

McKINNEY HOUSING FINANCE CORPORATION BOARD

NOVEMBER 8, 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 November 8, 2019 at 8 a.m.

Board Members Present: President Bob Fisher, Vice President Chibuzor Okeke, Gonzalo Cagigal, Chris Harden, and Toya White.

Absent: Treasurer Semiramis Amirpour.

Guests Present: Tim Nelson, Managing Director, Hilltop Securities, Inc.

Staff Present: Assistant City Manager Barry Shelton, Housing and Community Development Manager Janay Tieken, and Affordable Housing Administrator Cristel Todd.

After determining a quorum was present, the meeting was called to order at 8 a.m.

19-0834 Election of Officers. Board unanimously approved the motion by Board member Okeke, seconded by Board member Harden to elect Bob Fisher as President. Board unanimously approved the motion by President Fisher, seconded by Board member Harden to elect Chibuzor Okeke as Vice President. Board unanimously approved the motion by Board member Beller, seconded by President Fisher to elect Semiramis Amirpour as Treasurer.

19-0835 Minutes of the McKinney Housing Finance Corporation Meeting of August 9, 2019. Board unanimously approved the motion by Vice President Okeke, seconded by Board member Harden, to approve the Minutes of the McKinney Housing Finance Corporation Meeting of August 9, 2019.

19-0836 President Fisher called for an Overview of Housing Finance Corporation's Role and Responsibilities, Presented by Tim Nelson, Managing Director, Hilltop Securities, Inc. The Activity of the Housing Finance Corporation is largely up to the Housing Finance Corporation and what you would like to accomplish. The Housing Finance

Corporation was created in 1980 under the provision of the Texas Housing Finance Corporation Act, Chapter 394, on behalf of the City of McKinney. The Purpose is to provide decent, safe and sanitary housing for the City of McKinney residents. Eligible activities include the issuance of single family mortgage revenue bonds, direct loan to homebuyers for down payment or closing cost assistance, mortgage credit certificate (MCC) programs to assist first time homebuyers with purchasing power, issuance of multifamily revenue bonds to provide low and moderate income housing to be built or rehabilitated, any activity with a nexus to affordable housing.

The MCC program allows homebuyers to reduce 30% of the interest paid on their mortgage up to \$2000 on an annual basis. Single Family Housing Bonds, the HFC would issue the bonds to fund below-market interest rate mortgages for first time homebuyers. There is also Multifamily bonds issued to finance the construction or rehabilitation of rental housing at rent affordable to low and moderate income individuals and families. The Partnership Structure generally involves participation of the HFC in one or more of the following roles: general partner, ground lessor, co-developer, and general contractor. This helps get deals done and provides additional revenue to the HFC to further affordable housing. President Fisher asked what the funds could be used for. Mr. Nelson, stated on anything housing related.

19-0837 President Fisher called for a McKinney Flats Project Update. Staff member Todd stated, the Planning and Zoning Commission unanimously approved the rezone for McKinney Flats. The rezone is on the December 3rd City Council agenda for consideration. The Tax Credit application is due to the Texas Department of Housing and Community Affairs by December 13, 2019. Staff member Tieken, mentioned that a neighborhood meeting was held and a sight line study was done. The developer is working with the neighborhood to decrease any impact. The

site plan was revised to limit the number of windows facing the single family residents. The development is 3-story, 206 units garden style apartments with green space, eight foot wall lined with 14 foot trees. Mr. Nelson stated, that this is probably the best deal cut by a Housing Finance Corporation that he has seen with the developer fee and cash flow. The Resolution of No Objection will go to City Council for consideration on December 17, 2019.

There being no further business to discuss, the meeting was adjourned at 9:02 a.m.

BOB FISHER
President