

Rowlett Housing Finance Corporation

Board of Directors' Meeting Minutes: December 15, 2021, 8:30 a.m. Video Conference

Board Members:

Present by Zoom Conference: President Karl Crawley; Vice-President Dan Pence; Barbara Holst, immediate past President; Riki Harper; and Rick Sheffield, Executive Director

Absent: Debbie Bobbitt

Quorum present? Yes

Others Present via conf: Ryan Bowen, Chapman Cutler; Mark Malveaux, McCall, Parkhurst & Horton LLP; Claire Merritt, Hilltop Securities; Ryan Combs, JPI; Miller Sylvan, JPI

1. Call to order.

The meeting was called to order at 8:33 a.m. by President Karl Crawley.

2. Consider action to approve the minutes from the November 17, 2021, Board of Directors' meeting.

Barbara Holst made a motion to approve the minutes as presented, seconded by Dan Pence. The motion passed by a unanimous vote of those members present.

3. Hear presentation on November 2021 operating financials.

Staff presented the operating account overview for November. All expenses were for normal operating costs with the exception of a class registration for staff for the third class in the Housing Development Finance Professional certification from the National Development Council.

4. Consider action to approve a Memorandum of Understanding (MOU) with JPI regarding the Jefferson Merritt Park workforce development project.

Ryan Combs and Miller Sylvan with JPI gave the Board an overview of the project showing 660 multifamily units, to be built in two phases, and 159 detached single family units. There will be 355 multifamily units in phase 1, with the remaining 605 units to be constructed in phase 2. Arcadia will be the master developer for the detached single family portion of the project with David Weekly Homes identified as the builder.

Staff gave an overview of the payment structure to the Board, showing a minimum of \$100k per year, per phase after lease-up. The MOU is missing the legal names of the entities for the partnership, but JPI is working to have those provided in the next day or two.

Dan Pence made a motion to approve the MOU with the legal entity names included. The motion was seconded by Riki Harper and passed unanimously by those members present.

5. Consider and take action on possible options for partnership to develop the Vista North Shore Apartment project.

Mark Malveaux briefed the Board on the possibility of the HFC conveying its \$35M bond reservation to TDHCA to be the bond issuer for this project. He confirmed that there would be no additional cost to the HFC to do so. He has been in contact with TDHCA's bond counsel, who agrees that the statute language reads that this is acceptable. He should have that answer within the next week. Staff updated the Board that if this option is not achievable, the fallback solution would be to structure the deal as a workforce project with 51% of the units targeted toward individuals and families in the 80% AFMI bracket.

A motion was made by Dan Pence, seconded by Barbara Holst, to direct the HFC's bond counsel, Mark Malveaux, to pursue the bond reservation transfer option and report back to the Board. The motion passed unanimously by those members present.

6. Consider action to adopt the FY2022 RHFC Operating Budget.

Staff presented the draft FY2022 operating budget. Funds were increased for accounting services, marketing/advertisement, travel/convention registrations. While a significant increase from FY2021 (25.8%) is noted, when viewed across FY2020 to FY2022, the increase equates to a 7% year-over-year increase. This is a result of the FY2021 budget being decreased by 9.4% in response to the Covid lockdown.

A motion was made by Barbara Holst, seconded by Dan Pence, to approve the FY2022 operating budget as presented. The motion passed unanimously by those members present.

7. Enter into Executive Session to discuss the performance and consider renewing the contract for the Executive Director.
8. Take any action as a result of the Executive Session.

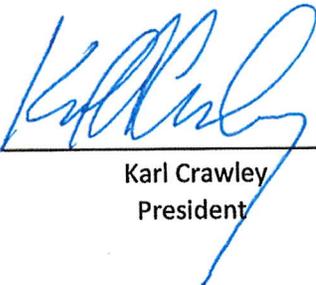
A motion was made by Barbara Holst, seconded by Dan Pence, to renew the contract of the Executive Director for 2022 with an 8% increase in salary. The motion passed unanimously by those members present.

9. New/Other Business

No new business was discussed.

10. Adjourn

The meeting adjourned at 9:37 a.m.

By: 
Karl Crawley
President

ATTEST: 
By: _____
Rick Sheffield
Secretary

Date approved: 1/19/22