

McKINNEY HOUSING FINANCE CORPORATION BOARD

MARCH 8, 2024

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 Friday, March 8, 2023, at 8:00 a.m.

MHFC President Tyler Underwood called the meeting to order at 8:04 a.m. upon determining a quorum consisting of Vice President Osiola Henderson, Treasurer John Reidy, and the following members were present: Ranjith Raghunath, Gwendolyn Brannon, Paul Shirar and Mohamed Kacem.

Board Members Absent: Alternate Jared Helmberger.

Staff Present: Affordable Housing Administrator Cristel Todd.

There were 0 members of the public present in the audience.

- 24-1306** Minutes of the McKinney Housing Finance Corporation Meeting of October 13, 2023. Board unanimously approved the motion by Board member Shirar, seconded by Treasurer Reidy, to approve the Minutes of the McKinney Housing Finance Corporation Meeting of October 13, 2023.
- 24-1307** Projects Update was presented by Housing Administrator Cristel Todd.
- 24-1308** Consider/Discuss/Act on a Resolution of The McKinney Housing Finance Corporation Authorizing the Issuance of McKinney Housing Finance Corporation Multifamily Housing Revenue Notes (The Remnant at Greenwood) Series 2024A-1 and Series 2024A-2, a Funding loan Agreement, A Borrower Loan Agreement and Two Regulatory Agreement; Authorizing the Execution of Documents and Instruments Necessary or Convenient to Carry Out the Issuance of The Notes; And Other Provisions in Connection Therewith. Prior to voting Vice-President Henderson recused himself from voting on this resolution. Board unanimously approved the motion by Board member Shirar, seconded by Treasurer Reidy, to approve a Resolution of The McKinney Housing Finance Corporation Authorizing the Issuance of McKinney Housing

Finance Corporation Multifamily Housing Revenue Notes (The Remnant at Greenwood) Series 2024A-1 and Series 2024A-2, a Funding loan Agreement, A Borrower Loan Agreement and Two Regulatory Agreement; Authorizing the Execution of Documents and Instruments Necessary or Convenient to Carry Out the Issuance of The Notes; And Other Provisions in Connection Therewith.

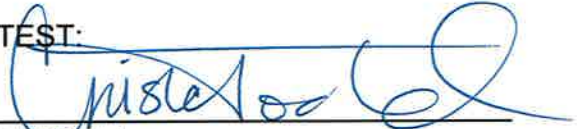
Board unanimously approved the motion by Vice President Henderson, seconded by Board member Shirar, to adjourn. There being no further business to discuss the meeting was adjourned at 8:19 a.m.

SIGNED:



Tyler Underwood, President
Osiola Henderson, Vice President

ATTEST:



Cristel Todd, Secretary

RESOLUTION NO. 2024-06-001 (MHFC)

A RESOLUTION OF THE MCKINNEY HOUSING FINANCE CORPORATION AUTHORIZING THE APPLICATION FOR RESERVATION WITH THE TEXAS BOND REVIEW BOARD WITH RESPECT TO QUALIFIED MORTGAGE BONDS OR MORTGAGE CREDIT CERTIFICATES; AND CONTAINING OTHER PROVISIONS RELATING TO THE SUBJECT

- WHEREAS**, the McKinney Housing Finance Corporation (the "Corporation") has been duly created and organized pursuant to and in accordance with the provisions of the Texas Housing Finance Corporations Act, Texas Local Government Code, Chapter 394, as amended (the "Act"), for the purpose of providing a means of financing the costs of residential ownership and development that will provide decent, safe and sanitary housing for persons of low and moderate income at prices or rentals they can afford; and
- WHEREAS**, the Act authorizes the Corporation to issue bonds for the purpose of obtaining funds to finance home mortgage loans (or participation interests therein) for persons of low and moderate income for homes within the geographic limits of the City of McKinney, Texas; and
- WHEREAS**, Section 103 and Section 143 of the Internal Revenue Code of 1986, as amended (the "Code"), provide that the interest on obligations issued by or on behalf of a state or a political subdivision thereof the proceeds of which are to be used to finance owner-occupied residences shall be excludable from gross income of the owners thereof for federal income tax purposes if such issue meets certain requirements set forth in Section 143 of the Code; and
- WHEREAS**, Section 146(a) of the Code requires that certain "private activity bonds" (as defined in Section 141(a) of the Code) must come within the issuing authority's private activity bond limit for the applicable calendar year in order to be treated as obligations the interest on which is excludable from the gross income of the holders thereof for federal income tax purposes; and
- WHEREAS**, the private activity bond "State ceiling" (as defined in Section 146(d) of the Code) applicable to the State of Texas (the "State") is subject to allocation, in the manner authorized by Section 146(e) of the Code, pursuant to Chapter 1372, Texas Government Code, as amended (the "Allocation Act"); and
- WHEREAS**, the Allocation Act requires the Corporation, in order to reserve a portion of the State ceiling for qualified mortgage bonds and satisfy the requirements of Section 146(a) of the Code, to file an application for reservation ("Application for Reservation") with the Texas Bond Review Board (the "Bond Review Board"), stating the maximum amount of the bonds requiring an allocation, the purpose of the bonds and the section of the Code applicable to the bonds; and
- WHEREAS**, the Allocation Act and the rules promulgated thereunder by the Bond Review Board (the "Allocation Rules") require that an Application for Reservation be accompanied by a copy of a certified resolution of the issuer authorizing the filing of the Application for Reservation; and
- WHEREAS**, the Board of Directors of the Corporation (the "Board") has determined to authorize the filing of an Application for Reservation with the Bond Review Board in the maximum amount of \$6,000,000 with respect to qualified mortgage bonds, and the Bond Review Board is expected to issue a reservation of "State Ceiling" in connection with such Application for Reservation (the "Reservation"); and

WHEREAS, the Board may determine to assign all or portion of the Reservation to the Texas Department of Housing and Community Affairs pursuant to Section 394.032(e) of the Act, which provides that “a housing finance corporation may delegate to the Texas Department of Housing and Community Affairs the authority to act on its behalf in the financing, refinancing, acquisition, leasing, ownership, improvement, and disposal of home mortgages or residential developments, within and outside the jurisdiction of the housing finance corporation, including its authority to issue bonds for those purposes;”

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE MCKINNEY HOUSING FINANCE CORPORATION THAT:

- Section 1. Application for Reservation. The Board hereby authorizes Robert D. Dransfield with Norton Rose Fulbright US LLP, as Bond Counsel to the Corporation (“Bond Counsel”), to file on its behalf with the Bond Review Board, not earlier than July 15 of the current year, an Application for Reservation in the maximum amount of \$6,000,000 with respect to qualified mortgage bonds, together with any other documents and opinions required by the Bond Review Board as a condition to the granting of the Reservation. The Board further authorizes the filing of a carryforward designation request with respect to such Reservation. Robert D. Dransfield is further designated as the authorized representative of the Corporation for purposes of the Application for Reservation authorized by this Resolution and is authorized to make such other filings on behalf of the Corporation as may be required by the Allocation Act and the Allocation Rules.
- Section 2. Bond Review Board Fees. The Board hereby authorizes the Texas Department of Housing and Community Affairs to pay on its behalf to the Texas Bond Review Board the “application fee,” as defined in the Allocation Rules, in the amount of \$500, any “carryforward application fee” and the “closing fee,” each as defined in the Allocation Rules, in the amounts prescribed by the Allocation Rules.
- Section 3. Authorization of Certain Actions. The President, Vice President, Treasurer and Secretary of the Corporation are hereby severally authorized to execute on behalf of the Corporation the Application for Reservation with respect to qualified mortgage bonds and to take such other actions as may be necessary or convenient to carry out the purposes of this Resolution, including the submission to the Bond Review Board of a request to carry forward the Reservation.
- Section 4. Mortgage Credit Certificate Authority. The Corporation reserves the right, upon receipt of a Reservation, to convert all or any part of its authority to issue qualified mortgage bonds to mortgage credit certificates.
- Section 5. Effective Date. This Resolution shall be in full force and effect from and upon its adoption.

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DULY PASSED AND APPROVED BY THE BOARD OF DIRECTORS OF THE
MCKINNEY HOUSING FINANCE CORPORATION ON THE 14th DAY OF JUNE, 2024.

MCKINNEY HOUSING FINANCE CORPORATION



Tyler Underwood
President

ATTEST:



Cristel Todd
Secretary

RESOLUTION NO. 2024-06-002 (MHFC)

A RESOLUTION OF THE MCKINNEY HOUSING FINANCE CORPORATION APPROVING DELEGATION OF BOND ISSUANCE AUTHORITY AND ASSIGNMENT OF PRIVATE ACTIVITY BOND AUTHORITY TO TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS; AUTHORIZING THE EXECUTION AND DELIVERY OF AN ASSIGNMENT AGREEMENT; AND CONTAINING OTHER PROVISIONS RELATING TO THE SUBJECT

- WHEREAS**, the McKinney Housing Finance Corporation (the "Corporation") has been duly created and organized pursuant to and in accordance with the provisions of the Texas Housing Finance Corporations Act, Texas Local Government Code, Chapter 394, as amended (the "Act"); and
- WHEREAS**, the Act authorizes the Corporation to issue its bonds for the purpose, among others, of obtaining funds to finance home mortgage loans (or participation interests therein) for persons of low and moderate income for homes within the corporate limits of the City of McKinney, Texas; and
- WHEREAS**, Section 394.032(e) of the Act authorizes the Corporation to delegate to the Texas Department of Housing and Community Affairs (the "Department") the authority to act on its behalf in the financing, refinancing, acquisition, leasing, ownership, improvement, and disposal of home mortgages or residential developments, within and outside the jurisdiction of the housing finance corporation, including its authority to issue bonds for those purposes; and
- WHEREAS**, pursuant to Chapter 1372, Texas Government Code, as amended (the "Allocation Act") and the rules promulgated thereunder by the Texas Bond Review Board (the "Bond Review Board"), the Board of Directors of the Corporation (the "Board") has requested and has received or expects to receive a reservation of a portion of the State ceiling (as defined in the Allocation Act) from the State of Texas in the maximum amount of \$6,000,000 (the "Reservation"); and
- WHEREAS**, Section 1372.044 of the Allocation Act authorizes the Corporation to assign the Reservation to the Department as an issuer that is authorized to issue private activity bonds on behalf of the Corporation; and
- WHEREAS**, pursuant to the Act and the Allocation Act, the Corporation desires irrevocably to (1) delegate to the Department the authority to issue bonds for the purposes specified above or to exchange an amount not to exceed \$6,000,000 of the Reservation for mortgage credit certificates, and (2) assign the Reservation to the Department (collectively, the "Assignment"); and
- WHEREAS**, the Corporation now desires to take certain actions with respect to the Assignment; and
- WHEREAS**, pursuant to the Act and the Allocation Act, the Board desires to approve an Assignment Agreement with the Department in substantially the form attached as Exhibit A (the "Assignment Agreement"); and
- WHEREAS**, the Board has examined the proposed form of the Assignment Agreement (which is attached to and comprises a part of this Resolution); has found the form and substance of such document to be satisfactory and proper and the recitals contained therein to be true, correct and complete; and has determined, subject to the conditions set forth in Section 2, to authorize the execution and delivery of the Assignment Agreement and the taking of such other actions as may be necessary or convenient in connection therewith;

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE MCKINNEY HOUSING FINANCE CORPORATION THAT:

- Section 1. The Corporation hereby approves the terms of the Assignment, and hereby authorizes and directs the Bond Review Board irrevocably to assign and transfer the Reservation to the Department for all purposes under the Allocation Act.
- Section 2. The Assignment Agreement, in substantially the form attached hereto as Exhibit A and approved by counsel to the Corporation, is hereby approved and adopted by the Corporation, and the President or the Vice President of the Corporation are hereby severally authorized and empowered to execute and deliver the Assignment Agreement on behalf of the Corporation, with only such changes as may be approved by the Corporation's counsel and the officer executing the same, such approval to be evidenced by such officer's execution thereof.
- Section 3. The officers, employees and agents of the Corporation, and each of them, shall be and each is expressly authorized, empowered and directed from time to time and at any time to do and perform all acts and things and to execute, acknowledge and deliver in the name and under the corporate seal and on behalf of the Corporation all certificates, financing statements, instruments, agreements and other papers, whether or not herein mentioned, as they may determine to be necessary or desirable in order to carry out the Assignment and the terms and provisions of this Resolution, as well as the terms and provisions of the Assignment Agreement, such determination to be conclusively evidenced by the performance of such acts and things and the execution of any such certificate, financing statement, instrument, agreement or other paper.
- Section 4. Notwithstanding any other provision of this Resolution, the President or the Vice President of the Corporation are each hereby authorized to make or approve such revisions in the form of the documents attached hereto as exhibits as, in the judgment of such officer, and in the opinion of Norton Rose Fulbright US LLP, Bond Counsel to the Corporation, may be necessary or convenient to carry out or assist in carrying out the purposes of this Resolution, such approval to be evidenced by such officer's execution of such documents.
- Section 5. This Resolution shall be in full force and effect from and upon its adoption.

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DULY PASSED AND APPROVED BY THE BOARD OF DIRECTORS OF THE
MCKINNEY HOUSING FINANCE CORPORATION ON THE 14th DAY OF JUNE, 2024.

MCKINNEY HOUSING FINANCE CORPORATION



Tyler Underwood
President

ATTEST:



Cristel Todd
Secretary

EXHIBIT A
FORM OF ASSIGNMENT AGREEMENT