



HARRIS COUNTY HOUSING FINANCE CORPORATION
c/o HARRIS COUNTY HOUSING & COMMUNITY DEVELOPMENT
1111 Fannin, 9th-floor HOUSTON, TEXAS 77002

MINUTES

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

Board of Directors:

Jason McLemore	Vice President
Chad Khan	Treasurer Present
Thao Costis	Director – Present
Robert Belt	Director – Present
Mercedes Sanchez	Director – Present
Francisco Castillo	Director – Present
Dwight Jefferson	Director – Present
Bryan Sanchez	Director – Present via Teams
Adrian Ozuna	Director - Present

The following persons also attended the meeting: Rene Martinez, Carmen LaTorre, Steven Harris, Sheerah Walker, Candace West, Rhea Swinson, Asha Jordan, Craig Atkins, Bianca Urbina, Hafsa Moinuddin, Cana Cen, Rupa Sen, Tory Gunsolley, Amanda Rocha, and Paola Martinez representing Harris County Housing & Community Development Department (HCCSD), Gina Boul representing the County Attorney's Office, Janae Ladet representing Harris County Precinct 1, Gary Machak, and Joshua Karar with Stifel, Andy Prihoda with Bracewell, Tom Huth representing Palladium USA, Ron Lastimosa, Joy Horak-Brown representing New Hope Housing, Neal Rackleff representing Rackleff, LLP, and Greg Whiteley with Stewardship Development.

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

- 1. Call the meeting to order and verify that a Quorum is present.**
Vice President McLemore called the meeting to order at 10:07 am and verified there was a quorum.
- 2. Public Comments.**
There were no public comments.
- 3. Approval of minutes from the June 20, 2024, Board Meeting.**
A motion was made by Director Costis and seconded by Treasurer/Secretary Khan. The motion was approved unanimously.
- 4. Approval and discussion of 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. ARPA Construction Reimbursements Reconciliation Report for the period.** Mr. Atkins presented financials. A motion was made by Treasurer/Secretary Khan and seconded by Director Castillo. The motion was approved unanimously.
- 5. Executive Director Comments.** Mr. Martinez provided updates and stated that a special meeting in early August is needed for the Solano project. He proposed that discussions for disclosure counsel should occur in person, preferably during a retreat, as they involve policy changes and require thorough deliberation. Mr. Martinez noted that there were five transactions in July and August, with one closing recently. He mentioned that a detailed cash flow update would be presented in the next board meeting and included in the board packet.

Discussion ensued on the execution of closing documents, with some board members expressing concerns over the time-consuming process of signing multiple documents, often requiring additional trips to the office. Mr. Martinez

acknowledged the hard work and dedication of the board members, attributing the high volume of documents to the board's significant accomplishments over the past year.

Mr. Martinez provided comments on the upcoming TAAHP Conference scheduled for next week, where he will participate in a panel on Tuesday, July 23, 2024, discussing "Getting Local Buy-In." He also mentioned the TALHFA Conference in October and noted future budget considerations for increased HFC Board Members' attendance. Plans for a Board Retreat were mentioned, with more details to be discussed in future meetings. A virtual Teams meeting is scheduled for August 1st to discuss the Solano closing.

Mr. Martinez provided an update on the Hays Project Status, noting the release of an RFP on July 15th with submissions due August 29th. The site demo bid work is being managed by EHRA, with the bid notice potentially being placed in the Houston Business Journal (HBJ) and Civcast website for public construction bids. He also provided an update on the ARPA-HCHFC Fund and reimbursements Reconciliation Report included in the board packet. The Finance Committee approved \$173,225.65 on July 1st for NHH Ennis RFR 1, with excerpts also provided in the packet and plans for more summarized reporting in future packets. He reiterated the upcoming TALHFA Conference in October and the need to confirm attendee participation. Potential changes to Chapter 394 and Bracewell's involvement in sessions on tax credits, bonds, and best practices were also noted. He referenced planning for a board retreat between August and September and topic considerations with board discussion ensuing.

Vice President McLemore and other board members agreed to discuss the following at the August board meeting:
Conference Attendance and Planning: Review different upcoming conferences for the rest of the year and early next year, propose three or four dates, and send out a survey/poll via email for member voting.

Strategic Planning and Board Structure: Discuss strategic plan content, including changes to additional outside counsel (Disclosure for Bonds) and board officer roles. Address the need for a new President, Vice President, Secretary, Treasurer and plan to elect all board officers at the next meeting. Plan for an upcoming retreat. Vice President McLemore also presented a discussion on corporation staffing structure.

Board Members' Terms and Bylaws: Discuss terms of service, possibilities for resignations or replacements, and current two-year terms. Consider county policy flexibility for board member tenure.

Corporate Governance and Board Composition: Director Ozuna stated to consider corporate governance limits on internal members serving on the board, noting the current majority of Harris County employees. Review representative appointments by the commissioners' court and judges' office, and bylaws and charter specifications. Vice President McLemore noted that the board only has three County employee representatives and not a majority.

Assistant Secretary Role: An assistant secretary (non-Board Officer Executive Director) with board delegation to sign documents, citing examples of corporate governance practices and limits on internal board members.

Budget and Investment Planning: Discuss budget allocations for single-family and multifamily investments, with examples from other regions like San Antonio. Review the redevelopment authority's tax increment financing program and bond issuance plans for capital projects and affordable housing. The Harris County Redevelopment Authority plans to issue an estimated \$64M in bonds with \$32M for capital projects and \$32M for permanent affordable housing fund. Additional topics included potential changes to Chapter 394 and Bracewell's participation in tax credits and bonds sessions, as well as the relevance of discussing investment goals and county policies on board composition and terms.

6. **Review, discuss, and take any necessary action regarding the recommendation of the HCRDA and Harris County Housing Finance Corporation Services Agreement for Professional and Administrative Services for The Upland Project.** A motion was made by Treasurer/Secretary Khan and seconded by Director Castillo. The motion was approved unanimously.

MEMORANDUM OF UNDERSTANDING

7. **Summit at Bennington. Update on negotiating a Memorandum of Understanding for the Summit at Bennington transaction. (Pct 1, 248 units, Acquisition/Rehab).** No action.

FINAL APPROVAL

8. **Saddle Creek Approval Resolution. Authorizing the Financing for Such Transaction; Other Matters in Connection (Pct 3, 72 units, new construction).** A motion was made by Treasurer/Secretary Khan and seconded by Director Jefferson. The motion was approved unanimously.

9. **Tidwell Bond Approval.** Discussion and possible action on a Resolution Authorizing the Issuance, Sale, and Delivery of Multifamily Housing Governmental Notes (Tidwell Apartments) Series 2024A and Series 2024B; Approving the Form and Substance of and Authorizing the Execution and Delivery of Documents and Instruments About Thereto; and Containing Other Provisions Relating to the Subject (Pct 2, 99 units, new construction). A motion was made by Director Castillo and seconded by Director Mercedes Sanchez. The motion was approved unanimously.
10. **Tidwell GP Approval Resolution.** Discussion and possible action on a Resolution Authorizing the Tidwell Apartments 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 in addition to that (Pct 2, 99 units, new construction). A motion was made by Director Castillo and seconded by Director Mercedes Sanchez. The motion was approved unanimously.
11. **Park Row Katy Living GP Approval Resolution.** Discussion and possible action on a Resolution Authorizing the Park Row Katy Living 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 in addition to that (Pct 4, 93 units, new construction). A motion was made by Treasurer/Secretary Khan and seconded by Director Ozuna. The motion was approved unanimously.
12. **NHH Avenue C Bond Approval Resolution.** Discussion and possible action on a Resolution Authorizing the Issuance, Sale, and Delivery of Multifamily Housing Mortgage Revenue Bonds (NHH Avenue C Project) Series 2024; Approving the Form and Substance of and Authorizing the Execution and Delivery of Documents and Instruments About Thereto; and Containing Other Provisions Relating to the Subject (Pct 2, 120 units, new construction). A motion was made by Director Castillo and seconded by Director Costis. The motion was approved unanimously.
13. **NHH Avenue C GP Approval Resolution.** Discussion and possible action on a Resolution Authorizing the New Hope Housing Avenue C 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 in addition to that (Pct 2, 120 units, new construction). A motion was made by Director Castillo and seconded by Director Costis. The motion was approved unanimously.

OTHER MATTERS

14. Such other matters as may come before the Board.

The Board reviewed and considered the Spring Shadows Reimbursement Request No. 1 that exceeded \$1M administrative approval policy and approved the reimbursement unanimously. The next HFC Board Meeting is on Wednesday, August 14, 2024, 10:00 am.

15. **Adjournment:** Gratitude was expressed to all members and representatives for their contributions. The meeting adjourned at 11:19 am.

Secretary

APPROVED:
