



4113 Main Street, Suite 105
Rowlett, TX 75088
rowlethfc.org

Board of Directors Meeting
Thursday, January 16, 2025, at 4:00 p.m.
5702 Rowlett Rd., Rowlett, TX 75089

AGENDA

As authorized by Section 551.071 of the Texas Government Code, this meeting may be convened into closed Executive Session for the purpose of seeking confidential legal advice from the RHFC legal counsel on any agenda item herein. The Board of Directors reserves the right to reconvene, recess or realign the Regular meeting agenda or called Executive Session or order of business at any time prior to adjournment.

Call to order.

1. **Public input - The Board of Directors may receive public input on any of the agenda items listed below.**
2. **Approval of Minutes: Consider and take action to approve the minutes of the November 26th, 2024, Rowlett Housing Finance Corporation Board meeting.**
3. **Legal update**
4. **2024 annual production report related to the TDHCA Assignment Agreement.**
5. **Lakeview Seniors update**
 - a. **Bill Fisher and Melissa Fisher**
6. **190/Main update**
7. **Insurance Update**
8. **Vision/Mission Statement of the RHFC**
9. **Executive session to discuss employment contract of Executive Director.**
10. **Items of Community Interest, Topics for future agenda: Members of the Board may request topics to be placed on the agenda for a subsequent meeting. Any deliberation or decision shall be limited to a proposal to place the topic on the agenda for a subsequent meeting.**



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Board of Directors Meeting
Rowlett Housing Finance Corporation
Tuesday, November 26, 2024, at 3:00PM

- 1. Call To Order:**
President Winget called the meeting to order at 3:11PM with a quorum present (Directors Winget, Holston, Schupp and Kull). Director Dunnican was absent. Also present was Ms. Elaine Adams, a local resident, and Kenneth Fambro, with One90 Main. Attending by phone were Ryan Bowen with Chapman and Cutler, Melissa Fisher with Lakepoint Seniors and Accountant Shannon Andre with Brown, Graham & Company.

- 2. Public Input:**
There was no public input.

- 3. Approval of Minutes:**
Consider and take action to approve the minutes of the October 29, 2024, Rowlett Housing Finance Corporation Board Meeting. Director Holston made a motion to accept the minutes as submitted. Director Schupp seconded the motion, and the motion passed unanimously.

4. Budget and Finance Report:

President Winget said Accountant Shannon Andre would be addressing this agenda Item, and pointed out there are several relevant spreadsheets included in today's Board packet. Ms. Andre joined the meeting by phone at this time. She reviewed the spreadsheets by stating the data is current through October 2024. The RHFC had a cash and investment balance at that time of \$ 548,705. She said her cash flow projections presented through 2034 are estimates, but it's difficult to be precise because our revenue is based on our project partner's performance, which the HFC has little or no control over. She also said the HFC Board is due to receive \$ 37,500 by December 1, 2024, as long as certain bonds are still outstanding with Lakepoint Seniors, and her Firm will send them a reminder notice. Based on this information, the HFC Board will have a projected 2024 year-end balance of \$412,010.

Ms. Andre stopped at this point and asked any questions. President Winget said apparently the developer fees for Savannah were not front loaded but are contingent upon the project making a profit. Ms. Andre said it is dependent upon performance, and at some time the HFC will receive those funds, but it is very difficult to pin down the timing of these revenues. She further explained that the partnership agreements specify priority payments are assured for the HFC, but when that happens is dependent upon several



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performance factors, such as project completion, leasing, etc. Director Schupp asked if we could reasonably expect revenue in 2025 from One90 Main, and both Executive Director Urrutia and Ms. Andre said if market conditions are strong and leasing at our partnership projects is high, we could receive additional funds from One90 Main, as well as Savannah. President Winget asked for clarification on footnote 5 in the spreadsheet that appears to indicate there is a "during construction" deferred development fee of \$92,835 from One90 Main. Ms. Andre said capital contributions and other criteria have to fund that item. Director Holston asked what initiates these various payments to the HFC from these developers. Ms. Andre said her firm is proactive by sending developer(s) invoices for funds due the HFC. The actual timing of the issuance of the invoices is dependent upon the terms of the partnership agreements. She also said it's important to remember that payment of some of these fees is dependent upon the project being up and running and generating cash flow. Director Schupp asked if the HFC has to wait for the developer fee due from Savannah Seniors. Ms. Andre said that is due annually, accrues without interest until paid, and they have a fiduciary duty to pursue this until it is paid. She also said her firm reviews audited financials from these developers to know when payment criteria has been met, and recommended that the HFC should be doing this as well. She reminded the Board that the Trustee is also



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monitoring the financials to determine when fees are due to the HFC. Director Schupp asked about the PILOT payment to the city, when will that be forthcoming. Ms. Andre said she didn't have that agreement handy, but she said that payment is contingent on there being money in the "waterfall" for PILOT funding...if there's no money left in the "bucket", you don't get paid. Director Holston observed we hadn't received a proforma from the developers in several years, should we therefore request updated proformas. Ms. Andre said YES. President Winget asked for a breakdown of expenses, and Ms. Andre said it's the basics; payroll, rent, benefits, accounting and legal fees, really minimal entries. She said they can print out a ledger sheet, and President Winget said he would like to see that. She said she always takes a conservative approach to our finances. Director Holston said this session has been very helpful for the Board to see and understand where we are, and where we're headed, financially. Executive Director Urrutia reminded the Board we also have \$87,500 in the HFC Foundation account that is available for our projects.

President Winget asked if Attorney Bowen was on the phone, and he said yes. President Winget reviewed our discussion with Accountant Andre; we requested a ledger copy of expenses, and new proformas from our developers.



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There being no further questions on Agenda Item 4, President Winget said we would move on to Agenda Item 5.

No action was taken on Agenda Item 4.

The Board agreed to a break and to reconvene at 4:00PM. The Board reconvened at 4:03 PM with Kenneth Fambro with One90 Main in attendance.

5. One90 Main Update:

President Winget introduced Mr Fambro by saying he had visited the development and was impressed with how well it is coming along. Mr. Fambro said completion of this project has been slower than expected, but they are currently 39% occupied, 43% leased and one building shy of being built out. He mentioned occupancy is expected to increase substantially after September. He said 127 units are now occupied and 139 are leased out of a total of 274 available units. He believes the remaining units under construction will be available by January 1st. President Winget briefed Mr. Fambro on the proposed City Hall Complex planned for Herfurth Park, which borders the One90 Main property. He showed an image of the proposed location in the park of various buildings as they relate to his development. He also mentioned a retail project planned for the corner lot on the South East corner of Main Street and 190. President Winget then asked Mr. Fambro for an updated proforma for the One90 Main Project. It was



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also mentioned that the City's PILOT payment is coming up in 2026. Mr. Fambro agreed to provide the current proforma. President Winget pointed out that he saw signs of someone staying in the wooded area of their property, and recommended periodic inspection to avoid a problem. He said they should call the City if an issue is discovered. President Winget suggested a Board tour of the One90 Main project and it was tentatively set for January.

There being no further questions on Agenda Item 5, President Winget said we would move on to Agenda Item 6.

No action was taken on Agenda Item 5.

6. Lakeview Seniors Update:

President Winget acknowledged Melissa Fisher attending this part of the meeting by phone. Ms. Fisher said a final inspection of the final building at their development is scheduled for Tuesday, December 3, and they are confident everything will pass. She said they will be moving ahead on filling that building from a waiting list as quickly as possible. President Winget asked Ms. Fisher for current occupancy figures. She said they are 90% full in the 184 unit Main Building, but she did not have available the current occupancy of the 88 unit second



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building, however they do have 20 signed leases for that building ready to move in.

President Winget then asked Ms. Fisher if she could provide the Board with an updated Proforma for Lakeview Seniors, and she said one was sent to our attorney on November 18th, but she would make sure Executive Director Urrutia gets that as well. Director Holston asked for an update on the lawsuit. Ms. Fisher said discovery was ongoing with relevant parties.

Attorney Bowen entered the meeting by phone, and said he was keeping up to date on the lawsuit, and thought it would be a good idea to update the City Council on several matters on going with this project. It was recommended that update could occur at the January 21st City Council meeting. Director Schupp stressed how important it is to educate the City Council on what is happening with this project. Both Attorney Bowen and Ms. Fisher said they were available to meet on January 21st. Director Holston asked if the Bond was reflected in their Proforma, and if not, it should be. Ms. Fisher agreed it should, and it will be. Executive Director Urrutia asked Ms. Fisher to let him know when the CO is issued.

There being no further questions on Agenda Item 6, President Winget said we would move on to Agenda Item 7.

No action was taken on Agenda Item 6.

Director Holston asked if the Board would agree to take up Agenda Item 9, Insurance



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Update, before moving to Agenda Item 7. President Winget said he recommended Tabeing Agenda Item 7, Senior Housing Options, for a future Board meeting so Director Dunnican could be included in that discussion.

This was agreed to. President Winget then said we would move to agenda Item 9.

9. Insurance Update:

Executive Director Urrutia presented an Insurance Proposal from Robbie Ryan that would provide \$1,000,000 Directors and Officers protection each claim from the Evanston Insurance Company. It also provides additional coverage for IRS Fines,

Subpoena and HIPAA Claims. The annual premium for this policy is \$2,606. Director Holston made a motion to accept this policy as presented. Director Schupp seconded the motion, and it passed unanimously.

President Winget said we would now move to Agenda Item 8.

8. Legal Update:

President Winget asked Attorney Bowen if we needed to go into Executive Session for this legal update. Attorney Bowen said no, and proceeded to say there is not much to report since the last meeting. He said our legal affairs are being handled in the normal



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manner. Executive Director Urrutia recommended going into Executive Session at this point.

The HFC Board went into Executive session at 5:00PM.

The HFC Board reconvened from Executive session at 5:02PM. There being no further discussion on Agenda Item 8, President Winget said we would Move on to Agenda Item 10.

No action was taken on Agenda Item 8.

10.Vision/Mission Statement of the HFC:

President Winget recommended the Board table Agenda Item 10 for a future Board meeting, in order for Director Dunnican to be present to participate in this discussion. This was agreed to. President Winget said we would move on to Agenda Item 11.

No action was taken on agenda Item 10.



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11. Items of Community Interest, Items for future Agenda:

President Winget recommended follow up on a new HFC office space. He also suggested the Board skip a December meeting and reconvene in Special Session on Wednesday, January 15, 2025 at 4:00PM in order to prepare for meeting with City Council on January 21st. This was agreed to by the Board Members present.

13. Adjournment:

There being no further business, President Winget adjourned the HFC Board of Directors meeting at 5:35PM.

Approved on _____, 2024

Jeff Winget 2024 President

Richard Kull 2024 Secretary

ROWLETT HOUSING FINANCE CORPORATION - Pol# MKLV4MMN000276

From Robbie Ryan, CIC, CISR, CRIS, ACSR, TIIA <robbie.ryan@ryaninsurance.org>

Date Mon 12/30/2024 2:21 PM

To Peter Urrutia <purrutia@rowlettthfc.org>

Peter,

Please find the binder below for the Directors and Officers Policy. We will forward the policy documents once received from the company.

Thank you for your business.


Happy New Year,

Robbie Ryan



Independent Insurance Agent

 [Banner](#)

 (972) 475-1475

 robbie.ryan@ryaninsurance.org

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REVISED INSURANCE BINDER

THE TERMS AND CONDITIONS OF THIS CONFIRMATION OF INSURANCE MAY NOT COMPLY WITH THE SPECIFICATIONS SUBMITTED FOR CONSIDERATION. PLEASE READ THIS CONFIRMATION CAREFULLY AND COMPARE IT WITH ANY QUOTE AND SUBMISSION DOCUMENTS AND REVIEW THE POLICY FORMS FOR THE ACTUAL COVERAGES PROVIDED. IN ACCORDANCE WITH YOUR INSTRUCTIONS, AND IN RELIANCE UPON THE STATEMENTS MADE BY THE RETAIL BROKER IN THE INSURED'S APPLICATION/SUBMISSION, WE HAVE OBTAINED INSURANCE AT YOUR REQUEST AS FOLLOWS:

DATE ISSUED: December 30, 2024

INSURED: ROWLETT HOUSING FINANCE CORPORATION 4113 MAIN ST STE 105, Rowlett, TX 75088

INSURER: EVANSTON INSURANCE COMPANY AM BEST RATING A XIV Non-Admitted

POLICY NO.: MKLV4MMN000276

COVERAGE: DIRECTORS AND OFFICERS

POLICY PERIOD: 12/20/2024 TO 12/20/2025

LIMITS OF LIABILITY:

DIRECTORS & OFFICERS

\$1,000,000 EACH CLAIM

\$1,000,000 AGGREGATE

COVERAGE EXTENSIONS

\$500,000 B. ADDITIONAL NON-INDEMNIFIABLE LOSS AGGREGATE (DIRECTORS & OFFICERS COVERAGE PART)

\$150,000 C. SUBPOENA (DIRECTORIS & OFFICERS COVERAGE PART)

\$100,000 D. HIPAA CLAIMS

\$25,000 E. IRS FINES AND PENALTIES (DIRECTORS & OFFICERS COVERAGE PART)

\$1,000,000 COMBINED AGGREGATE LIMIT OF LIABILITY

DEDUCTIBLE:

RETENTIONS (EACH CLAIM)

\$0 INSURED PERSON LIABILITY

\$5,000 ORGANIZATION REIMBURSEMENT

\$5,000 ORGANIZATION LIABILITY

PREMIUM: \$2,606.00

FEES: Policy Fee \$500.00

TAXES: \$139.66

TRIA PREMIUM: REJECTED

TOTAL: \$3,245.66

POLICY FORM: Claims Made

EXPOSURES: 272 (U) 64500 - HOUSING PROJECTS - FEDERAL, STATE, LOCAL

TERMS / CONDITIONS:

(a) 25% **MINIMUM EARNED PREMIUM AT INCEPTION**

(b) **ENDORSEMENTS / NOTABLE EXCLUSIONS:**

MJIL 1000 08 10 POLICY JACKET (EVANSTON)

MPIL 1007 01 20 PRIVACY NOTICE

MPIL 1010-TX 05 10 TEXAS SURPLUS LINES NOTICE

MPIL 1083 04 15 U.S. TREASURY DEPARTMENT'S OFFICE OF FOREIGN ASSETS CONTROL (OFAC) ADVISORY NOTICE TO POLICYHOLDERS

MPML 1003 01 15 POLICYHOLDER DISCLOSURE NOTICE OF CERTIFIED ACTS OF TERRORISM

MDML 1001 01 16 NOT-FOR-PROFIT MANAGEMENT LIABILITY POLICY DECLARATIONS

MDIL 1001 08 11 FORMS SCHEDULE

MML 1004 01 16 GENERAL TERMS AND CONDITIONS

MML 1005 01 16 DIRECTORS AND OFFICERS AND ORGANIZATION LIABILITY COVERAGE PART

MEIL 1200 10 16 SERVICE OF SUIT

MIL 1214 09 17 TRADE OR ECONOMIC SANCTIONS

MML 1227 01 16 RELIANCE UPON OTHER INSURER'S APPLICATION

MML 1312 01 16 PRIOR ACTS **EXCLUSION** INCEPPTION

MML 1319 01 11 FAILURE TO EFFECT OR MAINTAIN INSURANCE **EXCLUSION**

MML 1335 06 12 **EXCLUSION** - ABSOLUTE BODILY INJURY/PROPERTY DAMAGE

MML 1339 06 12 **EXCLUSION** - BREACH OF CONTRACT

MML 1340 08 15 **EXCLUSION** - BROAD PROFESSIONAL LIABILITY

MML 1343 06 12 **EXCLUSION** - FAILURE TO PROVIDE OR SUPPLY WATER

MML 1394 08 19 **EXCLUSION** - SEXUAL MISCONDUCT

MML 1605 11 19 **EXCLUSION** - PRIVATE INFORMATION

(c) **ATTACHMENTS / SUBJECT TO:**

1. FULLY COMPLETED, CURRENTLY SIGNED AND DATED APPLICATION REQUIRED.

(d) **ALL OTHER TERMS AND CONDITIONS APPLY PER FORM**