January 30, 2025
Family Development Center | 2501 W. Maple Ave. | McAllen, TX 78501

or

via ZOOM Teleconference

<https://us06web.zoom.us/j/89901000107?pwd=nf4YRiak2pdUHyiDMuieGoQGPJctBZ.1>

Meeting ID: 899 0100 0107
United State +1 346 248 7799
Passcode: 693075

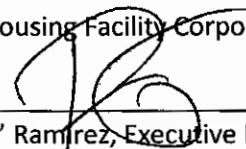
1. Call Meeting to Order
2. Action Items:
 - a) Consideration and Possible Action to Approve the Meeting Minutes of the Regular Board Meeting of November 20, 2024. **Pg. 2-3**
 - b) Consideration and Possible Action to Approve the Annual Financial Audit Report for the Year ending June 30, 2024; as prepared by Cascos & Associates, PC.
3. Non-Action Items:
 - a) Financial Report **Pg. 4**
 - b) La Vista Financial Report **Pg. 5-14**
 - c) Retama I&I Financial Report **Pg. 14-34**
4. Adjournment

Executive Session: If during the course of the meeting any discussion of any item on the agenda should be held in executive or closed session, the Board of Directors shall convene in such executive session or closed session in accordance with the Texas Open Meeting Act, Texas Government Code Section 551.071 to 551.075. Before any such session is convened, the presiding officer shall publicly identify the section or sections of the act authorizing the executive session. All final votes, actions, decisions shall be taken in open session.

I certify that this Notice of Regular Meeting was posted on **Friday, January 24, 2025, at or before 12:00 p.m.**, at the Main Office of the McAllen Housing Facility Corporation and Municipal Government Offices, 1300 Houston Ave., McAllen, TX 78501 in compliance with Chapter 551 of Government Code.



The McAllen Housing Facility Corporation


Rodolfo "Rudy" Ramirez, Executive Director

The McAllen Housing Facility Corporation is committed to compliance with the American Act (ADA). This meeting site/video conference is accessible to disabled persons. Reasonable accommodation and equal access to communications will be provided to those who provide notice to the Executive Director at (956) 686-3951 at least 48 hours in advance of meeting.

MINUTES OF THE MEETING

OF THE MCALLEN HOUSING FACILITY CORPORATION REGULAR BOARD MEETING

Wednesday, November 20, 2024

CALL TO ORDER AND ROLL CALL – The regular meeting of the Board of Commissioner of the McAllen Housing Facility Corporation was held Wednesday, November 20, 2024, at the Family Development Center. Chair Elva M. Cerda called the meeting to order at 11:37 a.m. concurrently with McHC and MHDC. Present and attendance for roll call were:

Present: Chair Elva M. Cerda
Commissioner Marc David Garcia
Resident Commissioner Kristel Garcia
Assistant City Attorney Evaristo Garcia

Absent: Vice Chair Eliseo “Tito” Salinas

Staff: Executive Director Rodolfo “Rudy” Ramirez
Deputy Director Daniel Delgado
FSS Coordinator Maria Loreda
Finance Director Jose Garcia
HCV Director Elena Saucedo

Guest: Attorney Marissa Carranza Hernandez

1. Call Meeting to Order – 11:37 a.m.
2. Action Items:
 - a) Consideration and Possible Action to Approve Meeting Minutes of the Regular Board Meeting of October 23, 2024. **Board identified corrections to the minutes specific to adding the name of an absent board member - Absence of Resident Commissioner Kristel Garcia for Regular Board Meeting of August 29, 2024. Chair Elva M. Cerda entertained a motion to approve Meeting Minutes of the Regular Board Meeting of October 23, 2024, with correction. Resident Commissioner Kristel Garcia made a motion to approve; Commissioner Marc David Garcia second the motion. Motion carried unanimously.**
 - b) Consideration and Possible Action to Approve Extension of MOU w/Madhouse Development for 2025 LIHTC Applications. **No action taken.**
3. Non- Action Items:
 - a. Update on 2025 LIHTC Applications
 - N/A; update reviewed in McHC Meeting.
 - b. Financial Report
 - Financial Director Jose Garcia reported Financial Update for October 2024 with no significant findings.

c. La Vista Financial Report

- Financial Director Jose Garcia reported Financial Update for October 2024 with no significant findings.

d. Retama I & II Financial Report

- Financial Director Jose Garcia reported Financial Update for October 2024 with significant finding on Retama I. Cash - Operating budget low in funds, and reserve balance high, for use of repairs. Retama I has generated sufficient cash flow for the last 10 months to keep operations flowing, despite the low operating budget. Retama II has no significant findings.

4. Adjournment – **Chair Elva M. Cerda entertained a motion to adjourn the meeting. Commissioner Marc David Garcia made a motion to approve; Resident Commissioner Kristel Garcia second the motion. Meeting adjourned at 11:55 a.m.**

Rodolfo “Rudy” Ramirez, Executive Director

McAllen Housing Facility Corporation - Internally Managed Properties Only

Dashboard Financial Summary

12/31/2024

SUNSET GARDENS

ORCHID APARTMENTS

VILLAS AT BEAUMONT

Budget Variance Highlights

1	Unrestricted Cash - CY	\$ 2,159,197.77	QTD Revenues	QTD Operating Exp.	QTD Operating Inc. (Loss)	QTD HAP / Other	QTD Net Income (Loss)	
2	Prior Year	\$ 1,978,783.11	\$390,727	\$341,937	\$48,791	\$209,117	\$257,059	
3	Variance ↑	\$ 180,414.66	YTD Operating Revenues	YTD Operating Exp.	YTD Operating Inc(Loss)	YTD Other Inc(Exp)	YTD Net Income (Loss)	
4			Actual	Actual	Actual	Actual	Actual	
5	Restricted Cash - CY	\$ 476,362.82	\$777,853	\$711,299	\$66,554	\$162,588	\$228,292	
6	Prior Year	\$ 505,296.17	Budget	Budget	Budget	Budget	Budget	
7	Variance ↓	\$ (28,933.35)	\$913,217	\$746,451	\$166,766	(\$15,304)	\$124,765	
8			Variance	Variance	Variance	Variance	Variance	
9	Total Asset	\$ 8,726,812.40	↓ (135,364)	-	↓ (35,152)	↓ (100,212)	↑ 178,310	↑ 103,527
10	Prior Year	\$ 8,889,462.48						
11	Variance ↓	\$ (162,650.08)						
12	Vacancy Rate ⇒	0%						

Entity Snapshots

METRIC	12/31/2024	% Change	12/31/2023	Budget	Budget Variance	CYR to Last YR
QTD - Tenant Revenue	\$ 379,052 ↓	2.0%	\$ 371,481	\$ 431,639 ↓	\$ (52,587)	7,571
YTD - Tenant Revenue	\$ 752,769 ↑	3.2%	\$ 729,740	\$ 863,277 ↓	\$ (110,508)	23,029
QTD - Grant Admin Funding	\$ -		\$ -	\$ - ⇒	\$ -	-
YTD - Grant Admin Funding	\$ -		\$ -	\$ - ↓	\$ -	-
QTD - Administrative Expense	\$ 133,849 ↑	21.8%	\$ 109,876	\$ 124,846 ↓	\$ 9,003	23,973
YTD - Administrative Expense	\$ 259,658 ↑	20.5%	\$ 215,435	\$ 249,692 ↑	\$ 9,966	44,224
QTD - Replacement Costs	\$ 16,123 ↓	6.5%	\$ 15,140	\$ 19,395 ↓	\$ (3,272)	983
YTD - Replacement Costs	\$ 46,752 ↓	42.2%	\$ 32,868	\$ 38,790 ↓	\$ 7,963	13,885
QTD - Maintenance and Operations	\$ 109,382 ↓	-5.5%	\$ 115,742	\$ 152,934 ↓	\$ (43,552)	(6,360)
YTD - Maintenance and Operations	\$ 267,354 ↓	10.3%	\$ 242,452	\$ 305,868 ↓	\$ (38,514)	24,902
QTD - Developer Fees	\$ 212,001 ↑	278.6%	\$ 56,000	\$ - ↑	\$ 212,001	156,001
YTD - Developer Fees	\$ 212,101 ⇒	182.9%	\$ 74,963	\$ - ↓	\$ 212,101	137,138

Entity Snapshots

MHFC	SUNSET	ORCHID	VILLAS
Total Unrestricted Cash:	Total Unrestricted Cash:	Total Unrestricted Cash:	Total Unrestricted Cash:
1,445,911	228,479	164,079	329,522
QTD Total Operating Revenues:	QTD Total Operating Revenues:	QTD Total Operating Revenues:	QTD Total Operating Revenues:
7,243	146,354	165,235	69,587
QTD Total Operating Expenses:	QTD Total Operating Expenses:	QTD Total Operating Expenses:	QTD Total Operating Expenses:
36,467	115,735	152,328	37,407
QTD Operating Income or Loss:	QTD Operating Income or Loss:	QTD Operating Income or Loss:	QTD Operating Income or Loss:
(29,223)	30,620	15,214	32,180
QTD Net Income or Loss:	QTD Net Income or Loss:	QTD Net Income or Loss:	QTD Net Income or Loss:
195,168	25,197	5,205	(691)
YTD Net Income Actual:	YTD Net Income Actual:	YTD Net Income Actual:	YTD Net Income Actual:
155,723	31,226	(18,760)	60,104
YTD Net Income Budget:	YTD Net Income Budget:	YTD Net Income Budget:	YTD Net Income Budget:
(21,492)	60,419	35,120	50,719
YTD Variance:	YTD Variance:	YTD Variance:	YTD Variance:
177,214	(29,193)	(53,880)	9,385
No Activity	No Activity	No Activity	No Activity

Via Electronic Mail

January 15, 2025

Daniel Delgado
McAllen Housing Authority
2301 Jasmine Avenue
McAllen, Texas 78501

Re: *La Vista Apartments*
McAllen, Texas

Dear Mr. Delgado:

Enclosed is the December 2024 financial report for *La Vista Apartments*. The property closed the month at **100%** occupancy with zero (0) vacant units and an economic occupancy of **93%**. As of the date of this letter, the property is **97.91%** leased.

The December operating expenses were **26.89% above** budget and the year-to-date operating expenses were **13.47% below** budget. Significant variances are explained in the **Budget Comparison Report-Notes**. *La Vista Apartments* spent \$2,401 from replacement reserve expenses in Electrical Replacements and Flooring.

If you have any questions regarding the property operations or financial report, please contact Joe Sepulveda or me at your earliest convenience.

Sincerely,



Billy Dunn
Senior Asset Manager

Copies to:

Jose A. Garcia, **McAllen Housing Authority**
Rudy Ramirez, **McAllen Housing Authority**
multifamilyfinancials@pnc.com
pncmfcassetmgmt@pnc.com

Balance Sheet

Period = Dec 2024

Book = Accrual ; Tree = ysi_bs

Current Balance

10000000	ASSETS	
10010000	CURRENT ASSETS	
11000000	CASH	
11200000	Cash - Operating	214,901.15
11700000	Cash - Security Deposits	15,267.52
11910000	Cash - Partnership Money Market	118,794.81
11999999	TOTAL CASH	348,963.48
12000000	ACCOUNTS RECEIVABLE	
12100000	Receivable - Tenants	-84.00
12300000	HAP Accounts Receivable	1,030.00
12500000	HAP Suspense Receivable	513.00
12999999	TOTAL ACCOUNTS RECEIVABLE	1,459.00
13000000	PREPAID EXPENSES	
13100000	Prepaid Insurance	32,480.84
13400000	Prepaid Other	301,148.74
13999999	TOTAL PREPAID EXPENSES	333,629.58
14000000	RESTRICTED FUNDS	
14100000	Replacement Reserve	187,979.23
14400000	Insurance Escrow	32,708.25
14999999	TOTAL RESTRICTED FUNDS	220,687.48
15999999	TOTAL CURRENT ASSETS	904,739.54
16000000	LONG TERM ASSETS	
16010000	PROPERTY	
16100000	LAND AND BUILDINGS	
16130000	Building	1,288,588.73
16199999	TOTAL LAND AND BUILDINGS	1,288,588.73
16200000	LAND IMPROVEMENTS	
16210000	Land Improvements	540,000.00
16280000	General Land Improvements	52,020.00
16299999	TOTAL LAND IMPROVEMENTS	592,020.00
16400000	FURNITURE FIXTURES AND EQUIPMENT	
16410000	Furniture Fixtures and Equipment	26,245.77
16420000	Equipment	126,726.19
16499999	TOTAL FURNITURE FIXTURES AND EQUIPMENT	152,971.96
16700000	ACCUMULATED DEPRECIATION	

Balance Sheet

Period = Dec 2024

Book = Accrual ; Tree = ysi_bs

		Current Balance
16710000	Accumulated Depreciation	-1,003,579.97
16799999	TOTAL ACCUMULATED DEPRECIATION	-1,003,579.97
16999998	TOTAL PROPERTY	1,030,000.72
16999999	TOTAL LONG TERM ASSETS	1,030,000.72
17000000	OTHER ASSETS	
17100000	DEFERRED COSTS	
17110000	Financing Costs	186,947.00
17130000	Tax Credit Fees	17,697.00
17150000	Accumulated Amortization	-167,512.57
17151000	Accumulated Amortization Tax Credit Fees	-17,697.00
17199999	TOTAL DEFERRED COSTS	19,434.43
17999999	TOTAL OTHER ASSETS	19,434.43
19999999	TOTAL ASSETS	1,954,174.69
20000000	LIABILITIES AND EQUITY	
20010000	LIABILITIES	
20020000	CURRENT LIABILITIES	
21000000	ACCOUNTS PAYABLE	
21100000	Accounts Payable	2,901.59
21999999	TOTAL ACCOUNTS PAYABLE	2,901.59
22000000	ACCRUED EXPENSES	
22200000	Accrued Ground Lease	3,732.00
22400000	Interest Payable -Mortgage	6,306.73
22920000	Other Accrued Expenses	1,228.50
22999999	TOTAL ACCRUED EXPENSES	11,267.23
23000000	DEFERRED INCOME	
23100000	Rent Prepayment Liability	2,134.20
23300000	HAP Repayment	-871.00
23750000	Unclaimed Security Deposit Refunds	290.02
23800000	HAP Suspense Clearing	630.00
23999999	TOTAL DEFERRED INCOME	2,183.22
24000000	DEPOSITS HELD	
24100000	Tenant Security Deposit	11,661.00
24999999	TOTAL DEPOSITS HELD	11,661.00
25000000	OTHER CURRENT LIABILITIES	
25500000	Partnership Management Fee	197,159.82

Balance Sheet

Period = Dec 2024

Book = Accrual ; Tree = ysi_bs

		Current Balance
25600000	Investor Management Fee	3,630.21
25999998	TOTAL OTHER CURRENT LIABILITIES	200,790.03
25999999	TOTAL CURRENT LIABILITIES	228,803.07
26000000	LONG TERM LIABILITIES	
26100000	LONG TERM DEBT	
26130000	Mortgage Note Payable	950,455.41
26199999	TOTAL LONG TERM DEBT	950,455.41
26999998	TOTAL LONG TERM LIABILITIES	950,455.41
29999999	TOTAL LIABILITIES	1,179,258.48
30000000	EQUITY	
31000000	CAPITAL	
31100000	Partner Capital	1,195,664.00
31500000	Partner Contributions	100.00
31999999	TOTAL CAPITAL	1,195,764.00
32000000	RETAINED EARNINGS	
32100000	Retained Earnings	75,306.13
32200000	Retained Earnings Prior Years	-496,153.92
32999999	TOTAL RETAINED EARNINGS	-420,847.79
33000000	TOTAL EQUITY	774,916.21
39999999	TOTAL LIABILITIES AND EQUITY	1,954,174.69
99999999	TOTAL OF ALL	0.00

Budget Comparison

Period = Dec 2024

Book = Accrual ; Tree = ysi_is

Notes: lavista: 98% Occupied - 1 vacant unit; lavista: Physical Occupancy 100% Vacant Units 0 Economic Occupancy 93%;

	PTD Actual	PTD Budget	Variance	% Var	YTD Actual	YTD Budget	Variance	% Var	Annual	Note
40000000	INCOME									
40010000	OPERATING INCOME									
40020000	REVENUE									
40030000	RENTS									
42000000	RESIDENTIAL RENT COLLECTED									
42100000	GROSS POTENTIAL RENT									
42110000	39,092.00	38,090.92	1,001.08	2.63	452,945.00	454,276.44	-1,331.44	-0.29	454,276.44	
42140000	0.00	0.00	0.00	N/A	-1,066.00	0.00	-1,066.00	N/A	0.00	
42199999	39,092.00	38,090.92	1,001.08	2.63	451,879.00	454,276.44	-2,397.44	-0.53	454,276.44	
42292000	0.00	0.00	0.00	N/A	-671.00	0.00	-671.00	N/A	0.00	
42910000	0.00	-761.82	761.82	100.00	6,434.00	-9,085.54	15,519.54	170.82	-9,085.54	lavista: 0% vacancy, 0 units at month end
42911000	-2,791.00	0.00	-2,791.00	N/A	-2,074.00	0.00	-2,074.00	N/A	0.00	lavista: Units 18-19-2-21-31-37-43 & 48 HAP Rent Adjustment 11/01/2024 to 12/31/2024
42940000	0.00	-1,142.73	1,142.73	100.00	-17,756.90	-13,628.31	-4,128.59	-30.29	-13,628.31	
42999998	36,301.00	36,186.37	114.63	0.32	437,811.10	431,562.59	6,248.51	1.45	431,562.59	
42999999	36,301.00	36,186.37	114.63	0.32	437,811.10	431,562.59	6,248.51	1.45	431,562.59	
43000000	OTHER INCOME									
43600000	579.00	75.00	504.00	672.00	3,669.00	900.00	2,769.00	307.67	900.00	
43930000	78.00	170.83	-92.83	-54.34	978.00	2,049.96	-1,071.96	-52.29	2,049.96	
43940000	0.00	54.17	-54.17	-100.00	341.04	650.04	-309.00	-47.54	650.04	
43960000	0.00	6.25	-6.25	-100.00	35.00	75.00	-40.00	-53.33	75.00	
43992000	0.00	25.00	-25.00	-100.00	0.00	300.00	-300.00	-100.00	300.00	
43995000	0.00	0.00	0.00	N/A	600.00	0.00	600.00	N/A	0.00	
43996000	0.00	12.50	-12.50	-100.00	130.00	150.00	-20.00	-13.33	150.00	
43999000	243.87	166.67	77.20	46.32	2,890.88	2,000.04	890.84	44.54	2,000.04	

Budget Comparison

Period = Dec 2024

Book = Accrual ; Tree = ysi_is

Notes: lavista: 98% Occupied - 1 vacant unit; lavista: Physical Occupancy 100% Vacant Units 0 Economic Occupancy 93%;

		PTD Actual	PTD Budget	Variance	% Var	YTD Actual	YTD Budget	Variance	% Var	Annual	Note
43999200	Agreement Expense Recovery	0.00	0.00	0.00	N/A	77.00	0.00	77.00	N/A	0.00	
43999945	Eviction Fees	0.00	25.00	-25.00	-100.00	0.00	300.00	-300.00	-100.00	300.00	
43999999	TOTAL OTHER INCOME	900.87	535.42	365.45	68.25	8,720.92	6,425.04	2,295.88	35.73	6,425.04	
59999999	TOTAL REVENUE	37,201.87	36,721.79	480.08	1.31	446,532.02	437,987.63	8,544.39	1.95	437,987.63	
60010000	OPERATING EXPENSES										
61000000	CONTROLLABLE EXPENSES										
61100000	ADMINISTRATIVE EXPENSES										
61110000	Answering Service	60.00	55.00	-5.00	-9.09	720.00	660.00	-60.00	-9.09	660.00	
61120000	Bank Fees	152.66	122.50	-30.16	-24.62	1,825.11	1,470.00	-355.11	-24.16	1,470.00	
61130000	Computer Costs	348.00	348.00	0.00	0.00	4,176.00	4,176.00	0.00	0.00	4,176.00	
61140000	Credit Services	80.26	139.58	59.32	42.50	1,178.08	1,674.96	496.88	29.67	1,674.96	
61160000	Dues / Licenses / Permits	0.00	0.00	0.00	N/A	105.53	730.00	624.47	85.54	730.00	
61162000	Computer& IT expenses	0.00	0.00	0.00	N/A	315.68	0.00	-315.68	N/A	0.00	
61170000	State Compliance Fees	160.00	0.00	-160.00	N/A	1,920.00	1,920.00	0.00	0.00	1,920.00	
61180000	Employee Training / Education	0.00	125.00	125.00	100.00	113.64	1,500.00	1,386.36	92.42	1,500.00	
61191000	Furniture / Equipment Rental	153.30	135.00	-18.30	-13.56	1,768.56	1,620.00	-148.56	-9.17	1,620.00	
61194000	Meals and Entertainment	4.51	100.00	95.49	95.49	165.73	450.00	284.27	63.17	450.00	
61195000	Travel	0.00	120.83	120.83	100.00	0.00	1,449.96	1,449.96	100.00	1,449.96	
61198000	Legal Fees and Evictions	0.00	0.00	0.00	N/A	260.07	0.00	-260.07	N/A	0.00	
61199000	Office Supplies	241.52	72.00	-169.52	-235.44	1,206.29	864.00	-342.29	-39.62	864.00	lavista: Purchased legal file folders, copy paper and pens
61199300	Postage / Delivery	81.16	33.33	-47.83	-143.50	460.60	399.96	-60.64	-15.16	399.96	lavista: Corporate mail and utility payments
61199700	Telephone / Internet	401.83	462.50	60.67	13.12	5,472.19	5,550.00	77.81	1.40	5,550.00	
61199800	Uniforms	0.00	83.33	83.33	100.00	386.75	999.96	613.21	61.32	999.96	
61199930	Recruiting	26.40	6.67	-19.73	-295.80	170.85	80.04	-90.81	-113.46	80.04	lavista: Employee assessment fee
61199990	Extraordinary COVID	0.00	25.00	25.00	100.00	0.00	300.00	300.00	100.00	300.00	
61199999	TOTAL ADMINISTRATIVE EXPENSES	1,709.64	1,828.74	119.10	6.51	20,245.08	23,844.88	3,599.80	15.10	23,844.88	
61200000	MARKETING AND LEASING										

Budget Comparison

Period = Dec 2024

Book = Accrual ; Tree = ysi_is

Notes: lavista: 98% Occupied - 1 vacant unit; lavista: Physical Occupancy 100% Vacant Units 0 Economic Occupancy 93%;

		PTD Actual	PTD Budget	Variance	% Var	YTD Actual	YTD Budget	Variance	% Var	Annual	Note
61260000	Market Analysis	26.40	26.40	0.00	0.00	316.80	316.80	0.00	0.00	316.80	
61270000	Advertising	138.10	170.00	31.90	18.76	2,027.20	2,040.00	12.80	0.63	2,040.00	
61290000	Programs and Promotions	0.00	33.33	33.33	100.00	0.00	399.96	399.96	100.00	399.96	
61291000	Signage	0.00	0.00	0.00	N/A	466.23	0.00	-466.23	N/A	0.00	
61299999	TOTAL MARKETING AND LEASING	164.50	229.73	65.23	28.39	2,810.23	2,756.76	-53.47	-1.94	2,756.76	
61300000	MANAGEMENT FEES										
61310000	Management Fees	3,034.08	2,019.70	-1,014.38	-50.22	25,066.73	24,089.35	-977.38	-4.06	24,089.35	
61399999	TOTAL MANAGEMENT FEES	3,034.08	2,019.70	-1,014.38	-50.22	25,066.73	24,089.35	-977.38	-4.06	24,089.35	
61400000	PAYROLL EXPENSES										
61410000	Management Salaries	5,455.89	3,392.31	-2,063.58	-60.83	35,261.72	44,100.02	8,838.30	20.04	44,100.02	
61420000	Maintenance Wages	5,155.00	3,351.60	-1,803.40	-53.81	46,286.85	43,570.80	-2,716.05	-6.23	43,570.80	
61450000	Bonuses	1,228.50	269.76	-958.74	-355.40	1,530.10	3,506.86	1,976.76	56.37	3,506.86	lavista: Staff Year End bonus
61460000	Payroll Service Fees	578.38	296.04	-282.34	-95.37	4,435.64	3,848.52	-587.12	-15.26	3,848.52	
61470000	Employee Insurance	0.00	484.62	484.62	100.00	0.00	6,300.04	6,300.04	100.00	6,300.04	
61480000	Payroll Taxes	922.84	606.95	-315.89	-52.05	6,977.52	7,890.36	912.84	11.57	7,890.36	
61490000	Workers Comp Insurance	374.59	244.89	-129.70	-52.96	3,277.97	3,183.58	-94.39	-2.96	3,183.58	
61491000	401k Company Match	111.50	0.00	-111.50	N/A	693.63	0.00	-693.63	N/A	0.00	
61499999	TOTAL PAYROLL EXPENSES	13,826.70	8,646.17	-5,180.53	-59.92	98,463.43	112,400.18	13,936.75	12.40	112,400.18	lavista: 3 Pay periods in current month
61590000	REPAIRS AND MAINTENANCE										
61592500	Small Tools	0.00	29.17	29.17	100.00	188.62	350.04	161.42	46.11	350.04	
61592600	Janitorial Supplies	0.00	50.00	50.00	100.00	0.00	600.00	600.00	100.00	600.00	
61592800	Appliance Supplies	57.58	162.50	104.92	64.57	898.42	1,950.00	1,051.58	53.93	1,950.00	
61594000	Window Repairs	0.00	25.00	25.00	100.00	0.00	300.00	300.00	100.00	300.00	
61596000	Electrical Repairs	250.72	250.00	-0.72	-0.29	1,447.21	3,000.00	1,552.79	51.76	3,000.00	
61597000	Exterior Repairs	0.00	100.00	100.00	100.00	0.00	1,200.00	1,200.00	100.00	1,200.00	
61598000	HVAC Repairs	138.09	316.67	178.58	56.39	3,197.85	3,800.04	602.19	15.85	3,800.04	
61599000	Fire Extinguishers	0.00	58.75	58.75	100.00	725.00	705.00	-20.00	-2.84	705.00	
61599200	Interior Repairs	0.00	125.00	125.00	100.00	441.69	1,500.00	1,058.31	70.55	1,500.00	
61599300	Light Bulbs	0.00	50.00	50.00	100.00	38.46	600.00	561.54	93.59	600.00	
61599500	Parking Lot Repairs	0.00	20.83	20.83	100.00	0.00	249.96	249.96	100.00	249.96	
61599600	Gate / Fence Repairs	0.00	75.00	75.00	100.00	0.00	900.00	900.00	100.00	900.00	

Budget Comparison

Period = Dec 2024

Book = Accrual ; Tree = ysi_is

Notes: lavista: 98% Occupied - 1 vacant unit; lavista: Physical Occupancy 100% Vacant Units 0 Economic Occupancy 93%;

		PTD Actual	PTD Budget	Variance	% Var	YTD Actual	YTD Budget	Variance	% Var	Annual	Note
61599700	Plumbing Repairs / Supplies	544.71	291.67	-253.04	-86.76	2,927.28	3,500.04	572.76	16.36	3,500.04	lavista: Plumbing service call fee unit 46 unclogged kitchen sink & dishwasher main sewer line restoring the proper drainage flow
61599950	Common Area/Playground Equipment	0.00	25.00	25.00	100.00	0.00	300.00	300.00	100.00	300.00	
61599999	TOTAL REPAIRS AND MAINTENANCE	991.10	1,579.59	588.49	37.26	9,864.53	18,955.08	9,090.55	47.96	18,955.08	
61600000	UNIT PREPARATION										
61620000	Unit Prep: Carpet Cleaning / Repairs	0.00	50.00	50.00	100.00	389.70	600.00	210.30	35.05	600.00	
61630000	Unit Prep: Cleaning Supplies	0.00	25.00	25.00	100.00	463.62	300.00	-163.62	-54.54	300.00	
61640000	Unit Prep: Cleaning Contractors	0.00	100.00	100.00	100.00	0.00	1,200.00	1,200.00	100.00	1,200.00	
61670000	Unit Prep: Doors / Locks / Keys	0.00	64.58	64.58	100.00	334.72	774.96	440.24	56.81	774.96	
61691000	Unit Prep: Paint / Wallpaper	0.00	300.00	300.00	100.00	1,112.21	3,600.00	2,487.79	69.11	3,600.00	
61692000	Unit Prep: Painting Contractors	0.00	237.50	237.50	100.00	0.00	2,850.00	2,850.00	100.00	2,850.00	
61693000	Unit Prep: Window Treatments	0.00	95.83	95.83	100.00	360.89	1,149.96	789.07	68.62	1,149.96	
61699999	TOTAL UNIT PREPARATION	0.00	872.91	872.91	100.00	2,661.14	10,474.92	7,813.78	74.60	10,474.92	
61700000	CONTRACT SERVICES										
61740000	Landscape Maintenance	850.00	950.00	100.00	10.53	10,200.00	11,400.00	1,200.00	10.53	11,400.00	
61750000	Resident Services Contract	0.00	650.00	650.00	100.00	0.00	7,800.00	7,800.00	100.00	7,800.00	
61770000	Other Contract Services	1,845.00	225.00	-1,620.00	-720.00	4,295.00	2,700.00	-1,595.00	-59.07	2,700.00	lavista: Texas Gas Odorization Report and Annual Cathodic Protection survey
61780000	Pest Control	216.50	220.00	3.50	1.59	2,570.93	2,640.00	69.07	2.62	2,640.00	
61793000	Compliance Monitoring	280.80	280.00	-0.80	-0.29	3,369.60	3,360.00	-9.60	-0.29	3,360.00	
61799999	TOTAL CONTRACT SERVICES	3,192.30	2,325.00	-867.30	-37.30	20,435.53	27,900.00	7,464.47	26.75	27,900.00	
61800000	UTILITIES										
61810000	Electricity - CommonArea	314.97	385.30	70.33	18.25	5,545.23	4,623.60	-921.63	-19.93	4,623.60	
61820000	Electricity - Office	192.16	288.32	96.16	33.35	1,934.41	3,459.84	1,525.43	44.09	3,459.84	
61830000	Electricity - Vacant	285.17	50.00	-235.17	-470.34	1,954.56	600.00	-1,354.56	-225.76	600.00	lavista: 10/18/24-11/18/24 3 Vacant units

Budget Comparison

Period = Dec 2024

Book = Accrual ; Tree = ysi_is

Notes: lavista: 98% Occupied - 1 vacant unit; lavista: Physical Occupancy 100% Vacant Units 0 Economic Occupancy 93%;

		PTD Actual	PTD Budget	Variance	% Var	YTD Actual	YTD Budget	Variance	% Var	Annual	Note
61850000	Gas - CommonArea	984.15	551.47	-432.68	-78.46	10,113.97	6,617.64	-3,496.33	-52.83	6,617.64	lavista: 11/07/24-12/11/24
61880000	Water and Sewer	882.73	863.89	-18.84	-2.18	9,632.63	10,366.68	734.05	7.08	10,366.68	
61890000	Trash Removal	744.30	786.30	42.00	5.34	9,358.24	9,435.60	77.36	0.82	9,435.60	
61891000	Utility Consultant	0.00	0.00	0.00	N/A	0.00	1,000.00	1,000.00	100.00	1,000.00	
61899999	TOTAL UTILITIES	3,403.48	2,925.28	-478.20	-16.35	38,539.04	36,103.36	-2,435.68	-6.75	36,103.36	
61900000	TAXES AND INSURANCE										
61910000	Property and Liability Insurance	3,248.08	2,876.32	-371.76	-12.92	32,644.50	32,685.41	40.91	0.13	32,685.41	
61920000	Fidelity Bond	0.00	0.00	0.00	N/A	319.20	319.20	0.00	0.00	319.20	
61930000	Insurance Admin Fee	0.00	0.00	0.00	N/A	0.00	600.00	600.00	100.00	600.00	
61999996	TOTAL TAXES AND INSURANCE	3,248.08	2,876.32	-371.76	-12.92	32,963.70	33,604.61	640.91	1.91	33,604.61	
61999997	TOTAL CONTROLLABLE EXPENSES	29,569.88	23,303.44	-6,266.44	-26.89	251,049.41	290,129.14	39,079.73	13.47	290,129.14	
61999998	TOTAL OPERATING EXPENSES	29,569.88	23,303.44	-6,266.44	-26.89	251,049.41	290,129.14	39,079.73	13.47	290,129.14	
61999999	NET OPERATING INCOME	7,631.99	13,418.35	-5,786.36	-43.12	195,482.61	147,858.49	47,624.12	32.21	147,858.49	
62000000	NON-CONTROLLABLE EXPENSE										
62100000	INTEREST EXPENSE										
62110000	Mortgage Interest	5,899.52	5,888.20	-11.32	-0.19	73,228.24	73,094.76	-133.48	-0.18	73,094.76	
62125000	Ground Lease	311.00	311.00	0.00	0.00	3,732.00	3,732.00	0.00	0.00	3,732.00	
62199999	TOTAL INTEREST EXPENSE	6,210.52	6,199.20	-11.32	-0.18	76,960.24	76,826.76	-133.48	-0.17	76,826.76	
65100000	PARTNERSHIP EXPENSES										
65170000	Audit Fees	0.00	0.00	0.00	N/A	5,200.00	5,250.00	50.00	0.95	5,250.00	
65192000	Inspections	0.00	0.00	0.00	N/A	0.00	400.00	400.00	100.00	400.00	
65195000	Partnership Professional Fees	4,500.00	0.00	-4,500.00	N/A	4,500.00	0.00	-4,500.00	N/A	0.00	lavista: Rent Comparison study, Davis Aff. Housing Advisors
65199999	TOTAL PARTNERSHIP EXPENSES	4,500.00	0.00	-4,500.00	N/A	9,700.00	5,650.00	-4,050.00	-71.68	5,650.00	

Budget Comparison

Period = Dec 2024

Book = Accrual ; Tree = ysi_is

Notes: lavista: 98% Occupied - 1 vacant unit; lavista: Physical Occupancy 100% Vacant Units 0 Economic Occupancy 93%;

		PTD Actual	PTD Budget	Variance	% Var	YTD Actual	YTD Budget	Variance	% Var	Annual	Note
6599999	TOTAL NON-CONTROLLABLE EXPENSES	10,710.52	6,199.20	-4,511.32	-72.77	86,660.24	82,476.76	-4,183.48	-5.07	82,476.76	
6610000	REPLACEMENT RESERVE EXPENDITURES										
66130000	Driveways/ParkingLots	0.00	0.00	0.00	N/A	953.63	3,500.00	2,546.37	72.75	3,500.00	
66140000	Fence/AccessGate	0.00	0.00	0.00	N/A	0.00	2,500.00	2,500.00	100.00	2,500.00	
66150000	Landscape Upgrade	0.00	0.00	0.00	N/A	3,650.07	2,500.00	-1,150.07	-46.00	2,500.00	
66191000	Sidewalks	0.00	0.00	0.00	N/A	0.00	1,500.00	1,500.00	100.00	1,500.00	
66193000	Doors/Locks	0.00	2,000.00	2,000.00	100.00	0.00	8,000.00	8,000.00	100.00	8,000.00	
66194000	Electrical Replacement	650.00	0.00	-650.00	N/A	650.00	5,000.00	4,350.00	87.00	5,000.00	lavista: Unit 21 meter bank replaced
66195000	Exterior Replacements	0.00	0.00	0.00	N/A	0.00	2,000.00	2,000.00	100.00	2,000.00	
66197000	Plumbing	0.00	0.00	0.00	N/A	2,475.00	3,500.00	1,025.00	29.29	3,500.00	
66198000	Guttering	0.00	0.00	0.00	N/A	0.00	1,500.00	1,500.00	100.00	1,500.00	
66199000	Windows/Screens/Blinds	0.00	0.00	0.00	N/A	0.00	1,050.00	1,050.00	100.00	1,050.00	
66199100	Patio/Balcony/Landings	0.00	0.00	0.00	N/A	0.00	4,000.00	4,000.00	100.00	4,000.00	
66199200	Roof	0.00	0.00	0.00	N/A	3,900.00	7,500.00	3,600.00	48.00	7,500.00	
66199300	Interior Replacements	0.00	0.00	0.00	N/A	1,250.00	2,500.00	1,250.00	50.00	2,500.00	
66199400	Cabinets/Countertops	0.00	0.00	0.00	N/A	0.00	1,200.00	1,200.00	100.00	1,200.00	
66199500	Appliances	0.00	0.00	0.00	N/A	1,921.51	7,500.00	5,578.49	74.38	7,500.00	
66199600	Flooring	1,750.89	0.00	-1,750.89	N/A	5,324.17	5,000.00	-324.17	-6.48	5,000.00	lavista: Unit 19 flooring replaced
66199700	OfficeFurniture/Equipment	0.00	0.00	0.00	N/A	1,002.32	0.00	-1,002.32	N/A	0.00	
66199900	Tools/MaintenanceEquipment	0.00	0.00	0.00	N/A	823.45	0.00	-823.45	N/A	0.00	
66199910	Water Heaters	0.00	950.00	950.00	100.00	5,438.71	3,800.00	-1,638.71	-43.12	3,800.00	
66199920	HVAC	0.00	0.00	0.00	N/A	6,127.38	6,900.00	772.62	11.20	6,900.00	
6619998	TOTAL REPLACEMENT RESERVE EXPENDITURES	2,400.89	2,950.00	549.11	18.61	33,516.24	69,450.00	35,933.76	51.74	69,450.00	
6619999	TOTAL NON-OPERATING EXPENSES	13,111.41	9,149.20	-3,962.21	-43.31	120,176.48	151,926.76	31,750.28	20.90	151,926.76	
9990000	NET INCOME	-5,479.42	4,269.15	-9,748.57	-228.35	75,306.13	-4,068.27	79,374.40	1,951.06	-4,068.27	

Via Electronic Mail

January 15, 2025

Daniel Delgado
McAllen Housing Authority
2301 Jasmine Avenue
McAllen, Texas 78501

Re: ***Retama Village I***
McAllen, Texas

Dear Mr. Delgado:

Enclosed is the December 2024 financial report for ***Retama Village I***. The property closed the month at **99%** occupancy with one (1) vacant unit and an economic occupancy of **99%**. As of the date of this letter, the property is **99.21%** leased.

The December operating expenses were **13.08% above** budget and the year-to-date operating expenses were **1.13% below** budget. Significant variances are explained in the Budget Comparison Report-Notes. ***Retama Village I*** spent \$3,445 from replacement reserve expenses in Exterior Replacements, Water Heaters, and HVAC.

If you have any questions regarding the property operations or financial report, please contact Joe Sepulveda or me at your earliest convenience.

Sincerely,



Billy Dunn
Senior Asset Manager

Copies to:

Doak Brown, **The Brownstone Group**
Evon Harris, **Holleman & Associates**
Jose A. Garcia, **McAllen Housing Authority**
Leslie Holleman, **Holleman & Associates**
Lynn Hassis, **Katopody LLC**
Rob Barnes, **Midland Loan Services**
Rudy Ramirez, **McAllen Housing Authority**
mgcapreit@integratec.biz
morrisongrove@integratec.biz

Balance Sheet

Period = Dec 2024

Book = Accrual ; Tree = ysi_bs

Current Balance

10000000	ASSETS	
10010000	CURRENT ASSETS	
11000000	CASH	
11200000	Cash - Operating	43,085.60
11700000	Cash - Security Deposits	38,795.00
11999999	TOTAL CASH	81,880.60
12000000	ACCOUNTS RECEIVABLE	
12100000	Receivable - Tenants	80.01
12200000	Subsidy Accounts Receivable	766.00
12350000	PHA SUBSIDY	4,161.11
12400000	Subsidy Suspense Receivable	-160.00
12700000	Receivable - Other	1,500.00
12999999	TOTAL ACCOUNTS RECEIVABLE	6,347.12
13000000	PREPAID EXPENSES	
13100000	Prepaid Insurance	91,192.63
13300000	Prepaid Payroll	6,500.67
13400000	Prepaid Other	4,693.33
13999999	TOTAL PREPAID EXPENSES	102,386.63
14000000	RESTRICTED FUNDS	
14100000	Replacement Reserve	421,126.48
14200000	Operating Reserve	42,545.46
14400000	Insurance Escrow	16,779.48
14910000	Other Reserves	246,257.69
14999999	TOTAL RESTRICTED FUNDS	726,709.11
15999999	TOTAL CURRENT ASSETS	917,323.46
16000000	LONG TERM ASSETS	
16010000	PROPERTY	
16100000	LAND AND BUILDINGS	
16110000	Land	25,832.73
16130000	Building	665,410.46
16199999	TOTAL LAND AND BUILDINGS	691,243.19
16200000	LAND IMPROVEMENTS	
16210000	Land Improvements	101,066.00
16299999	TOTAL LAND IMPROVEMENTS	101,066.00
16400000	FURNITURE FIXTURES AND EQUIPMENT	
16410000	Furniture Fixtures and Equipment	14,809.36
16470000	Computers	241.41

Balance Sheet

Period = Dec 2024

Book = Accrual ; Tree = ysi_bs

Current Balance

16499999	TOTAL FURNITURE FIXTURES AND EQUIPMENT	15,050.77
16700000	ACCUMULATED DEPRECIATION	
16710000	Accumulated Depreciation	-487,703.00
16799999	TOTAL ACCUMULATED DEPRECIATION	-487,703.00
16999998	TOTAL PROPERTY	319,656.96
16999999	TOTAL LONG TERM ASSETS	319,656.96
17000000	OTHER ASSETS	
17100000	DEFERRED COSTS	
17110000	Financing Costs	54,194.18
17120000	Organizational Costs	13,210.00
17130000	Tax Credit Fees	66,630.00
17150000	Accumulated Amortization	-79,840.00
17152000	Accumulated Amortization Debt Issuance Costs	-42,405.00
17199999	TOTAL DEFERRED COSTS	11,789.18
17999999	TOTAL OTHER ASSETS	11,789.18
19999999	TOTAL ASSETS	1,248,769.60
20000000	LIABILITIES AND EQUITY	
20010000	LIABILITIES	
20020000	CURRENT LIABILITIES	
21000000	ACCOUNTS PAYABLE	
21100000	Accounts Payable	3,291.37
21999999	TOTAL ACCOUNTS PAYABLE	3,291.37
22000000	ACCRUED EXPENSES	
22200000	Accrued Ground Lease	166.96
22400000	Interest Payable -Mortgage	8,710.43
22920000	Other Accrued Expenses	3,594.64
22999999	TOTAL ACCRUED EXPENSES	12,472.03
23000000	DEFERRED INCOME	
23100000	Rent Prepayment Liability	370.94
23750000	Unclaimed Security Deposit Refunds	467.10
23999999	TOTAL DEFERRED INCOME	838.04
24000000	DEPOSITS HELD	
24100000	Tenant Security Deposit	31,430.00
24300000	Additional Deposits	7,147.00

Balance Sheet

Period = Dec 2024

Book = Accrual ; Tree = ysi_bs

		Current Balance
24999999	TOTAL DEPOSITS HELD	38,577.00
25000000	OTHER CURRENT LIABILITIES	
25500000	Partnership Management Fee	5,431.24
25999998	TOTAL OTHER CURRENT LIABILITIES	5,431.24
25999999	TOTAL CURRENT LIABILITIES	60,609.68
26000000	LONG TERM LIABILITIES	
26100000	LONG TERM DEBT	
26130000	Mortgage Note Payable	1,360,902.30
26199999	TOTAL LONG TERM DEBT	1,360,902.30
26999998	TOTAL LONG TERM LIABILITIES	1,360,902.30
29999999	TOTAL LIABILITIES	1,421,511.98
30000000	EQUITY	
31000000	CAPITAL	
31200000	Partner Capital - GP	-271,404.00
31300000	Partner Capital - LP	6,757.00
31999999	TOTAL CAPITAL	-264,647.00
32000000	RETAINED EARNINGS	
32100000	Retained Earnings	92,498.43
32200000	Retained Earnings Prior Years	-593.81
32999999	TOTAL RETAINED EARNINGS	91,904.62
33000000	TOTAL EQUITY	-172,742.38
39999999	TOTAL LIABILITIES AND EQUITY	1,248,769.60
99999999	TOTAL OF ALL	0.00

Budget Comparison

Period = Dec 2024

Book = Accrual ; Tree = ysi_is

Notes: rtmv: 99% Occupied - 1 Vacant unit; rtmv: Physical Occupancy 99% Vacant Units 1 Economic Occupancy 99%;

	PTD Actual	PTD Budget	Variance	% Var	YTD Actual	YTD Budget	Variance	% Var	Annual	Note	
40000000	INCOME										
40010000	OPERATING INCOME										
40020000	REVENUE										
40030000	RENTS										
42000000	RESIDENTIAL RENT COLLECTED										
42100000	GROSS POTENTIAL RENT										
42110000	Gross Potential Rent	116,421.00	115,624.74	796.26	0.69	1,385,720.00	1,378,953.18	6,766.82	0.49	1,378,953.18	
42140000	Loss/Gain to Lease	-49,319.00	-48,565.74	-753.26	-1.55	-604,540.00	-608,395.18	3,855.18	0.63	-608,395.18	
42160000	Operating Subsidy	4,160.81	3,583.33	577.48	16.12	59,030.26	42,999.96	16,030.30	37.28	42,999.96	
42199999	TOTAL GROSS POTENTIAL RENT	71,262.81	70,642.33	620.48	0.88	840,210.26	813,557.96	26,652.30	3.28	813,557.96	
42260000	Collected Write-offs	0.00	0.00	0.00	N/A	522.46	0.00	522.46	N/A	0.00	
42910000	Less: Vacancy Loss	-957.00	-3,468.74	2,511.74	72.41	-70,578.90	-41,368.58	-29,210.32	-70.61	-41,368.58	rtmv: 0.78% vacancy, 1 unit at month end.
42940000	Less: Write Offs	0.00	-353.21	353.21	100.00	-725.40	-4,067.77	3,342.37	82.17	-4,067.77	
42999998	TOTAL RESIDENTIAL RENT COLLECTED	70,305.81	66,820.38	3,485.43	5.22	769,428.42	768,121.61	1,306.81	0.17	768,121.61	
42999999	TOTAL RENTS	70,305.81	66,820.38	3,485.43	5.22	769,428.42	768,121.61	1,306.81	0.17	768,121.61	
43000000	OTHER INCOME										
43100000	Application Fee Income	0.00	116.00	-116.00	-100.00	690.00	1,392.00	-702.00	-50.43	1,392.00	
43600000	Cleaning / Damage Income	280.40	208.33	72.07	34.59	6,013.18	2,499.96	3,513.22	140.53	2,499.96	
43930000	Late Fee Income	313.30	416.67	-103.37	-24.81	5,603.88	5,000.04	603.84	12.08	5,000.04	
43960000	Lock / Key Income	0.00	0.00	0.00	N/A	10.00	50.00	-40.00	-80.00	50.00	
43990000	NSFFeelIncome	0.00	0.00	0.00	N/A	25.00	0.00	25.00	N/A	0.00	
43994000	Re-lettingFeelIncome	0.00	0.00	0.00	N/A	0.00	1,500.00	-1,500.00	-100.00	1,500.00	
43995000	ResidentUtilityIncome	0.00	0.00	0.00	N/A	100.00	0.00	100.00	N/A	0.00	
43997000	VendingMachineIncome	0.00	0.00	0.00	N/A	55.00	0.00	55.00	N/A	0.00	
43999000	InterestIncome	26.92	29.17	-2.25	-7.71	308.14	350.04	-41.90	-11.97	350.04	
43999945	Eviction Fees	0.00	0.00	0.00	N/A	0.00	300.00	-300.00	-100.00	300.00	

Budget Comparison

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		PTD Actual	PTD Budget	Variance	% Var	YTD Actual	YTD Budget	Variance	% Var	Annual	Note
43999999	TOTAL OTHER INCOME	620.62	770.17	-149.55	-19.42	12,805.20	11,092.04	1,713.16	15.44	11,092.04	
59999999	TOTAL REVENUE	70,926.43	67,590.55	3,335.88	4.94	782,233.62	779,213.65	3,019.97	0.39	779,213.65	
60010000	OPERATING EXPENSES										
61000000	CONTROLLABLE EXPENSES										
61100000	ADMINISTRATIVE EXPENSES										
61110000	Answering Service	60.00	55.00	-5.00	-9.09	720.00	660.00	-60.00	-9.09	660.00	
61120000	Bank Fees	176.96	242.50	65.54	27.03	2,903.50	2,910.00	6.50	0.22	2,910.00	
61130000	Computer Costs	928.00	928.00	0.00	0.00	11,136.00	11,136.00	0.00	0.00	11,136.00	
61140000	Credit Services	39.98	116.00	76.02	65.53	1,404.71	1,392.00	-12.71	-0.91	1,392.00	
61160000	Dues / Licenses / Permits	0.00	0.00	0.00	N/A	1,503.97	1,330.00	-173.97	-13.08	1,330.00	
61170000	State Compliance Fees	426.67	0.00	-426.67	N/A	4,693.33	5,120.00	426.67	8.33	5,120.00	
61180000	Employee Training / Education	0.00	50.00	50.00	100.00	188.64	600.00	411.36	68.56	600.00	
61191000	Furniture / Equipment Rental	235.00	165.00	-70.00	-42.42	2,683.96	1,980.00	-703.96	-35.55	1,980.00	rtmv: Office printer usage fee 12.24
61194000	Meals and Entertainment	118.03	150.00	31.97	21.31	341.39	675.00	333.61	49.42	675.00	
61195000	Travel	0.00	25.00	25.00	100.00	6.03	300.00	293.97	97.99	300.00	
61197000	Tenant Overage Adjustment	0.00	0.00	0.00	N/A	1,100.00	0.00	-1,100.00	N/A	0.00	
61198000	Legal Fees and Evictions	0.00	50.00	50.00	100.00	211.06	600.00	388.94	64.82	600.00	
61199000	Office Supplies	238.13	192.00	-46.13	-24.03	1,831.40	2,304.00	472.60	20.51	2,304.00	
61199300	Postage / Delivery	0.00	25.00	25.00	100.00	390.09	300.00	-90.09	-30.03	300.00	
61199600	Security Alarm Monitoring	0.00	47.50	47.50	100.00	615.26	570.00	-45.26	-7.94	570.00	
61199700	Telephone / Internet	914.57	816.67	-97.90	-11.99	10,291.95	9,800.04	-491.91	-5.02	9,800.04	
61199800	Uniforms	0.00	0.00	0.00	N/A	281.25	1,500.00	1,218.75	81.25	1,500.00	
61199930	Recruiting	70.40	25.00	-45.40	-181.60	183.70	300.00	116.30	38.77	300.00	rtmv: Employee Assessment fee
61199970	Fire Alarm Monitoring	0.00	48.00	48.00	100.00	403.65	576.00	172.35	29.92	576.00	
61199990	Extraordinary COVID	0.00	20.83	20.83	100.00	0.00	249.96	249.96	100.00	249.96	
61199999	TOTAL ADMINISTRATIVE EXPENSES	3,207.74	2,956.50	-251.24	-8.50	40,889.89	42,303.00	1,413.11	3.34	42,303.00	
61200000	MARKETING AND LEASING										
61210000	Marketing and Leasing	0.00	0.00	0.00	N/A	917.96	0.00	-917.96	N/A	0.00	
61260000	Market Analysis	70.40	70.40	0.00	0.00	844.80	844.80	0.00	0.00	844.80	
61270000	Advertising	270.10	317.33	47.23	14.88	3,611.20	3,807.96	196.76	5.17	3,807.96	
61290000	Programs and Promotions	36.00	50.00	14.00	28.00	36.00	600.00	564.00	94.00	600.00	

Budget Comparison

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		PTD Actual	PTD Budget	Variance	% Var	YTD Actual	YTD Budget	Variance	% Var	Annual	Note
61291000	Signage	0.00	25.00	25.00	100.00	517.44	300.00	-217.44	-72.48	300.00	
61299999	TOTAL MARKETING AND LEASING	376.50	462.73	86.23	18.64	5,927.40	5,552.76	-374.64	-6.75	5,552.76	
61300000	MANAGEMENT FEES										
61310000	Management Fees	2,540.00	2,483.20	-56.80	-2.29	29,400.00	29,798.40	398.40	1.34	29,798.40	
61399999	TOTAL MANAGEMENT FEES	2,540.00	2,483.20	-56.80	-2.29	29,400.00	29,798.40	398.40	1.34	29,798.40	
61400000	PAYROLL EXPENSES										
61410000	Management Salaries	6,020.20	5,624.21	-395.99	-7.04	55,843.44	73,114.72	17,271.28	23.62	73,114.72	
61420000	Maintenance Wages	8,699.01	6,084.62	-2,614.39	-42.97	83,604.65	79,100.08	-4,504.57	-5.69	79,100.08	
61450000	Bonuses	3,359.64	468.35	-2,891.29	-617.34	5,906.65	6,088.56	181.91	2.99	6,088.56	rtmv: Staff Year End Bonus
61460000	Payroll Service Fees	860.67	499.81	-360.86	-72.20	7,953.07	6,497.52	-1,455.55	-22.40	6,497.52	
61470000	Employee Insurance	0.00	484.62	484.62	100.00	0.00	6,300.04	6,300.04	100.00	6,300.04	
61480000	Payroll Taxes	1,280.49	1,053.80	-226.69	-21.51	12,210.39	13,699.38	1,488.99	10.87	13,699.38	
61490000	Workers Comp Insurance	618.19	441.65	-176.54	-39.97	5,858.79	5,741.44	-117.35	-2.04	5,741.44	
61491000	401k Company Match	128.97	33.92	-95.05	-280.22	1,153.64	440.96	-712.68	-161.62	440.96	
61499999	TOTAL PAYROLL EXPENSES	20,967.17	14,690.98	-6,276.19	-42.72	172,530.63	190,982.70	18,452.07	9.66	190,982.70	rtmv: 3 Pay periods in current month
61590000	REPAIRS AND MAINTENANCE										
61592500	Small Tools	0.00	50.00	50.00	100.00	324.14	600.00	275.86	45.98	600.00	
61592600	Janitorial Supplies	0.00	50.00	50.00	100.00	0.00	600.00	600.00	100.00	600.00	
61592800	Appliance Supplies	0.00	291.67	291.67	100.00	4,849.78	3,500.04	-1,349.74	-38.56	3,500.04	
61593000	Fire Alarm Inspections	0.00	275.00	275.00	100.00	3,250.00	3,300.00	50.00	1.52	3,300.00	
61594000	Window Repairs	0.00	25.00	25.00	100.00	0.00	300.00	300.00	100.00	300.00	
61595000	Generator Repairs	0.00	20.83	20.83	100.00	339.00	249.96	-89.04	-35.62	249.96	
61596000	Electrical Repairs	84.31	150.00	65.69	43.79	2,628.47	1,800.00	-828.47	-46.03	1,800.00	
61597000	Exterior Repairs	105.63	66.67	-38.96	-58.44	434.73	800.04	365.31	45.66	800.04	rtmv: 1-2x4 plywood, foam & 2-2x4x8
61598000	HVAC Repairs	464.87	333.33	-131.54	-39.46	4,153.58	3,999.96	-153.62	-3.84	3,999.96	rtmv: 1-25lb Freon and 16 copper fittings
61599000	Fire Extinguishers	0.00	150.00	150.00	100.00	801.05	1,800.00	998.95	55.50	1,800.00	
61599100	Repairs and Maintenance Fire Protection Systems	0.00	66.67	66.67	100.00	1,577.74	800.04	-777.70	-97.21	800.04	
61599200	Interior Repairs	0.00	66.67	66.67	100.00	3,567.03	800.04	-2,766.99	-345.86	800.04	

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		PTD Actual	PTD Budget	Variance	% Var	YTD Actual	YTD Budget	Variance	% Var	Annual	Note
61599300	Light Bulbs	0.00	100.00	100.00	100.00	634.40	1,200.00	565.60	47.13	1,200.00	
61599600	Gate / Fence Repairs	0.00	0.00	0.00	N/A	850.00	500.00	-350.00	-70.00	500.00	
61599700	Plumbing Repairs / Supplies	183.98	283.33	99.35	35.07	5,295.03	3,399.96	-1,895.07	-55.74	3,399.96	
61599910	Roof Repairs	0.00	0.00	0.00	N/A	250.00	0.00	-250.00	N/A	0.00	
61599920	Irrigation Repairs	0.00	0.00	0.00	N/A	0.00	300.00	300.00	100.00	300.00	
61599930	Vehicle Repairs	0.00	0.00	0.00	N/A	350.00	600.00	250.00	41.67	600.00	
61599999	TOTAL REPAIRS AND MAINTENANCE	838.79	1,929.17	1,090.38	56.52	29,304.95	24,550.04	-4,754.91	-19.37	24,550.04	
61600000	UNIT PREPARATION										
61620000	Unit Prep: Carpet Cleaning / Repairs	0.00	0.00	0.00	N/A	1,133.54	0.00	-1,133.54	N/A	0.00	
61630000	Unit Prep: Cleaning Supplies	0.00	10.42	10.42	100.00	406.09	125.04	-281.05	-224.77	125.04	
61640000	Unit Prep: Cleaning Contractors	0.00	50.00	50.00	100.00	2,074.34	600.00	-1,474.34	-245.72	600.00	
61670000	Unit Prep: Doors / Locks / Keys	0.00	66.67	66.67	100.00	1,766.28	800.04	-966.24	-120.77	800.04	
61691000	Unit Prep: Paint / Wallpaper	166.94	304.17	137.23	45.12	8,541.34	3,650.04	-4,891.30	-134.01	3,650.04	
61692000	Unit Prep: Painting Contractors	0.00	243.75	243.75	100.00	4,316.01	2,925.00	-1,391.01	-47.56	2,925.00	
61693000	Unit Prep: Window Treatments	232.78	100.00	-132.78	-132.78	3,526.30	1,200.00	-2,326.30	-193.86	1,200.00	rtmv: 6 Window blinds
61699999	TOTAL UNIT PREPARATION	399.72	775.01	375.29	48.42	21,763.90	9,300.12	-12,463.78	-134.02	9,300.12	
61700000	CONTRACT SERVICES										
61710000	Contract Services	0.00	0.00	0.00	N/A	700.00	0.00	-700.00	N/A	0.00	
61720000	Courtesy Patrol	200.00	750.00	550.00	73.33	9,200.00	9,000.00	-200.00	-2.22	9,000.00	
61740000	Landscape Maintenance	1,842.00	1,900.00	58.00	3.05	22,104.00	22,800.00	696.00	3.05	22,800.00	
61750000	Resident Services Contract	380.00	800.00	420.00	52.50	5,860.00	9,600.00	3,740.00	38.96	9,600.00	
61780000	Pest Control	259.80	260.00	0.20	0.08	3,117.30	3,120.00	2.70	0.09	3,120.00	
61793000	Compliance Monitoring	748.80	746.67	-2.13	-0.29	8,985.60	8,960.04	-25.56	-0.29	8,960.04	
61799999	TOTAL CONTRACT SERVICES	3,430.60	4,456.67	1,026.07	23.02	49,966.90	53,480.04	3,513.14	6.57	53,480.04	
61800000	UTILITIES										
61810000	Electricity - CommonArea	269.53	251.60	-17.93	-7.13	3,479.08	3,019.20	-459.88	-15.23	3,019.20	
61820000	Electricity - Office	727.50	669.48	-58.02	-8.67	9,014.85	8,033.76	-981.09	-12.21	8,033.76	
61830000	Electricity - Vacant	84.71	66.67	-18.04	-27.06	2,586.34	800.04	-1,786.30	-223.28	800.04	rtmv: 3 Vacant units 10/17/24-11/11/24

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61880000	Water and Sewer	3,678.78	2,844.42	-834.36	-29.33	35,158.90	34,133.04	-1,025.86	-3.01	34,133.04	rtmv: House meter, Buildings 1-9, & 2 sprinkler meters 10/17/24-11/11/24
61890000	Trash Removal	1,812.32	1,911.80	99.48	5.20	22,755.06	22,941.60	186.54	0.81	22,941.60	
61891000	Utility Consultant	0.00	0.00	0.00	N/A	0.00	1,000.00	1,000.00	100.00	1,000.00	
61899999	TOTAL UTILITIES	6,572.84	5,743.97	-828.87	-14.43	72,994.23	69,927.64	-3,066.59	-4.39	69,927.64	
61900000	TAXES AND INSURANCE										
61910000	Property and Liability Insurance	9,119.27	8,467.16	-652.11	-7.70	94,419.90	96,217.74	1,797.84	1.87	96,217.74	
61920000	Fidelity Bond	0.00	0.00	0.00	N/A	851.20	851.20	0.00	0.00	851.20	
61930000	Insurance Admin Fee	0.00	0.00	0.00	N/A	0.00	1,000.00	1,000.00	100.00	1,000.00	
61999996	TOTAL TAXES AND INSURANCE	9,119.27	8,467.16	-652.11	-7.70	95,271.10	98,068.94	2,797.84	2.85	98,068.94	
61999997	TOTAL CONTROLLABLE EXPENSES	47,452.63	41,965.39	-5,487.24	-13.08	518,049.00	523,963.64	5,914.64	1.13	523,963.64	
61999998	TOTAL OPERATING EXPENSES	47,452.63	41,965.39	-5,487.24	-13.08	518,049.00	523,963.64	5,914.64	1.13	523,963.64	
61999999	NET OPERATING INCOME	23,473.80	25,625.16	-2,151.36	-8.40	264,184.62	255,250.01	8,934.61	3.50	255,250.01	
62000000	NON-CONTROLLABLE EXPENSE										
62100000	INTEREST EXPENSE										
62110000	Mortgage Interest	7,919.60	7,919.60	0.00	0.00	96,002.40	96,002.40	0.00	0.00	96,002.40	
62125000	Ground Lease	1.00	1.00	0.00	0.00	12.00	12.00	0.00	0.00	12.00	
62199999	TOTAL INTEREST EXPENSE	7,920.60	7,920.60	0.00	0.00	96,014.40	96,014.40	0.00	0.00	96,014.40	
65100000	PARTNERSHIP EXPENSES										
65140000	Asset Management Fees	0.00	0.00	0.00	N/A	0.00	6,598.18	6,598.18	100.00	6,598.18	
65170000	Audit Fees	0.00	1,150.00	1,150.00	100.00	5,750.00	13,800.00	8,050.00	58.33	13,800.00	
65180000	TaxPreparation Fees	0.00	0.00	0.00	N/A	0.00	2,000.00	2,000.00	100.00	2,000.00	
65192000	Inspections	0.00	1,350.00	1,350.00	100.00	0.00	1,350.00	1,350.00	100.00	1,350.00	
65195000	Partnership Professional Fees	0.00	0.00	0.00	N/A	1,000.00	0.00	-1,000.00	N/A	0.00	
65199999	TOTAL PARTNERSHIP EXPENSES	0.00	2,500.00	2,500.00	100.00	6,750.00	23,748.18	16,998.18	71.58	23,748.18	

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65999999	TOTAL NON-CONTROLLABLE EXPENSES	7,920.60	10,420.60	2,500.00	23.99	102,764.40	119,762.58	16,998.18	14.19	119,762.58	
66100000	REPLACEMENT RESERVE EXPENDITURES										
66130000	Driveways/ParkingLots	0.00	0.00	0.00	N/A	0.00	4,000.00	4,000.00	100.00	4,000.00	
66140000	Fence/AccessGate	0.00	1,500.00	1,500.00	100.00	3,881.75	6,000.00	2,118.25	35.30	6,000.00	
66150000	Landscape Upgrade	0.00	0.00	0.00	N/A	5,132.09	4,000.00	-1,132.09	-28.30	4,000.00	
66194000	Electrical Replacement	0.00	0.00	0.00	N/A	6,984.97	2,500.00	-4,484.97	-179.40	2,500.00	
66195000	Exterior Replacements	765.00	0.00	-765.00	N/A	2,095.50	2,500.00	404.50	16.18	2,500.00	rtmv: 6x6 Manhole cover replaced
66196000	Painting	0.00	0.00	0.00	N/A	0.00	120,000.00	120,000.00	100.00	120,000.00	
66197000	Plumbing	0.00	1,350.00	1,350.00	100.00	7,009.31	1,350.00	-5,659.31	-419.21	1,350.00	
66199000	Windows/Screens/Blinds	0.00	0.00	0.00	N/A	811.99	600.00	-211.99	-35.33	600.00	
66199100	Patio/Balcony/Landings	0.00	0.00	0.00	N/A	0.00	5,000.00	5,000.00	100.00	5,000.00	
66199200	Roof	0.00	0.00	0.00	N/A	9,536.54	5,000.00	-4,536.54	-90.73	5,000.00	
66199400	Cabinets/Countertops	0.00	0.00	0.00	N/A	0.00	1,500.00	1,500.00	100.00	1,500.00	
66199500	Appliances	0.00	1,200.00	1,200.00	100.00	11,155.10	7,200.00	-3,955.10	-54.93	7,200.00	
66199600	Flooring	0.00	0.00	0.00	N/A	454.42	0.00	-454.42	N/A	0.00	
66199700	OfficeFurniture/Equipment	0.00	0.00	0.00	N/A	0.00	3,500.00	3,500.00	100.00	3,500.00	
66199900	Tools/MaintenanceEquipment	0.00	0.00	0.00	N/A	3,542.40	0.00	-3,542.40	N/A	0.00	
66199910	Water Heaters	1,841.57	650.00	-1,191.57	-183.32	10,441.40	3,900.00	-6,541.40	-167.73	3,900.00	rtmv: Water heaters replaced units 118, 513 and 913
66199920	HVAC	838.44	0.00	-838.44	N/A	6,764.03	14,100.00	7,335.97	52.03	14,100.00	rtmv: 2.5T Interior HVAC System and RX11 Flush Unit #826
66199930	Computers/Softwareless than10000	0.00	0.00	0.00	N/A	1,112.29	0.00	-1,112.29	N/A	0.00	
66199998	TOTAL REPLACEMENT RESERVE EXPENDITURES	3,445.01	4,700.00	1,254.99	26.70	68,921.79	181,150.00	112,228.21	61.95	181,150.00	
66199999	TOTAL NON-OPERATING EXPENSES	11,365.61	15,120.60	3,754.99	24.83	171,686.19	300,912.58	129,226.39	42.94	300,912.58	
99900000	NET INCOME	12,108.19	10,504.56	1,603.63	15.27	92,498.43	-45,662.57	138,161.00	302.57	-45,662.57	

Via Electronic Mail

January 15, 2025

Daniel Delgado
McAllen Housing Authority
2301 Jasmine Avenue
McAllen, Texas 78501

Re: ***Retama Village II***
McAllen, Texas

Dear Mr. Delgado:

Enclosed is the December 2024 financial report for ***Retama Village II***. The property closed the month at **99%** occupancy with one (1) vacant unit and an economic occupancy of **97%**. As of the date of this letter, the property is **98.64%** leased.

The December operating expenses were **20.89% above** budget and the year-to-date operating expenses were **3.10% above** budget. Significant variances are explained in the Budget Comparison Report-Notes. ***Retama Village II*** spent \$54,902 from replacement reserve expenses in Fence / Access Gate, Water Heaters, and HVAC.

If you have any questions regarding the property operations or financial report, please contact Joe Sepulveda or me at your earliest convenience.

Sincerely,



Billy Dunn
Senior Asset Manager

Copies to:

Doak Brown, **The Brownstone Group**
Evon Harris, **Holleman & Associates**
Jose A. Garcia, **McAllen Housing Authority**
Leslie Holleman, **Holleman & Associates**
Lynn Hassis, **Katopody LLC**
Melissa Flowers, **PNC**
Rob Barnes, **PNC**
Rudy Ramirez, **McAllen Housing Authority**
multifamilyfinancials@pnc.com
pncmfcassetmgmt@pnc.com

Balance Sheet

Period = Dec 2024

Book = Accrual ; Tree = ysi_bs

Current Balance

10000000	ASSETS	
10010000	CURRENT ASSETS	
11000000	CASH	
11230000	Bank Operating Cash	6,932.43
11700000	Cash - Security Deposits	23,495.00
11930000	Cash - Operating Other	54,842.74
11999999	TOTAL CASH	85,270.17
12000000	ACCOUNTS RECEIVABLE	
12100000	Receivable - Tenants	644.81
12200000	Subsidy Accounts Receivable	0.01
12350000	PHA SUBSIDY	8,076.80
12400000	Subsidy Suspense Receivable	-645.00
12999999	TOTAL ACCOUNTS RECEIVABLE	8,076.62
13000000	PREPAID EXPENSES	
13100000	Prepaid Insurance	53,328.20
13300000	Prepaid Payroll	3,923.56
13400000	Prepaid Other	493.81
13999999	TOTAL PREPAID EXPENSES	57,745.57
14000000	RESTRICTED FUNDS	
14100000	Replacement Reserve	98,524.38
14200000	Operating Reserve	26,079.97
14400000	Insurance Escrow	9,700.64
14910000	Other Reserves	39,603.51
14999999	TOTAL RESTRICTED FUNDS	173,908.50
15000000	OTHER CURRENT ASSETS	
15300000	Deposits	1,200.00
15999998	TOTAL OTHER CURRENT ASSETS	1,200.00
15999999	TOTAL CURRENT ASSETS	326,200.86
16000000	LONG TERM ASSETS	
16010000	PROPERTY	
16100000	LAND AND BUILDINGS	
16110000	Land	130,185.00
16130000	Building	1,999,209.97
16199999	TOTAL LAND AND BUILDINGS	2,129,394.97
16200000	LAND IMPROVEMENTS	
16210000	Land Improvements	380,023.00

Balance Sheet

Period = Dec 2024

Book = Accrual ; Tree = ysi_bs

		Current Balance
16299999	TOTAL LAND IMPROVEMENTS	380,023.00
16400000	FURNITURE FIXTURES AND EQUIPMENT	
16410000	Furniture Fixtures and Equipment	51,140.93
16470000	Computers	527.84
16499999	TOTAL FURNITURE FIXTURES AND EQUIPMENT	51,668.77
16700000	ACCUMULATED DEPRECIATION	
16710000	Accumulated Depreciation	-1,188,175.59
16799999	TOTAL ACCUMULATED DEPRECIATION	-1,188,175.59
16999998	TOTAL PROPERTY	1,372,911.15
16999999	TOTAL LONG TERM ASSETS	1,372,911.15
17000000	OTHER ASSETS	
17100000	DEFERRED COSTS	
17110000	Financing Costs	30,446.45
17130000	Tax Credit Fees	45,819.00
17150000	Accumulated Amortization	-6,872.00
17151000	Accumulated Amortization Tax Credit Fees	-38,947.00
17199999	TOTAL DEFERRED COSTS	30,446.45
17999999	TOTAL OTHER ASSETS	30,446.45
19999999	TOTAL ASSETS	1,729,558.46
20000000	LIABILITIES AND EQUITY	
20010000	LIABILITIES	
20020000	CURRENT LIABILITIES	
21000000	ACCOUNTS PAYABLE	
21100000	Accounts Payable	4,341.72
21999999	TOTAL ACCOUNTS PAYABLE	4,341.72
22000000	ACCRUED EXPENSES	
22200000	Accrued Ground Lease	1,499.60
22400000	Interest Payable -Mortgage	6,057.24
22500000	Interest Payable -Second Mortgage	241,595.40
22920000	Other Accrued Expenses	854.85
22999999	TOTAL ACCRUED EXPENSES	250,007.09
23000000	DEFERRED INCOME	
23100000	Rent Prepayment Liability	16.50
23750000	Unclaimed Security Deposit Refunds	1,279.00
23999999	TOTAL DEFERRED INCOME	1,295.50

Balance Sheet

Period = Dec 2024

Book = Accrual ; Tree = ysi_bs

Current Balance

24000000	DEPOSITS HELD	
24100000	Tenant Security Deposit	18,250.00
24300000	Additional Deposits	4,950.00
24400000	Tenant Deposit Clearing	140.00
24999999	TOTAL DEPOSITS HELD	23,340.00
25000000	OTHER CURRENT LIABILITIES	
25500000	Partnership Management Fee	344,289.78
25600000	Investor Management Fee	6,316.64
25999998	TOTAL OTHER CURRENT LIABILITIES	350,606.42
25999999	TOTAL CURRENT LIABILITIES	629,590.73
26000000	LONG TERM LIABILITIES	
26100000	LONG TERM DEBT	
26130000	Mortgage Note Payable	965,372.28
26190150	Accum Amort Debt Issuance Costs	22,688.20
26196000	Note Payable - LT(5)	200,000.00
26199999	TOTAL LONG TERM DEBT	1,188,060.48
26999998	TOTAL LONG TERM LIABILITIES	1,188,060.48
29999999	TOTAL LIABILITIES	1,817,651.21
30000000	EQUITY	
31000000	CAPITAL	
31110000	Partner Capital	-376.00
31200000	Partner Capital - GP	10,000.00
31999999	TOTAL CAPITAL	9,624.00
32000000	RETAINED EARNINGS	
32100000	Retained Earnings	-137,750.12
32200000	Retained Earnings Prior Years	40,033.37
32999999	TOTAL RETAINED EARNINGS	-97,716.75
33000000	TOTAL EQUITY	-88,092.75
39999999	TOTAL LIABILITIES AND EQUITY	1,729,558.46
99999999	TOTAL OF ALL	0.00

Budget Comparison

Period = Dec 2024

Book = Accrual ; Tree = ysi_is

Notes: rtmv2: 97% Occupied - 2 Vacant units; rtmv2: Physical Occupancy 98% Vacant Units 1 Economic Occupancy 98%;

	PTD Actual	PTD Budget	Variance	% Var	YTD Actual	YTD Budget	Variance	% Var	Annual	Note
40000000	INCOME									
40010000	OPERATING INCOME									
40020000	REVENUE									
40030000	RENTS									
42000000	RESIDENTIAL RENT COLLECTED									
42100000	GROSS POTENTIAL RENT									
42110000	Gross Potential Rent	63,009.00	61,422.73	1,586.27	2.58	745,362.00	732,534.11	12,827.89	1.75	732,534.11
42140000	Loss/Gain to Lease	-19,718.00	-18,580.72	-1,137.28	-6.12	-239,750.97	-241,829.99	2,079.02	0.86	-241,829.99
42160000	Operating Subsidy	1,949.20	0.00	1,949.20	N/A	29,766.59	0.00	29,766.59	N/A	0.00
42199999	TOTAL GROSS POTENTIAL RENT	45,240.20	42,842.01	2,398.19	5.60	535,377.62	490,704.12	44,673.50	9.10	490,704.12
42910000	Less: Vacancy Loss	-752.00	-1,842.68	1,090.68	59.19	-44,824.51	-21,976.01	-22,848.50	-103.97	-21,976.01
42920000	Less: Rental Concessions	0.00	0.00	0.00	N/A	-0.01	0.00	-0.01	N/A	0.00
42940000	Less: Write Offs	0.00	-149.95	149.95	100.00	-37.00	-1,717.46	1,680.46	97.85	-1,717.46
42980000	Less: Employee Units	-748.00	-875.00	127.00	14.51	-8,476.00	-10,500.00	2,024.00	19.28	-10,500.00
42999998	TOTAL RESIDENTIAL RENT COLLECTED	43,740.20	39,974.38	3,765.82	9.42	482,040.10	456,510.65	25,529.45	5.59	456,510.65
42999999	TOTAL RENTS	43,740.20	39,974.38	3,765.82	9.42	482,040.10	456,510.65	25,529.45	5.59	456,510.65
43000000	OTHER INCOME									
43100000	Application Fee Income	0.00	116.00	-116.00	-100.00	521.00	1,392.00	-871.00	-62.57	1,392.00
43600000	Cleaning / Damage Income	680.21	166.67	513.54	308.12	6,094.56	2,000.04	4,094.52	204.72	2,000.04
43930000	Late Fee Income	382.10	208.33	173.77	83.41	4,343.90	2,499.96	1,843.94	73.76	2,499.96
43960000	Lock / Key Income	0.00	14.58	-14.58	-100.00	15.00	174.96	-159.96	-91.43	174.96
43990000	NSFFeeIncome	0.00	2.08	-2.08	-100.00	50.00	24.96	25.04	100.32	24.96
43999000	InterestIncome	7.18	195.83	-188.65	-96.33	2,383.62	2,349.96	33.66	1.43	2,349.96
43999945	Eviction Fees	0.00	25.00	-25.00	-100.00	0.00	300.00	-300.00	-100.00	300.00
43999999	TOTAL OTHER INCOME	1,069.49	728.49	341.00	46.81	13,408.08	8,741.88	4,666.20	53.38	8,741.88
59999999	TOTAL REVENUE	44,809.69	40,702.87	4,106.82	10.09	495,448.18	465,252.53	30,195.65	6.49	465,252.53

Budget Comparison

Period = Dec 2024

Book = Accrual ; Tree = ysi_is

Notes: rtmv2: 97% Occupied - 2 Vacant units; rtmv2: Physical Occupancy 98% Vacant Units 1 Economic Occupancy 98%;

	PTD Actual	PTD Budget	Variance	% Var	YTD Actual	YTD Budget	Variance	% Var	Annual	Note
60010000	OPERATING EXPENSES									
61000000	CONTROLLABLE EXPENSES									
61100000	ADMINISTRATIVE EXPENSES									
61120000	189.08	106.25	-82.83	-77.96	2,418.10	1,275.00	-1,143.10	-89.65	1,275.00	
61130000	536.50	536.50	0.00	0.00	6,438.00	6,438.00	0.00	0.00	6,438.00	
61140000	0.00	58.00	58.00	100.00	1,254.46	696.00	-558.46	-80.24	696.00	
61160000	0.00	0.00	0.00	N/A	813.18	750.00	-63.18	-8.42	750.00	
61170000	493.81	0.00	-493.81	N/A	2,466.19	2,960.00	493.81	16.68	2,960.00	
61180000	0.00	50.00	50.00	100.00	0.00	600.00	600.00	100.00	600.00	
61194000	0.00	100.00	100.00	100.00	211.06	450.00	238.94	53.10	450.00	
61195000	0.00	0.00	0.00	N/A	0.00	450.00	450.00	100.00	450.00	
61197000	0.00	0.00	0.00	N/A	978.00	0.00	-978.00	N/A	0.00	
61198000	0.00	50.00	50.00	100.00	0.00	600.00	600.00	100.00	600.00	
61199000	227.20	111.00	-116.20	-104.68	1,202.09	1,332.00	129.91	9.75	1,332.00	rtmv2: Purchased toilet tissue, Air scents, Copy paper, and hand tissue
61199300	21.69	0.00	-21.69	N/A	71.94	0.00	-71.94	N/A	0.00	rtmv2: Utility payments
61199600	0.00	43.75	43.75	100.00	572.10	525.00	-47.10	-8.97	525.00	
61199700	924.52	522.92	-401.60	-76.80	8,815.43	6,275.04	-2,540.39	-40.48	6,275.04	rtmv2: Office phone, internet, TV, voice, maintenance cell phone and Pool Phone 10/24 - 12/24
61199800	0.00	83.33	83.33	100.00	277.00	999.96	722.96	72.30	999.96	
61199930	40.70	10.00	-30.70	-307.00	40.70	120.00	79.30	66.08	120.00	rtmv2: Employee Assessment fee
61199999	2,433.50	1,671.75	-761.75	-45.57	25,558.25	23,471.00	-2,087.25	-8.89	23,471.00	
61200000	MARKETING AND LEASING									
61260000	40.70	40.70	0.00	0.00	488.40	488.40	0.00	0.00	488.40	
61270000	181.00	204.17	23.17	11.35	2,542.00	2,450.04	-91.96	-3.75	2,450.04	
61290000	0.00	25.00	25.00	100.00	171.95	300.00	128.05	42.68	300.00	
61291000	0.00	6.25	6.25	100.00	229.44	75.00	-154.44	-205.92	75.00	

Budget Comparison

Period = Dec 2024

Book = Accrual ; Tree = ysi_is

Notes: rtmv2: 97% Occupied - 2 Vacant units; rtmv2: Physical Occupancy 98% Vacant Units 1 Economic Occupancy 98%;

		PTD Actual	PTD Budget	Variance	% Var	YTD Actual	YTD Budget	Variance	% Var	Annual	Note
61299999	TOTAL MARKETING AND LEASING	221.70	276.12	54.42	19.71	3,431.79	3,313.44	-118.35	-3.57	3,313.44	
61300000	MANAGEMENT FEES										
61310000	Management Fees	1,460.00	1,435.60	-24.40	-1.70	16,820.00	17,227.20	407.20	2.36	17,227.20	
61399999	TOTAL MANAGEMENT FEES	1,460.00	1,435.60	-24.40	-1.70	16,820.00	17,227.20	407.20	2.36	17,227.20	
61400000	PAYROLL EXPENSES										
61410000	Management Salaries	5,402.25	3,028.42	-2,373.83	-78.39	41,623.01	39,369.46	-2,253.55	-5.72	39,369.46	
61420000	Maintenance Wages	5,570.14	3,276.34	-2,293.80	-70.01	52,010.27	42,592.40	-9,417.87	-22.11	42,592.40	
61450000	Bonuses	0.00	252.19	252.19	100.00	0.00	3,278.48	3,278.48	100.00	3,278.48	rtmv2: Staff Year End Bonus
61460000	Payroll Service Fees	774.53	280.67	-493.86	-175.96	6,334.81	3,648.70	-2,686.11	-73.62	3,648.70	
61470000	Employee Insurance	0.00	484.62	484.62	100.00	0.00	6,300.04	6,300.04	100.00	6,300.04	
61480000	Payroll Taxes	975.22	567.43	-407.79	-71.87	7,878.43	7,376.58	-501.85	-6.80	7,376.58	
61490000	Workers Comp Insurance	402.49	237.81	-164.68	-69.25	3,633.44	3,091.52	-541.92	-17.53	3,091.52	
61499999	TOTAL PAYROLL EXPENSES	13,124.63	8,127.48	-4,997.15	-61.48	111,479.96	105,657.18	-5,822.78	-5.51	105,657.18	rtmv2: 3 Per periods in current month
61590000	REPAIRS AND MAINTENANCE										
61592500	Small Tools	0.00	25.00	25.00	100.00	87.41	300.00	212.59	70.86	300.00	
61592600	Janitorial Supplies	0.00	25.00	25.00	100.00	0.00	300.00	300.00	100.00	300.00	
61592800	Appliance Supplies	0.00	333.33	333.33	100.00	6,130.72	3,999.96	-2,130.76	-53.27	3,999.96	
61593000	Fire Alarm Inspections	0.00	0.00	0.00	N/A	3,373.75	4,200.00	826.25	19.67	4,200.00	
61595000	Generator Repairs	0.00	6.25	6.25	100.00	68.09	75.00	6.91	9.21	75.00	
61596000	Electrical Repairs	231.87	104.17	-127.70	-122.59	2,332.18	1,250.04	-1,082.14	-86.57	1,250.04	rtmv2: 2 Ceiling fans
61597000	Exterior Repairs	0.00	50.00	50.00	100.00	118.03	600.00	481.97	80.33	600.00	
61598000	HVAC Repairs	527.07	416.67	-110.40	-26.50	4,067.79	5,000.04	932.25	18.64	5,000.04	rtmv2: 1-25lb Freon, 1 Oxygen, 1 Acetylene, 4 capacitors and 8 thermostats
61599000	Fire Extinguishers	0.00	62.50	62.50	100.00	492.54	750.00	257.46	34.33	750.00	
61599100	Repairs and Maintenance Fire Protection Systems	0.00	0.00	0.00	N/A	1,492.77	0.00	-1,492.77	N/A	0.00	
61599200	Interior Repairs	37.84	95.83	57.99	60.51	1,470.15	1,149.96	-320.19	-27.84	1,149.96	
61599300	Light Bulbs	12.78	104.17	91.39	87.73	1,474.93	1,250.04	-224.89	-17.99	1,250.04	
61599600	Gate / Fence Repairs	0.00	70.83	70.83	100.00	0.00	849.96	849.96	100.00	849.96	

Budget Comparison

Period = Dec 2024

Book = Accrual ; Tree = ysi_is

Notes: rtmv2: 97% Occupied - 2 Vacant units; rtmv2: Physical Occupancy 98% Vacant Units 1 Economic Occupancy 98%;

		PTD Actual	PTD Budget	Variance	% Var	YTD Actual	YTD Budget	Variance	% Var	Annual	Note
61599700	Plumbing Repairs / Supplies	217.86	300.00	82.14	27.38	3,335.75	3,600.00	264.25	7.34	3,600.00	
61599900	Pool Repairs / Supplies	0.00	208.33	208.33	100.00	1,905.53	2,499.96	594.43	23.78	2,499.96	
61599910	Roof Repairs	250.00	0.00	-250.00	N/A	640.00	0.00	-640.00	N/A	0.00	rtmv2: Pool Canopy down spout replaced
61599920	Irrigation Repairs	378.88	20.83	-358.05	-1,718.92	378.88	249.96	-128.92	-51.58	249.96	rtmv2: Sprinkler system replaced 2 heads and supply line
61599930	Vehicle Repairs	0.00	50.00	50.00	100.00	0.00	600.00	600.00	100.00	600.00	
61599999	TOTAL REPAIRS AND MAINTENANCE	1,656.30	1,872.91	216.61	11.57	27,368.52	26,674.92	-693.60	-2.60	26,674.92	
61600000	UNIT PREPARATION										
61620000	Unit Prep: Carpet Cleaning / Repairs	0.00	54.17	54.17	100.00	541.26	650.04	108.78	16.73	650.04	
61630000	Unit Prep: Cleaning Supplies	0.00	25.00	25.00	100.00	216.93	300.00	83.07	27.69	300.00	
61640000	Unit Prep: Cleaning Contractors	0.00	0.00	0.00	N/A	577.57	800.00	222.43	27.80	800.00	
61670000	Unit Prep: Doors / Locks / Keys	40.90	70.83	29.93	42.26	936.96	849.96	-87.00	-10.24	849.96	
61691000	Unit Prep: Paint / Wallpaper	0.00	125.00	125.00	100.00	4,292.81	1,500.00	-2,792.81	-186.19	1,500.00	
61692000	Unit Prep: Painting Contractors	0.00	0.00	0.00	N/A	2,594.16	1,900.00	-694.16	-36.53	1,900.00	
61693000	Unit Prep: Window Treatments	171.43	104.17	-67.26	-64.57	2,383.03	1,250.04	-1,132.99	-90.64	1,250.04	rtmv2: 4 Window blinds
61699999	TOTAL UNIT PREPARATION	212.33	379.17	166.84	44.00	11,542.72	7,250.04	-4,292.68	-59.21	7,250.04	
61700000	CONTRACT SERVICES										
61720000	Courtesy Patrol	320.00	425.00	105.00	24.71	5,420.00	5,100.00	-320.00	-6.27	5,100.00	
61740000	Landscape Maintenance	1,733.00	1,833.33	100.33	5.47	20,796.00	21,999.96	1,203.96	5.47	21,999.96	
61750000	Resident Services Contract	220.00	463.00	243.00	52.48	3,390.00	5,556.00	2,166.00	38.98	5,556.00	
61780000	Pest Control	140.72	142.00	1.28	0.90	1,688.64	1,704.00	15.36	0.90	1,704.00	
61793000	Compliance Monitoring	432.90	431.67	-1.23	-0.28	5,194.80	5,180.04	-14.76	-0.28	5,180.04	
61799999	TOTAL CONTRACT SERVICES	2,846.62	3,295.00	448.38	13.61	36,489.44	39,540.00	3,050.56	7.72	39,540.00	
61800000	UTILITIES										
61810000	Electricity - CommonArea	299.05	302.15	3.10	1.03	3,727.10	3,625.80	-101.30	-2.79	3,625.80	
61820000	Electricity - Office	330.72	338.59	7.87	2.32	4,128.83	4,063.08	-65.75	-1.62	4,063.08	
61830000	Electricity - Vacant	76.42	79.17	2.75	3.47	2,505.25	950.04	-1,555.21	-163.70	950.04	
61880000	Water and Sewer	2,002.53	1,936.57	-65.96	-3.41	23,620.48	23,238.84	-381.64	-1.64	23,238.84	
61890000	Trash Removal	1,121.74	1,175.75	54.01	4.59	14,442.93	14,109.00	-333.93	-2.37	14,109.00	
61891000	Utility Consultant	0.00	0.00	0.00	N/A	0.00	1,000.00	1,000.00	100.00	1,000.00	

Budget Comparison

Period = Dec 2024

Book = Accrual ; Tree = ysi_is

Notes: rtmv2: 97% Occupied - 2 Vacant units; rtmv2: Physical Occupancy 98% Vacant Units 1 Economic Occupancy 98%;

	PTD Actual	PTD Budget	Variance	% Var	YTD Actual	YTD Budget	Variance	% Var	Annual	Note
61899999	TOTAL UTILITIES									
	3,830.46	3,832.23	1.77	0.05	48,424.59	46,986.76	-1,437.83	-3.06	46,986.76	
61900000	TAXES AND INSURANCE									
61910000	Property and Liability Insurance	5,332.82	4,850.32	-482.50	-9.95	53,616.43	53,794.44	178.01	0.33	53,794.44
61920000	Fidelity Bond	0.00	0.00	0.00	N/A	492.10	492.10	0.00	0.00	492.10
61930000	Insurance Admin Fee	0.00	0.00	0.00	N/A	0.00	750.00	750.00	100.00	750.00
61999996	TOTAL TAXES AND INSURANCE									
	5,332.82	4,850.32	-482.50	-9.95	54,108.53	55,036.54	928.01	1.69	55,036.54	
61999997	TOTAL CONTROLLABLE EXPENSES									
	31,118.36	25,740.58	-5,377.78	-20.89	335,223.80	325,157.08	-10,066.72	-3.10	325,157.08	
61999998	TOTAL OPERATING EXPENSES									
	31,118.36	25,740.58	-5,377.78	-20.89	335,223.80	325,157.08	-10,066.72	-3.10	325,157.08	
61999999	NET OPERATING INCOME									
	13,691.33	14,962.29	-1,270.96	-8.49	160,224.38	140,095.45	20,128.93	14.37	140,095.45	
62000000	NON-CONTROLLABLE EXPENSE									
62100000	INTEREST EXPENSE									
62110000	Mortgage Interest	5,929.34	5,929.34	0.00	0.00	71,499.55	72,208.40	708.85	0.98	72,208.40
62120000	Mortgage Interest(2)	1,333.00	1,333.00	0.00	0.00	15,997.00	15,996.00	-1.00	-0.01	15,996.00
62125000	Ground Lease	8.33	8.33	0.00	0.00	99.96	99.96	0.00	0.00	99.96
62199999	TOTAL INTEREST EXPENSE									
	7,270.67	7,270.67	0.00	0.00	87,596.51	88,304.36	707.85	0.80	88,304.36	
64100000	DEPECIATION AND AMORTIZATION EXPENSE									
64110000	Depreciation Expense	0.00	0.00	0.00	N/A	49,605.75	0.00	-49,605.75	N/A	0.00
64122000	Amortization Expense Debt Issuance Costs	0.00	0.00	0.00	N/A	422.75	0.00	-422.75	N/A	0.00
64199999	TOTAL DEPRECIATION AND AMORTIZATION EXPENSE									
	0.00	0.00	0.00	N/A	50,028.50	0.00	-50,028.50	N/A	0.00	
65100000	PARTNERSHIP EXPENSES									
65170000	Audit Fees	0.00	1,242.00	1,242.00	100.00	5,750.00	14,904.00	9,154.00	61.42	14,904.00
65192000	Inspections	0.00	62.50	62.50	100.00	0.00	750.00	750.00	100.00	750.00
65195000	Partnership Professional Fees	0.00	0.00	0.00	N/A	3,600.00	0.00	-3,600.00	N/A	0.00
65199100	Partnership Management Fee	0.00	0.00	0.00	N/A	209.87	0.00	-209.87	N/A	0.00
65199200	Investor Services Fee	0.00	334.64	334.64	100.00	2,301.23	4,015.68	1,714.45	42.69	4,015.68

Budget Comparison

Period = Dec 2024

Book = Accrual ; Tree = ysi_is

Notes: rtmv2: 97% Occupied - 2 Vacant units; rtmv2: Physical Occupancy 98% Vacant Units 1 Economic Occupancy 98%;

		PTD Actual	PTD Budget	Variance	% Var	YTD Actual	YTD Budget	Variance	% Var	Annual	Note
65199999	TOTAL PARTNERSHIP EXPENSES	0.00	1,639.14	1,639.14	100.00	11,861.10	19,669.68	7,808.58	39.70	19,669.68	
65999999	TOTAL NON-CONTROLLABLE EXPENSES	7,270.67	8,909.81	1,639.14	18.40	149,486.11	107,974.04	-41,512.07	-38.45	107,974.04	
66100000	REPLACEMENT RESERVE EXPENDITURES										
66130000	Driveways/ParkingLots	0.00	0.00	0.00	N/A	0.00	3,600.00	3,600.00	100.00	3,600.00	
66140000	Fence/AccessGate	52,000.00	0.00	-52,000.00	N/A	106,396.00	50,000.00	-56,396.00	-112.79	50,000.00	rtmv2: Perimeter fence final payment
66150000	Landscape Upgrade	0.00	0.00	0.00	N/A	1,808.81	7,000.00	5,191.19	74.16	7,000.00	
66160000	Pool Areas	0.00	0.00	0.00	N/A	0.00	20,000.00	20,000.00	100.00	20,000.00	
66194000	Electrical Replacement	0.00	0.00	0.00	N/A	1,030.45	1,500.00	469.55	31.30	1,500.00	
66195000	Exterior Replacements	0.00	0.00	0.00	N/A	4,590.00	0.00	-4,590.00	N/A	0.00	
66196000	Painting	0.00	0.00	0.00	N/A	0.00	120,000.00	120,000.00	100.00	120,000.00	
66197000	Plumbing	0.00	0.00	0.00	N/A	5,453.13	3,500.00	-1,953.13	-55.80	3,500.00	
66199000	Windows/Screens/Blinds	0.00	0.00	0.00	N/A	600.58	1,500.00	899.42	59.96	1,500.00	
66199100	Patio/Balcony/Landings	0.00	0.00	0.00	N/A	0.00	4,800.00	4,800.00	100.00	4,800.00	
66199200	Roof	0.00	0.00	0.00	N/A	0.00	5,000.00	5,000.00	100.00	5,000.00	
66199400	Cabinets/Countertops	0.00	0.00	0.00	N/A	0.00	1,050.00	1,050.00	100.00	1,050.00	
66199500	Appliances	0.00	0.00	0.00	N/A	10,923.10	4,750.00	-6,173.10	-129.96	4,750.00	
66199600	Flooring	0.00	0.00	0.00	N/A	2,272.10	1,050.00	-1,222.10	-116.39	1,050.00	
66199700	OfficeFurniture/Equipment	0.00	0.00	0.00	N/A	442.89	0.00	-442.89	N/A	0.00	
66199900	Tools/MaintenanceEquipment	0.00	0.00	0.00	N/A	0.00	9,500.00	9,500.00	100.00	9,500.00	
66199910	Water Heaters	1,146.16	0.00	-1,146.16	N/A	5,820.44	4,500.00	-1,320.44	-29.34	4,500.00	rtmv2: 1203 & 1401 water heaters replaced
66199920	HVAC	1,755.60	2,300.00	544.40	23.67	9,150.89	13,800.00	4,649.11	33.69	13,800.00	rtmv2: Unit 601 2.5ton condenser and air handler replaced
66199998	TOTAL REPLACEMENT RESERVE EXPENDITURES	54,901.76	2,300.00	-52,601.76	-2,287.03	148,488.39	251,550.00	103,061.61	40.97	251,550.00	
66199999	TOTAL NON-OPERATING EXPENSES	62,172.43	11,209.81	-50,962.62	-454.63	297,974.50	359,524.04	61,549.54	17.12	359,524.04	
99900000	NET INCOME	-48,481.10	3,752.48	-52,233.58	-1,391.97	-137,750.12	-219,428.59	81,678.47	37.22	-219,428.59	



NOTICE OF REGULAR MEETING

The Board of Commissioners of the McAllen Housing Facility Corporation will meet in a Regular Session scheduled for 11:30 a.m. (concurrently with McHC & MHFC Regular Board Meeting).

Thursday, January 30, 2025
Family Development Center | 2501 W. Maple Ave. | McAllen, TX 78501

or
via ZOOM Teleconference
<https://us06web.zoom.us/j/89901000107?pwd=nf4YRiak2pdUHYiDMuieGoQGPJctBZ.1>

Meeting ID: 899 0100 0107
United State +1 346 248 7799
Passcode: 693075

For the following purpose:

AGENDA

1. Call the meeting to Order
2. Action Items:
 - a) Consideration and Possible Action to Approve Meeting Minutes of the Regular Board Meeting of November 20, 2024. **Pg. 3**
 - b) Consideration and Possible Action to Approve the Annual Financial Audit Report for the Year ending June 30, 2024; as prepared by Cascos & Associates, PC.
 - c) Consideration and Possible Action to Approve Resolution MHDC 2025-01; A Resolution of the McAllen Housing Development Corporation Authorizing and Acknowledging support for the Villas at Primrose Tax Credit Application to the Texas Department of Housing and Community. **Pg. 4-5**
 - d) Consideration and Possible Action to Approve Memorandum of Understanding (MOU) with HLC Dove Cove 35, LLC - Multifamily Affordable Housing Development. **Pg. 6-13**
 - e) Consideration and Possible Action to Approve Memorandum of Understanding (MOU) Extension with Madhouse Development, Inc. – 2025 Low Income Housing Tax Credit Application Cycle. **Pg. 14-17**
3. Non-Action Items:
 - a) Update of 2025 LIHTC Applications
 - b) Financial Report **Pg. 18**

4. Adjournment

Executive Session: If during the course of the meeting, any discussion of any item on the agenda should be held in executive or closed session, the Board of Directors shall convene in such executive session or closed session in accordance with the Texas open Meeting Act, Texas Government Code Section 551.071 to 551.075. Before any such in convened, the presiding officer shall publicly identify the section or section of the act authorizing the executive session. All final votes, actions or decisions shall be taken in open session.

I certify that the Notice of Regular Meeting was posted on **Friday, January 24, 2025, at or before 12:00 p.m.** at the McAllen Housing Development Corporation and Municipal Government Offices., 1300 Houston Ave, McAllen, TX 78501 in compliance with Chapter 551, Government Code.



MCALLEN HOUSING DEVELOPMENT CORPORATION



Rodolfo "Rudy" Ramirez, Executive Director

The McAllen Housing Development Corporation is committed to compliance with the Americans with Disabilities Act (ADA). This meeting site/video conference is accessible to disabled persons. Reasonable accommodation and equal access to communications will be provided to those who provide notice to the Executive Director at (956) 686-3951 at least 48 hours in advance.

MINUTES OF THE MEETING

OF THE MCALLEN HOUSING DEVELOPMENT CORPORATION REGULAR BOARD MEETING

Wednesday, November 20, 2024

CALL TO ORDER AND ROLL CALL – The regular meeting of the Board of Commissioner of the McAllen Housing Development Corporation was held Wednesday, November 20, 2024, at the Family Development Center. Chair Elva M. Cerda called the meeting to order at 11:55 a.m. concurrently with McHC and MHFC. Present and attendance for roll call were:

Present: Chair Elva M. Cerda
Commissioner Marc David Garcia
Resident Commissioner Kristel Garcia
Assistant City Attorney Evaristo Garcia

Absent: Vice Chair Eliseo “Tito” Salinas

Staff: Executive Director Rodolfo “Rudy” Ramirez
Deputy Director Daniel Delgado
FSS Coordinator Maria Loreda
HCV Director Elena Saucedo
Finance Director Jose Garcia

Guest: Attorney Marissa Carranza Hernandez

1. Call Meeting to Order – 11:55 a.m.
2. Action Items:
 - a) Consideration and Possible Action to Approve Meeting Minutes of the Regular Board Meeting of October 23, 2024. **Board identified corrections to the minutes specific to adding the name of an absent board member - Absence of Resident Commissioner Kristel Garcia for Regular Board Meeting of August 29, 2024. Chair Elva M. Cerda entertained a motion to approve Meeting Minutes of the Regular Board Meeting of October 23, 2024, with correction. Resident Commissioner Kristel Garcia made a motion to approve; Commissioner Marc David Garcia second the motion. Motion carried unanimously.**
3. Non- Action Items:
 - a) Financial Report
 - Finance Director Jose Garcia reported Financial Update for October 2024 with no significant findings.
4. Adjournment –**Chair Elva M. Cerda entertained a motion to adjourn the meeting. Commissioner Marc David Garcia made a motion to approve; Resident Commissioner Kristel Garcia second the motion. Meeting adjourned at 12:00 p.m.**

McAllen Housing Development Corporation

Written Consent of the Board of Directors

RESOLUTION 2025-01

WHEREAS, the McAllen Housing Development Corporation (the "Corporation") owns, oversees, manages, develops, modernizes, and re-develops affordable housing for low income families and individuals;

WHEREAS, the members of the Board of the Corporation believes it will further the Corporation's mission by developing new housing for low income seniors in McAllen, Texas;

WHEREAS, the members of the Board of the Corporations as follows:

- Elva M. Cerda, Chair
- Eliseo "Tito" Salinas, Vice Chair
- Marc David Garcia, Commissioner
- Kristel Garcia, Resident Commissioner

WHEREAS,

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF THE CORPORATION THAT:

1. Subject to the negotiation of a contract with acceptable terms, the Corporation acknowledges and supports its participation as the General Partner of COM Housing Ware, LP, for the purpose of constructing and developing Villas at Primrose, a tax credit senior community proposed to be located at the southeast quadrant of Buddy Owens Boulevard and N. Ware Road in McAllen, Texas;
2. Subject to the negotiation of a contract with acceptable terms, the Corporation authorizes and supports the submission of an application for 9% tax credits to the Texas Department of Housing and Community Affairs by COM Housing Ware, LP, for the development of Villas at Primrose; and
3. The Executive Director, Rodolfo "Rudy" Ramirez, of the Corporation, or his designee, is hereby authorized and empowered to negotiate and agree to the terms of a Partnership Agreement and development contract, commence all efforts and steps necessary to obtain or participate in the 9% Tax Credit Application Process, execute and submit all necessary documentation for a tax credit application, and execute contracts, loans documents, and other written documents on behalf of the Corporation for the purpose of participating as the General Partner of COM Housing Ware, LP, for the development of the Villas at Primrose.

This motion was put forward and adopted at the meeting of the McAllen Housing Development Corporation's Board of Directors on the 22nd day of January 2025.

MCALLEN HOUSING DEVELOPMENT CORP.

BY: _____
Elva M. Cerda, Chair
McAllen Housing Development Corporation

ATTEST: _____ Rodolfo "Rudy" Ramirez, Executive Director

Executive Summary

Item: Memorandum of Understanding (MOU) with HLC Dove Cove 35, LLC for affordable housing development Dove Cove.

Discussion: This agenda item is a request to approve an MOU with HLC Dove Cove 35, LLC. This MOU intends to form a partnership that purchased a multifamily (35-unit) affordable housing development known as Dove Cove Apartments on December 4, 2024. McHC approved the MOU administratively last month due to the timing of the December closing.

The organizational roles in this MOU include McHC serving as the landlord/owner of the land for tax exemption purposes with the right of first refusal after 15 years. MHDC will serve as the sole member of the general partner MHA Dove Cove GP, LLC

HLC Dove Cove 35, LLC will serve as the developer, will obtain financing for the Dove Cove project, and will be responsible for daily operations.

Recommendation: Staff recommends approval.

**MEMORANDUM OF UNDERSTANDING
BETWEEN
[MCALLEN HOUSING AUTHORITY]
AND
HLC DOVE COVE 35, LLC
(Dove Cove Apartments)**

This Memorandum of Understanding (this "**MOU**") is executed by [**MCALLEN HOUSING AUTHORITY**], a housing authority organized under Chapter 392 of the Texas Local Government Code ("**HA**"), and **HLC DOVE COVE 35, LLC**, a Texas limited liability company ("**Developer**"), and is dated effective as of October __, 2024 (the "**Effective Date**").

Developer is a developer of affordable housing in the State of Texas. HA is a housing authority that, as a part of its mission, provides safe, decent and sanitary housing for low-income persons in Hidalgo County, Texas. Developer and HA hereby agree to work cooperatively to develop affordable housing at the following location, in accordance with the terms of this MOU:

Site: 35-unit multifamily development in McAllen, Texas commonly known as Dove Cove Apartments (the "**Development**").

In order to accomplish this purpose, the parties agree as follows:

AGREEMENTS:

A. Ownership Structure.

1. Developer will form a Texas limited partnership (the "**Partnership**") for the purpose of owning the Development. The sole general partner of the Partnership will be a wholly-owned affiliate of HA which will own 0.01% of the Partnership (the "**General Partner**").

2. Developer will serve as a special limited partner of the Partnership (in such capacity, the "**Developer SLP**"), which will have certain oversight and approval rights, in its sole discretion, including without limitation, approval of:

- (i) any change to the Partnership Agreement (hereinafter defined);
- (ii) any amendment to the Financing (as hereinafter defined) documents;
- (iii) any refinancing of the Partnership or the Development;
- (iv) any change in the property manager;

- (v) the annual budgets for operating and capital expenses;
- (vi) rent increases and concessions; and
- (vii) withdrawals from reserves.

3. The duties of General Partner and Developer SLP will be set forth in an amended and restated agreement of limited partnership (the "**Partnership Agreement**"), to be entered into at Closing (as hereinafter defined) among General Partner, Developer SLP, and the Investor LP (as hereinafter defined). The Partnership Agreement shall provide that the General Partner makes a broad delegation to the Special Limited Partner with respect to the administration of the Partnership and the operation of the Development.

B. Financing.

1. On behalf of the Partnership, Developer will apply for equity from one or more investors (collectively, the "**Investor LP**") and debt financing (collectively, the "**Financing**") for the Development. HA will have the right to review and approve the Financing and the terms and conditions of the Financing documents.

2. The parties anticipate that the Partnership will enter into documents for the Financing (including the Partnership Agreement) concurrently. The execution of the documents related to the Financing and the funding of the Financing is collectively referred to as the "**Closing**".

3. Developer will negotiate the scope of and provide any guarantees that may be required in conjunction with the Financing.

4. Developer and HA will cooperate as reasonably necessary and appropriate with respect to responding to due diligence and underwriting requirements for the Financing.

C. Ground Lease; Ad Valorem Tax Exemption.

1. Ground Lease. Title to the fee interest in the land on which the Development is to be located (the "**Land**") will be owned by HA, and such party will, as ground lessor, enter into a long term ground lease (the "**Ground Lease**") with the Partnership, as ground lessee, which will be the owner of the leasehold interest in the Land, as well as the buildings and other improvements located on the Land. Funding for the acquisition of the Land will come from the Financing, and will be paid to HA or its affiliate in the form of an up-front Ground Lease payment, the amount of which will be equal to the purchase price of the Land. In addition to the up-front rental payment, which HA or its affiliate will use to pay the costs to purchase the Land, the Ground Lease will provide for the payment of Annual Rent (as hereinafter defined). Upon the expiration the term of the Ground Lease (but not earlier termination pursuant to the terms hereof), ownership of the improvements constituting the Development will revert to HA or its affiliate. The terms and conditions of the Ground Lease will be subject to the approval of Developer. HA or its affiliate will receive a Right of First

Refusal and Purchase Option related to the acquisition of the Development, as hereinafter described. The Ground Lease will provide that at least 51% of units in the Development must have incomes below 60% of the applicable area median income, such income to be determined at move-in and at renewal; and, once initially qualified, tenants shall continue to be deemed eligible so long as their income does not exceed 120% of the applicable income level (collectively, the "**Affordability Requirements**"). The Partnership shall have a reasonable period, of not less than one year, to bring the Development into compliance with the Affordability Requirements, and the Partnership shall provide an annual report to HA regarding the Development's compliance with the Affordability Requirements.

2. Ad Valorem Tax Exemption. The contemplated ownership structure is expected to generate an ad valorem tax exemption for the Development (the "**Exemption**"). Prior to entering into the Ground Lease, HA, on behalf of the Partnership, will work with the applicable appraisal district to obtain confirmation of the availability of the Exemption.

The Ground Lease, combined with General Partner's service as the general partner of the Partnership, the Right of First Refusal, and the Purchase Option, are intended to establish HA's equitable ownership of the Development in order for the Development to qualify for the Exemption. In the event the Exemption terminates at any time after Closing, the Developer SLP will have the right to remove the General Partner and appoint another general partner and/or cause the HA to terminate the Ground Lease and transfer the Land to the Partnership for one hundred dollars. The successor general partner shall cause the Partnership to redeem the removed General Partner's ownership interest for one hundred dollars.

D. Long Term Ownership.

1. Throughout the life of the Partnership, HA will have an option to acquire the Development (the "**Purchase Option**"). The purchase price for the Development under the Purchase Option shall be the greater of: (a) its fair market value, and (b) the amount of any outstanding indebtedness of the Development plus other amounts owing pursuant to the Partnership Agreement, including without limitation, exiting partner loans, exit taxes, and liabilities of the Investor LP and the Developer SLP arising from the sale. In addition, if the Purchase Option is exercised during the first fifteen years of the term of the Ground Lease, the purchase price for the Development will be calculated to include the full return of all investment capital, penalties, interest, the payment of the present value of the anticipated cash flow and fees payable to the Investor LP and the Developer SLP using a discount rate of 10%, and the repayment of all indebtedness, including indebtedness owed to the Investor LP and the Developer SLP, or their respective affiliates. Closing on the sale of the Development shall take place no later than sixty (60) days after the HA's exercise of the Purchase Option.

2. The Developer SLP shall have the right to market the Development for sale, to a third party or an affiliate, either by (a) a sale of the unencumbered fee estate and termination of the Ground Lease (a "**Fee Sale**"), (b) a sale of the leasehold estate (a "**Leasehold Sale**"), or (c) a sale of all interests of the Investor LP and Developer SLP in the Partnership (a "**Partnership Sale**"). The Developer SLP shall provide written notice (the "**Sale**")

Notice") to HA of any offer that it desires to accept (the "**Offer**"). The Sale Notice shall include the terms and conditions of the Offer. Within thirty (30) days of its receipt of the Sale Notice, HA shall have the right of first refusal (the "**Right of First Refusal**") to purchase the applicable estate or interests described in the Sale Notice on the terms and conditions contained in the Sale Notice. If, within such thirty (30) day period, HA fails to exercise its Right of First Refusal or if HA exercises its Right of First Refusal but fails to close on the transaction within ninety (90) days following the receipt of the Sale Notice, the Special Limited Partner shall have a period of twelve (12) months, commencing on the thirty-first (31st) day following delivery of the Sale Notice, within which to complete the sale pursuant to the Offer or an equivalent offer. If such subsequent sale is not so completed, the Right of First Refusal shall remain in effect.

3. In the event of a Leasehold Sale or a Partnership Sale, HA shall enter into a new ground lease or partnership agreement, as applicable, with the buyer on substantially the same terms as the Ground Lease or Partnership Agreement, as applicable, such that the Exemption may continue.

4. The Purchase Option and Right of First Refusal will remain in effect so long as the Ground Lease is in effect, General Partner remains in the Partnership, and General Partner is not in default of its duties in such capacity. The parties acknowledge that HA's long-term ownership of the Development is partially in consideration for the Exemption and agree to work together to implement the necessary ownership elements for HA in order to facilitate qualification for the Exemption and to accommodate any Investor LP disposition requirements that differ from those herein set forth.

5. Notwithstanding any of the foregoing, if the Exemption terminates or is not obtainable and/or General Partner is removed as the general partner of the Partnership, the Right of First Refusal and the Purchase Option and any other rights of the HA and General Partner with respect to long-term ownership of the Development will terminate. In addition, if HA has not acquired the Development through the exercise of either the Purchase Option or the Right of First Refusal, the Purchase Option and the Right of First Refusal will both terminate upon the sale of the Development to a third party. HA agrees to cooperate with Developer SLP and the Partnership as necessary in order to facilitate the sale to such third party, including but not limited to, executing a release or termination of the Purchase Option, the Right of First Refusal, and the Ground Lease, and conveyance documents related to the transfer of the Land to the third party, at no or nominal cost.

E. Management and Operation.

1. Developer, with HA's cooperation and assistance when requested, will be responsible for obtaining all governmental approvals and permits needed in order to construct and operate the Development.

2. Developer's shall select the property manager for the Development, which will be memorialized in a Management Agreement to be approved the Investor LP and lender, as applicable.

F. **Fees.**

The Ground Lease will provide that the Partnership shall pay HA annual rent in the amount of 30% of the ad valorem tax savings generated by the Exemption (the "**Annual Rent**"). The Annual Rent shall be subject to cash flow, after payment of debt and establishment of required reserves. To the extent the Ground Lease is terminated within the first ten (10) years of the term of the Ground Lease, other than by loss of the Exemption, the Partnership shall pay HA an amount equal to the Annual Rent (estimated based on current tax assessments) for the remainder of such ten (10) years.

G. **Distributions, Expenses, and Indemnification.**

1. Other than the Annual Rent payment, HA shall not share in any cash flow or capital distributions.

2. Developer will pay all costs and fees associated with the pursuit of the Development prior to Closing, which will include the costs and fees to secure the Financing. All pre-Closing costs incurred by Developer, including without limitation, costs of legal counsel, will be reimbursed at Closing from the proceeds of the Financing. In the event this MOU is terminated or the transaction fails to close as contemplated herein, Developer will be solely responsible for all costs described above in this Section G.2, and HA and its affiliates will have no responsibility for payment or reimbursement of such costs, unless HA defaults on its obligations hereunder and such default is not cured within the 30-day cure period hereinafter set forth, in which case HA shall bear its own costs and expenses and neither the Partnership nor Developer will be obligated to pay or reimburse HA for such costs and expenses.

3. All expenses incurred by HA in connection with this MOU and the pursuit of the Development, including but not limited to costs of legal counsel, will be included in the Development's development budget and reimbursed by the Partnership to HA concurrently with the Closing; provided, however, if HA defaults on its obligations hereunder and such default is not cured within the 30-day cure period hereinafter set forth, HA shall bear its own expenses and neither the Partnership nor Developer will be obligated to pay or reimburse HA for such expenses.

4. The Partnership shall indemnify, defend and hold harmless HA and its affiliates from and against any costs, expenses, liabilities, claims and the like incurred by HA or its affiliates in connection with the Partnership or the Development; provided, however, the foregoing indemnification shall not extend to—and HA shall indemnify, defend and hold harmless the Partnership, the Developer SLP, the Investor LP and their affiliates for—any

matters resulting from the fraud, gross negligence, willful misconduct, or breach of the Ground Lease or Financing documents by HA or its affiliate.

H. **Miscellaneous.**

1. In instances in which a party hereto has the right to provide its consent or approval, or render its determination, judgment, satisfaction, or decision, such party will act in good faith and such consent, approval, determination, judgment, satisfaction, or decision (or the denial thereof, as the case may be) shall not be unreasonably withheld, delayed, or conditioned.

2. This MOU reflects the entire understanding between the parties and may only be amended in writing, signed by both parties. This MOU is a contract and not merely an "agreement to agree".

3. Each party hereto is prohibited from assigning any of its interests, benefits, or responsibilities hereunder to any third party, without the prior written consent of the other party, and any assignment in violation of the foregoing shall be void. Notwithstanding the foregoing, the parties acknowledge that it is anticipated that an affiliate of Developer may perform some or all of the activities of Developer set forth in this MOU. For purposes of this MOU, any references to "Developer" shall be deemed to refer, as applicable, to any affiliate thereof that actually performs the activities of the Developer herein set forth.

4. The parties agree to execute such documents and do such things as are necessary or appropriate to facilitate the development of the Development and the consummation of their agreement herein.

5. This MOU may be executed in several counterparts, each of which will be deemed to be an original copy and all of which together will constitute one agreement binding on all parties hereto, notwithstanding that all the parties did not sign the same counterpart.

6. THIS MOU IS GOVERNED AND CONSTRUED IN ACCORDANCE WITH THE INTERNAL LAWS OF THE STATE OF TEXAS, EXCLUSIVE OF ITS CHOICE AND CONFLICT OF LAW PRINCIPLES.

7. In case any one or more of the provisions contained in this MOU for any reason are held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability will not affect any other provision hereof, and this MOU will be construed as if such invalid, illegal or unenforceable provision had never been contained herein.

8. The parties hereto submit exclusively to the jurisdiction of the state and federal courts of Hidalgo County, Texas, and venue for any cause of action arising hereunder shall lie exclusively in the state and federal courts of Hidalgo County, Texas.

9. Should any party employ an attorney or attorneys to enforce any of the provisions hereof, to protect its interest in any manner arising under this MOU, or to recover damages for the breach of this MOU, the non-prevailing party in any action pursued in courts of competent jurisdiction (the finality of which is not legally contested) agrees to pay to the prevailing party all reasonable, direct costs and expenses, including specifically, but without implied limitation, reasonable attorneys' fees, expended or incurred by the prevailing party in connection therewith.

10. The subject headings contained in this MOU are for reference purposes only and do not affect in any way the meaning or interpretation hereof.

11. This MOU will continue until terminated upon the occurrence of one of the following conditions:

(i) If HA and Developer sign a mutual consent to terminate this Agreement, this MOU shall terminate on the date set forth in such consent;

(ii) If Closing has not occurred within a period of one (1) year from the Effective Date, either party may immediately terminate this MOU by providing written notice thereof to the other party;

(iii) If either party breaches its obligations under this MOU, the non-breaching party provides the breaching party written notice of such fact and a 30-day opportunity to cure, and the breaching party fails to do so, then the non-breaching party may terminate this MOU by providing written notice thereof to the breaching party;

(iv) If Developer determines that the transactions contemplated by this MOU are not feasible, Developer may terminate this MOU by delivery written notice thereof to HA; or

(v) Either party files for bankruptcy protection, makes an assignment for the benefit of creditors, has a receiver appointed as to its assets, or generally becomes insolvent, then the non-bankrupt party may terminate this MOU by providing written notice thereof to the bankrupt party.

Upon termination of this MOU for any of the reason cited above, neither party will have any ongoing obligation to the other with respect to this MOU and the Development, except for the obligation of Developer to reimburse HA for certain costs as provided herein.

In addition, the provisions of this MOU with respect to the Development will be terminated and suspended when HA and Developer and their affiliates, as applicable, enter into definitive agreements with respect to the governance of the Partnership and the development, construction, financing, and operation of the Development as contemplated herein, including but not limited to the Financing documents.

[Executed on the following page]

EXECUTED to be effective as of the date above shown.

[MCALLEN HOUSING AUTHORITY],

a housing authority created under Chapter 392 of the
Texas Local Government Code

By: _____

Name: RODOLFO "RODY" RAMIREZ

Title: Executive Director

HLC DOVE COVER 35, LLC,

a Texas limited liability company

By: _____

Homero Cabello, Jr., Member

By: _____

Lisa Cabello, Member

Executive Summary

Item: Memorandum of Understanding (MOU) Extension for 2025 Low-Income Housing Tax Credit Application Cycle

Discussion: This agenda item is a request to extend the current MOU with Madhouse Development, Inc. for another year for purposes of submitting a 2025 tax credit application cycle with the Texas Department of Housing and Community Affairs (TDHCA).

Recommendation: Staff recommends approval.

EXTENSION AGREEMENT

THIS EXTENSION AGREEMENT (this "Agreement") is dated as of November 20, 2024, by and between McAllen Housing Development Corporation, a Texas public facility corporation ("MHDC"), and Madhouse Development, Inc., a Texas limited liability company ("Developer").

RECITALS

This Agreement is made with reference to the following facts:

- A. MHDC and Developer entered into a Memorandum of Understanding ("**MOU**") on February 20, 2024 for the development of a multifamily development in McAllen, Texas to be known as "Villas at Primrose," expected to contain approximately 113 residential units (the "**Project**"). The Project is intended to be financed, in part, with low-income housing tax credits ("**Tax Credits**") under Section 42 of the Internal Revenue Code of 1986, as amended (the "**Code**"). The MOU called for the project to be located at the SEQ of Buddy Owens Blvd. and N. Ware Rd.
- B. This Project was to be undertaken in the 2024 Tax Credit application cycle. In the event of an unsuccessful tax credit application, said MOU was terminated.

NOW, THEREFORE, in consideration of the foregoing, the parties to this Agreement hereby agree as follows:

1. **Extension.** Though the 2024 Tax Credit application was unsuccessful, the parties mutually agree to extend the MOU into the 2025 Tax Credit application cycle. Any references to the 2024 Tax Credit application cycle are hereby amended to read as the 2025 Tax Credit application cycle.
2. **Logistical Changes.** The parties also mutually agree that logistical changes may be made to the location or unit count of the project, or to the social services provided therein, in order to maximize the likelihood of tax credit award, provided that such changes do not negatively affect the Project's ability to meet debt service.
3. **Full Force and Effect.** All other terms, covenants and conditions in the MOU shall continue in full force and effect.
4. **Binding Effect.** Each and every of the terms and provisions of this Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective heirs, successors, personal representatives and assigns.

[SIGNATURE PAGES TO FOLLOW]

This Agreement may be executed by a counterpart signature page affixed hereto.

IN WITNESS WHEREOF, this Agreement has been executed as of the day first above written.

MCALLEN HOUSING DEVELOPMENT CORPORATION

By: _____

Name: _____

Title: _____

This Agreement may be executed by a counterpart signature page affixed hereto.

IN WITNESS WHEREOF, this Agreement has been executed as of the day first above written.

MADHOUSE DEVELOPMENT, INC.

By: _____

Name: _____

Title: _____

McAllen Housing Development Corporation - Internally Managed Properties

Dashboard Financial Summary

12/31/2024

HIBISCUS

VINE TERRACE

Budget Variance Highlights

1	Unrestricted Cash - CY	\$	1,096,398	QTD Revenues	QTD Operating Exp.	QTD Operating Inc. (Loss)	QTD HAP / Other	QTD Net Income (Loss)
2	Prior Year	\$	1,082,374	\$151,144	\$134,957	\$16,187	\$0	\$14,541
3	Variance	↑	\$ 14,024	YTD Operating Revenues	YTD Operating Exp.	YTD Operating Inc(Loss)	YTD Other Inc(Exp)	YTD Net Income (Loss)
4				Actual	Actual	Actual	Actual	Actual
5	Restricted Cash - CY	\$	1,027,784	\$300,110	\$263,824	\$36,286	(\$8,827)	\$25,811
6	Prior Year	\$	1,015,481	Budget	Budget	Budget	Budget	Budget
7	Variance	↑	\$ 12,303	\$339,611	\$280,445	\$59,166	(\$7,942)	\$47,254
8				Variance	Variance	Variance	Variance	Variance
9	Total Asset	\$	3,308,297	↓ (39,501)	-	↓ (16,621)	↓ (22,881)	↓ (887)
10	Prior Year	\$	3,301,832					↓ (21,443)
11	Variance	↑	\$ 6,465					
12	Vacancy Rate	⇒	0%					

Entity Snapshots

METRIC	12/31/2024	% Change	12/31/2023	Budget	Budget Variance	CYR to Last YR
QTD - Tenant Revenue	\$ 148,755	↑ 3.0%	\$ 144,373	\$ 168,607	↓ \$ (19,852)	4,382
YTD - Tenant Revenue	\$ 296,098	↑ 3.2%	\$ 286,808	\$ 337,213	↓ \$ (41,116)	9,289
QTD - Grant Admin Funding	\$ -		\$ -	\$ -	⇒ \$ -	-
YTD - Grant Admin Funding	\$ -		\$ -	\$ -	⇒ \$ -	-
QTD - Administrative Expense	\$ 30,826	↑ -10.5%	\$ 34,451	\$ 38,005	↓ \$ (7,179)	(3,625)
YTD - Administrative Expense	\$ 72,761	↑ 5.5%	\$ 68,983	\$ 76,009	↓ \$ (3,248)	3,779
QTD - Replacement Costs	\$ 1,646	↓ -71.7%	\$ 5,816	\$ 5,956	⇒ \$ (4,310)	(4,170)
YTD - Replacement Costs	\$ 10,475	↑ 52.6%	\$ 6,866	\$ 11,912	⇒ \$ (1,438)	3,609
QTD - Maintenance and Operations	\$ 69,529	⇒ 0.3%	\$ 69,332	\$ 65,674	↑ \$ 3,856	197
YTD - Maintenance and Operations	\$ 122,782	⇒ -8.5%	\$ 134,245	\$ 131,347	↓ \$ (8,565)	(11,463)
QTD - Developer Fees	\$ -		\$ -	\$ -	↑ \$ -	-
YTD - Developer Fees	\$ -		\$ -	\$ -	↓ \$ -	-

Entity Snapshots

Hibiscus
Total Unrestricted Cash:
820,052
QTD Total Operating Revenues:
47,750
QTD Total Operating Expenses:
23,961
QTD Operating Income or Loss:
23,789
QTD Net Income or Loss:
23,147
YTD Net Income Actual:
35,187
YTD Net Income Budget:
38,162
YTD Variance:
(2,975)
No Activity

Vine
Total Unrestricted Cash:
276,346
QTD Total Operating Revenues:
103,394
QTD Total Operating Expenses:
110,996
QTD Operating Income or Loss:
(7,602)
QTD Net Income or Loss:
(8,606)
YTD Net Income Actual:
(9,376)
YTD Net Income Budget:
9,092
YTD Variance:
(18,468)
No Activity