

MEETING MINUTES
ROWLETT HOUSING FINANCE CORPORATION
Board of Directors' Meeting
Thursday, October 12, 2017 – 1:00 p.m.
Rowlett City Hall, Room A
4000 Main Street, Rowlett, Texas 75088

1. Call to order

The meeting was called to order at 1:00pm. Present were Rick Sheffield, Barbara Holst, Patty Said, Dusty Clem, David Berman, Mark Malveaux, Ryan Bowen, and Tim Nelson.

2. Consider action to approve the minutes of the August 30, 2017 meeting.

Motion was made by Patty to accept these minutes; second by Dusty. The Motion passed unanimously.

3. Consider action to approve the minutes of the September 11, 2017 meeting.

Motion made by Barbara to accept these minutes; second by Dusty. The Motion passed unanimously.

4. Hear a presentation from The NuRock Companies regarding the Heritage at Rowlett Senior Independent Living Center and have discussion and possible action concerning an inducement resolution.

John Boyd from NuRock gave a brief presentation detailing Heritage at Rowlett, a senior independent living community consisting of a maximum of 148 units located at 3609 Melcer Road, near the downtown DART station. It would consist of 1 and 2 bedroom units priced at 60% MSA. The property is already zoned for this type of development and it would be constructed under Form Based Codes. They are seeking 4% federal income tax credits and are looking to the HFC to provide private activity tax exempt bonds. NuRock is asking for an inducement resolution from the HFC in order to proceed forward with the city to obtain a resolution of no objection.

Motion made by Barbara to approve an inducement resolution; second by Patty. The Motion passed unanimously.

5. Discuss and consider action on the RISE Residential Indemnification Agreement for the Savannah at Lakeview Senior Living Center.

Melissa Fisher with RISE presented an overview of the financials of the company showing that they are financially sound and capable of providing adequate indemnification to the HFC in the event of any failure or negative actions during the construction of the Savannah at Lakeview project. Motion was

made by Barbara to approve the Indemnification Agreement; second by Dusty. The Motion passed unanimously.

6. Discussion with RISE Residential regarding the Memorandum of Understanding for the Savannah at Lakeview development and possible action regarding a revised Memorandum of Understanding.

David Berman, Ryan Bowen, and Tim Nelson led the discussion regarding the payment of fees from the developer to the General Partner LLC created by the HFC. The options included a lump sum up front versus a percentage of the developer fees as the project progressed. Tim agreed to provide a comparison chart of the two methods for the Board to review. Once the format is agreed to, the Board will review and approve the MOU via unanimous consent over email once the final version is drafted. Barbara made a motion to accept the agreed to course of action; second by Patty. The Motion passed unanimously.

7. Conduct a Public Hearing Regarding the Issuance of Savannah at Lakeview Bonds.

Rick opened the public hearing for anyone to speak for or against the bond issuance. Seeing no hearing anyone, Rick closed the public hearing.

8. Receive a report from the Treasurer regarding YTD financials.

Dusty presented a spreadsheet to the Board detailing charges for TALFHA memberships and annual conference registration. In addition, there were charges for business cards and payment to Jim Shaw for his trip to provide training to the Board in August.

9. Discuss and take action on the hiring of an accounting services firm.

Dusty presented the engagement letter from Jessica Chen, who provides accounting services for a number of HFC's in the state. After reviewing other options, it was recommended that Jessica was the most qualified. The Board discussed the need for engaging her services with so little financial activity at this point. Motion was made by Patty to table this discussion until accounting services are needed; second by Dusty. The Motion passed unanimously.

10. Discuss and consider action on the approval of an Investment Policy.

Given the limited amount of funds presently held by the HFC, a motion was made by Dusty to table this discussion until we have funds enough to find this necessary; second by Barbara. The Motion passed unanimously.

11. Consider action on the development of a 501C(3) sub corporation.

The Board discussed the need for this expense at this time. A motion was made by Dusty to table this discussion until we have funds enough to find this necessary; second by Patty. The Motion passed unanimously.

12. Review Articles to determine if registered agent should remain City Secretary.

David Berman advised that the Articles of Incorporation show the registered agent to be Laura Hallmark, Rowlett City Secretary. The Board discussed the need to maintain consistency in the Articles, trying to avoid having to amend them each time the City Secretary changed. Ryan Bowen advised that COGENCY Global provides this service for many corporations in the state. Rick took the action to make contact and coordinate having the change made should the Board so decide. Motion was made by Patty to hire COGENCY Global as a Statutory Representative (registered agent) of the corporation instead of Laura Hallmark; second by Dusty. The Motion passed unanimously.

13. Discuss and consider action in setting per diem rates for Board travel.

Rick presented the need to establish reimbursement rates for travel and expenses given that the Board is scheduled to attend the annual TALFHA conference next month in Ft. Worth. The Board discussed several options and financial limits for travel reimbursement. Motion was made by Patty to set the per diem rates for Board travel at \$100 daily per diem for food and entertainment for HFC related business. Use of personal vehicle to be reimbursed at the current IRS mileage rate; distance to be calculated from the Board member's home to the specific event as shown in mapping applications such as Google Maps. Additional expenses such as parking, tolls, etc. are to be reimbursed upon submission of receipts. The motion was seconded by Barbara. The Motion passed unanimously.

14. Discuss upcoming TALHFA annual conference with regards to travel arrangements and coverage of session topics.

The Board discussed carpooling options and agreed to meet at the conference to ensure that all topics were covered by at least one Board member to ensure that all the information was received by the group.

15. New Business.

No new business.

16. Adjourn

Rick adjourned the meeting at 3:22pm.



Rick Sheffield, President

Patty Said, Secretary

Date approved: December 13, 2017