



HARRIS COUNTY HOUSING FINANCE CORPORATION

c/o HARRIS COUNTY COMMUNITY SERVICES DEPARTMENT
8410 LANTERN POINT DR., HOUSTON, TEXAS 77054

MINUTES

**Harris County Housing Finance Corporation Board Meeting was held at
Harris County Community Services Department, 8410 Lantern Point Dr. Houston, TX 77054
April 17, 2024, at 10:00 am in Auditorium**

Board of Directors:

David Corpus	President - Present
Jason McLemore	Vice President - Present
Chad Khan	Treasurer - Absent
Thao Costis	Director – Present – left at 10:45 am
Robert Belt	Director - Present
Mercedes Sanchez	Director – Present via TEAMS
Francisco Castillo	Director - Present
Dwight Jefferson	Director – Present
Bryan Sanchez	Director - Present

The following persons also attended the meeting: Rene Martinez, Carmen LaTorre, Steven Harris, Sheerah Walker, Craig Atkins, Bianca Urbina, Cana Cen, Hafsa Moinuddin, Amanda Rocha, Paola Martinez, Tory Gunsolley and Rupa Sen representing Harris County Community Services Department (HCCSD), Gina Boul representing the County Attorney's Office, Diana Featherston, w/ Precinct 4, Donna Rickenbacker with Marque Consultants, Gary Machak, Joshua Karar and David Webb with Stifel, Andy Prihoda, Summer Greathouse and Elizabeth Bowes with Bracewell, Jerry Torredes and Winky Tsang with HL&B, Neal Rackleff with Rackleff LLP, Michael Sciortino with Brinshore Development, Benny Rodriguez with RNA / Upland, Tony Williams, Taylor Pate and David M Koogler with Mark-Dana Corporation, Aaron Pitre with Radiance Living, Kent Piotrkowski with Lone Star Capital, Ellen Moskalik and Alfredo Izmajtovich with Cesar Chavez Foundation, Melissa Forester with Zimmerman, and Matt Zeis, Houston Land Bank Board Chair.

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

1. Call the meeting to order and verify that a Quorum is present.
Mr. Corpus confirmed a quorum at 10:00 am; and took roll call. All Board members were present except Director Khan and Director Mercedes Sanchez was on virtually.
2. Public Comments. No comments
3. Approval of minutes from the March 20, 2024, Board Meeting.
President Corpus requested a motion to approve the minutes of the March 20, 2024, Board Meeting. Vice President McLemore moved to approve, and Director Bryan Sanchez seconded the motion. The motion was approved unanimously. President Corpus noted he abstained since he was absent from the March 20th Board meeting.
4. Approval and discussion of the payment of certain bills and expenses and Financial Report, and possible action with respect thereto: Financial Reports include the Treasurer's Report, Balance Sheet, Income Statement, HCHFC Investments, and annual Budget vs. Year-to-date actuals, and approval of an update to budget for the current year. President Corpus requested a motion to approve the Financials, Vice President McLemore moved to approve, and Director Bryan Sanchez seconded the motion. The motion was approved unanimously.
5. Presentation and approval of 2023 Audited Financial Statements.
Ms. Tsang with HLB presented the Audit and the Federal Single Audit and stated no significant unusual findings and there were no noteworthy issues or disagreements with management. President Corpus asked Director Belt if

there was anything he saw or wanted to comment on; Director Belt recognized the management and staff for all the hard work to get to this point with no adjustments or findings. He stated that this is exactly what the Board members want and expect. Ms. Tsang thanked the management team for a smooth audit process. Director Costis mentioned that the Single Audit for federally funded projects (e.g., Treasury ARPA) will be a reoccurring action and require additional feed. Craig Atkins, the HCHFC administrative Financial Officer thanked the audit team and staff's help for the process. President Corpus requested a motion to approve the 2023 Audited Financial Statements and Single Audit. Vice President McLemore moved to approve, and Director Belt seconded the motion. The motion was approved unanimously.

PRESENTATION

6. Executive Director Comments.

Mr. Martinez emphasized the corporation's substantial progress in project approvals by the board. One project has withdrawn (Meridian, \$9M ARPA, 336 units) that will be reallocated, and the board will also consider the Kirkwood Crossing project in May. He indicated a Commissioners Court item on the agenda for next Tuesday will approve options for structuring funding for HCTRA housing development related to transforming the new Hardy Toll Road in the Northside: acquisitions, engaging master developers, and single and multifamily housing. This initiative will include collaboration with the Harris County Redevelopment Authority on tax increment reinvestment funds and permanent affordability housing. With numerous projects on the horizon, the Board will have ample opportunities for input.

MEMORANDUM OF UNDERSTANDING

7. **Lost Oaks GP/ARPA Inducement Resolution.** Discussion and possible approval of a resolution inducing the Lost Oaks Apartments transaction (78 units, New Construction, Pct. 1), including authorizing all filings and agreements with Texas Department of Housing and Community Affairs in connection with applications for low-income housing tax credits; and authorizing the formation of HCHFC Lost Oaks Landowner, LLC, and its application for American Rescue Plan Act (ARPA) and other financing; and other matters in connection therewith.

David Koogler, President, and Taylor Pate of Mark Dana Corporation provided an overview of the project. It comprises a 5-story, 78-unit complex: 1 bedroom at 30-60% AMI, 2 bedrooms at 50-80% AMI, and 3 bedrooms at 80% AMI. A meeting with Precinct 1 is being scheduled. President Corpus requested a motion to approve the Lost Oaks Inducement Resolution, Vice President McLemore moved to approve, and Director Castillo seconded the motion, which was unanimously approved by the board. President Corpus abstained from the vote due to Stellar Bank providing a loan to the project.

8. **Manson Place GP/ARPA Inducement Resolution.** Discussion and possible approval of a resolution inducing the Manson Place Apartments transaction (76 units, New Construction, Pct. 1), authorizing the formation of HCHFC Manson Place Landowner, LLC and its application for American Rescue Plan Act (ARPA) and other financings; and other matters in connection therewith.

Michael Sciortino from Brinshore Development presented an overview of the project, highlighting their 30-year experience as developers across 19 states. The project is located in the Third Ward and Brinshore is collaborating with Family Scholar House on services. The unit distribution includes 8 units at 30% AMI, 30 units at 50% AMI, 32 units at 60% AMI, and 42 market-rate units spanning 2–3 bedrooms. President Corpus requested a motion to approve the Manson Place Apartments Inducement Resolution, Director Jefferson moved to approve, and Director Bryan Sanchez seconded the motion. The motion was unanimously approved.

9. **Meridian at Cullen GP/ARPA Inducement Resolution.** Discussion and possible approval of a resolution inducing the Meridian at Cullen Apartments transaction (336 units, New Construction, Pct. 1); and authorizing the formation of HCHFC Meridian at Cullen Landowner, LLC, and its application for American Rescue Plan Act (ARPA) and other financing; and other matters in connection therewith.

No action.

- 10. The Upland GP/ARPA Inducement Resolution.** Discussion and possible approval of a resolution inducing The Upland Apartments transaction (120 units, New Construction, Pct. 4), including authorizing all filings and agreements with Texas Department of Housing and Community Affairs in connection with applications for low-income housing tax credits (LIHTC); and authorizing the formation of HCHFC Upland Landowner, LLC and its application for American Rescue Plan Act (ARPA) and other financing; and other matters in connection therewith.

Representative with the Cesar Chavez Foundation presented an overview of the project located in the Energy Corridor near Katy Freeway and Beltway 8. The project comprises 26 one-bedroom units, 62 two-bedroom units, and 26 three-bedroom units. They have met with Precinct 4. President Corpus called for a motion to approve the resolution for the Upland Apartments. Director Bryan Sanchez motioned to approve, and Director Castillo seconded the motion. The board unanimously approved the motion.

- 11. Solano GP Inducement Resolution.** Discussion and possible approval of a resolution inducing Solano Apartments transaction (262 units, acquisition and rehabilitation, Pct. 2), including authorizing all filings and agreements with the Texas Department of Housing and Community Affairs in connection with applications for low-income housing tax credits; and authorizing the formation of HCHFC Solano Landowner, LLC and other financing; and other matters in connection therewith.

Mr. Martinez stated that this is a 4% credit tax and bonds project and is not a Treasury ARPA project. Stifel has been involved in the financial analysis of this project. President Corpus requested a motion to approve this resolution, Director Castillo moved to approve, and Director Jefferson seconded the motion. The motion was unanimously approved by the board.

RESOLUTIONS

- 12. OST Lofts Apartments transaction:** Discussion and possible approval of a resolution approving and authorizing the execution of Memorandum of Understanding, and related matters, (130 units, acquisition, Pct. 2).

Mr. Prihoda stated that this is the second stage of the process with a Groundlease agreement and ownership. Representative with Marque Consulting presented an overview. President Corpus requested a motion to approve the MOU. Director Castillo moved to approve, and Director Bryan Sanchez seconded the motion. The motion was approved unanimously by the board. President Corpus abstained since he also is the Chair of the Tejano Center Board, that is a partner in the project.

- 13. Meadowbrook Plaza Apartments transaction.** Discussion and possible approval of a resolution approving and authorizing the execution of a Memorandum of Understanding and related matters, (220 units, acquisition, and rehab, Pct. 2).

Representative with Zimmerman presented an overview of this project. President Corpus requested a motion to approve the MOU. Director Castillo moved to approve, and Director Jefferson seconded the motion. The motion was approved unanimously by the board.

FINAL APPROVAL

- 14. Knowles Rowland Final Approval.** Discussion and possible approval of a resolution authorizing the Knowles Rowland transaction including the execution of all documentation necessary to carry out the transaction; and authorizing the financing for such transaction; and other matters in connection therewith, (31 units, New Construction, Pct. 1).

Representatives with the project discussed the great affordability of this 31-unit permanent affordable housing project. Director Jefferson moved to approve, and Vice President McLemore seconded the motion. The motion was approved unanimously by the board.

- 15. Hays Street Final Approval.** Discussion and possible approval of a resolution involving the American Rescue Plan Act (ARPA), authorizing the acquisition of land for the Hays Street affordable housing development project involving Houston Land Bank seller, and HCHFC as owner in a Single Asset Entity and subsequent site development with an HFC procured master developer (1406 and 1500 Hays, Pct. 2)., including the execution of all documentation necessary to carry out the transaction; and authorizing the financing for such transaction, and other matters in connection therewith.

Based on conferring with Bracewell, HCHFC's outside counsel, the Board of Directors entered Executive Session at 11:30am pursuant to the Texas Government Code 551.071 to consult with legal counsel on a real estate matter. The Board President and board, and staff related to the Hays Street acquisition final approval entered Executive Session. Bracewell recapped the status of the transaction involving the seller, the buyer Houston Land Bank, with a planned simultaneous closing by the HCHFC to occur by May 6th. The seller is not responsive, with uncertainty of closing. No assignment of the contract is in the current Purchase and Sale Agreement. Price is an issue. Executive Session ended at 12:26pm, and the board returned to an open meeting.

President Corpus requested a motion to approve the Hay Center's final resolution with the President delegated the authority approve the transaction and subsequent closing. Director Castillo moved to approve, and Director Bryan Sanchez seconded the motion.

OTHER MATTERS

- 16. Discussion and possible action regarding the Memorandum of Understanding for Kirkwood Crossing.
No Action
- 17. Such other matters as may come before the Board.
- 18. Adjournment: Board Meeting adjourned at 12:28 pm

Secretary

APPROVED:
