

McKINNEY HOUSING FINANCE CORPORATION BOARD

JANUARY 11, 2019

The McKinney Housing Finance Corporation of the City of McKinney, Texas met in the 2nd Floor Conference Room, 222 N Tennessee Street, McKinney, Texas on January 11, 2019 at 8:00 a.m.

Board Members Present: President Bridgette Wallis, Vice President Semiramis Amirpour, Treasurer James Bresnahan, Julie Armendariz, Gonzalo Cagigal

Absent: Chibuzor Okeke and Bob Fisher

Staff Present: Cristel Todd, Affordable Housing Administrator

President Wallis called the meeting to order at 8:01 a.m.

- 19-0005** Election of Officers. Board unanimously approved the motion by Board member Amirpour, seconded by Board member Cagigal, to elect Bridgette Wallis as President. Board unanimously approved the motion by Board member Armendariz, seconded by Board member Wallis, to elect Semiramis Amirpour as Vice President. Board unanimously approved the motion by Board member Amirpour, seconded by Board member Cagigal, to elect James Bresnahan as Treasurer. Board unanimously approved the motion by Board member Bresnahan, seconded by Board member Cagigal, to elect Cristel Todd as Secretary.
- 19-0006** Minutes of the McKinney Housing Finance Corporation Meeting of September 14, 2018. Board unanimously approved the motion by Vice President Amirpour, seconded by Board member Armendariz, to Approve the Minutes of the McKinney Housing Finance Corporation Meeting of September 14, 2018.
- 19-0007** President Wallis called for an Overview of Housing Finance Corporation's Role and Responsibilities, Presented by Tim Nelson, Managing Director, Hilltop Securities, Inc. Housing Finance Corporations get involved in a lot of activities. Single Family Bond Issue to Request Bond Cap. You can provide below market interest rates to first time homebuyers. The Mortgage Credit Certificate program is another which you provide. This

allows homebuyers to reduce 25% of the interest paid on their mortgage up to \$2000 on an annual basis. There is also Multifamily with the 4% and 9% tax credit deals. The HFC can also participate as the Nonprofit general partner. This benefits the developer because it removes the property from the tax roll. It also benefits the HFC because you receive cash flow from the project. The HFC may also be the general contractor which provides a sales tax exemption for the partnership. When the Corporation gets involved at the partnership level in deals they need a partnership lawyer to handle the partnership details, tax aspects, limited partnership agreements, managements agreements, etc.

19-0008 President Wallis called for an Update on the Request for Qualifications (RFQ) for Future Affordable Housing Development Utilizing Public Private Partnership with the McKinney Housing Finance Corporation. Staff member Todd stated, the RFQ was issued and five firms submitted by the deadline. The top scoring developer, NRP Group, was interviewed and selected by the McKinney Housing Finance Corporation RFQ Subcommittee. President Wallis mentioned that their litigation was checked and it looked good. Treasurer Bresnahan said they develop and manage the apartments.

19-0009 President Wallis called for an Update on the McKinney Housing Finance Corporation section on the City of McKinney Website. President Wallis stated that once the project comes out people will have questions and there is nothing on the website to say what the HFC does or who you contact. People will be asking; Who are these people, How are they involved with the City and Where do they get their money? Staff member Todd said that a website link will be added that will open to a new page. This page will include the HFC mission, current and past projects, etc. Vice President Amirpour asked when the website would be done. Staff replied by the end of January and information could be added as needed.

19-0010 President Wallis called for Consideration/Discussion/Action on Chapman and Cutler LLP as Counsel to the Corporation in its Capacity as General Partner for Affordable Housing Development Partnership project. Staff member Todd provided information on Chapman and Cutler LLP. They have worked with over 20 HFC and agencies in Texas. They will also be paid for through the partnership so no money out of pocket for the HFC. Board unanimously approved the motion by Board member Cagigal, seconded by President Wallis, to Approve Chapman and Cutler LLP as Counsel to the Corporation in its Capacity as General Partner for Affordable Housing Development Partnership project.

There being no further business to discuss the meeting was adjourned at 8:29 a.m.

BRIDGETTE WALLIS
President