



**Harris County Housing Finance Corporation
Board Meeting and Workshop Agenda
Bracewell Houston Office Conference Room, Suite 2300
711 Louisiana, Houston, TX 77002
December 17, 2025, 2:00 PM**

The following items will be brought before the Board of Directors for consideration and/or approval.

PAGE

1) Call the meeting to order and verify that a Quorum is present.

2) Public Comments.

3) Approval of Minutes from November 12, 2025, Regular Board Meeting.....7

4) Approval of Treasurer's Report and certain bills and expenses.....11

5) Transmittal of Monthly Financials and Discussion.

6) Executive Director Report, including discussion of recent activities, upcoming events, budget and amendments to the Investment Policy.....44

7) Presentation, review and approval of 2026 HCHFC Annual Budget.

Board Action	1/15/2025	Approval of 2025 HCHFC Annual Budget
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8) Approval of Recommendation to Accept the HCHFC Investment Policy. The Board approved its Investment Policy at the November Board Meeting. At this time, we would like to include additional banks on the approved list, including Frost Bank and Amegy Bank.

Board Action	11/12/2025	Annual update or approval of the Investment Policy is required under the Public Funds Investment Act.
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9) Review and Acceptance of proposal for banking services for HFC.

10) Presentation of Calendar for HFC Board Meetings for 2026.....91

DISCUSSION AND APPROVAL OF HOUSING LEASE FINANCE PROGRAM

11) Discussion of Multifamily Acquisitions and financing analysis and possible action.....94

History: HCHFC has reviewed a lease finance plan to use 100% financing to acquire existing apartments at attractive prices, proposing to acquire 3 to 5 projects per year. Successful acquisitions will allow upfront costs to be recovered to build a portfolio of assets. The program will require ongoing management and staffing and will generate free cash flow to cover costs and fund future growth. Acquisitions will incur upfront costs of up to \$200,000 which will be financed and dead deal risk of projects deemed unsuitable for closing.

Next steps: The Process Flow, Investment Parameters, costs, and staffing have been reviewed. Upon selection of any outside consultants, staff could negotiate a purchase contract for approved projects. Investment Committee will review to approve proposed purchases, and analysis and final term sheet will require full board approval.

FUNDING FOR HBDi COMMITTED HOUSING PROJECTS

12) Discussion of progress on HBDi Crescent Palms Project. HBDi and HCHFC has begun building townhomes for sale in a new mixed income community. An Operating Agreement was executed 4/10/25 and \$900,000 HCHFC funds have been invested. Groundbreaking to be held January 2026. (Information only, no action requested).....99

HCHFC Prior Action	Date 1/15/2025	HCHFC committed \$900,000 which has been invested into the project for construction of affordable townhomes for sale to families and individuals
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13) Discussion of additional funding required for HBDi Palmetto Place Project. HCHFC and HBDi will develop infrastructure and complete construction of 43 mixed-income single-family homes, with up to 75% of units targeted to use HCCLT financing. The infrastructure and construction will be funded from \$2 million commitment for HCRDA from note/bond proceeds, which has been delayed until 2026Q1. HCHFC initially funded \$60,000 with a loan and has been asked to fund additional advance of \$150,000 for continued planning and horizontal construction of infrastructure. HCHFC notes and these further advances will be recovered from HCRDA investment and upon sale of homes.....104

HCHFC Prior Action	Date 6/18/2025	HCHFC approved investment in Palmetto Place, subject to available funding from HCRDA.
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14) Discussion of additional funding required for HBDi Serenity Palms Project. HCRDA is committed to funding \$750,000 investment in 145-unit Serenity Palms Bond and 4%-LIHTC Project, Funding will be reimbursed at closing from financing proceeds. The HCHFC has funded initial \$75,000 as a loan, and additional funding of \$300,000 is required to proceed with predevelopment costs.....107

HCHFC Prior Action	Date 5/20/2025	Authorized negotiating and entering agreement for development of Serenity Palms affordable apartments with HBDi.
HCHFC Prior Action	Date 6/18/2025	Authorized negotiation and execution of agreement
HCHFC Prior Action	Date 9/24/2025	Approval of project and funding. MOU action was tabled to be considered later.

GENERAL COUNSEL MATTERS

15) **Discussion of Open Meetings and Board Participation.** Review of legal requirements for participation under Open Meeting requirements using Hybrid Meeting format.

16) **Discussion and approval of Agreement for Cost Sharing Agreement for Approved Professional Services.** Certain engineering costs have been incurred related to the development projects which should properly be paid for by HCHFC. This agreement will allow for the payment by HCHFC for approved professional services procured and hired by the Harris County Redevelopment Authority.

OTHER MATTERS

17) Such other matters as may come before the Board.

18) Adjournment of Board meeting, commence workshop

WORKSHOP DISCUSSION

1. <u>Discuss 2025 Year in Review and High-Level Goals.....</u>	<u>113</u>
<u>HCHFC High-Level Goals established in 2025:</u>	
1) Within the next 5 years, induce a pipeline of 10,000 units per year at 120% AMI and below.	
2) Build a robust diversified revenue stream.	
3) Develop and implement a 5-year plan with measurable annual objective.	
4) Become the leading local Housing Finance Corporation in the country.	
5) Be an affordable housing partner of choice.	
2. <u>Stifel Project Implementation and Cost Analysis.....</u>	<u>154</u>
3. <u>Discussion of TALHFA Board 101 presentation.....</u>	<u>171</u>

Board Reception 5:30 pm with dinner to follow. (The Grotto, George R Brown).

Rene Martinez
12/10/25

Rene Martinez, Executive Director