



Board of Directors Meeting Minutes
Rowlett Housing Finance Corporation
Thursday, January 16, 2025, at 4:00 PM

1. Call to order:

President Winget called the meeting to order at 4:04 PM with a quorum present (Directors Winget, Schupp, Holston and Kull). Also present was Melissa Fisher with Lakeview Seniors. Attending by phone were Ryan Bowen with Chapman and Cutler, Clair Lastrapes with Hilltop Securities, Eric Soriano with TDHCA and Scott Fletcher with TDHCA. President Winget then read the Rules of Order for conducting this meeting.

2. Public Input:

There was no public input.

3. Approval of Minutes

Consider and take action to approve the minutes of November 26, 2024, HFC of Directors Meeting. Director Holston made a motion to approve the November 26, 2024 HFC Board of Directors Meeting minutes as submitted. Director Schupp seconded the motion, and it passed unanimously. President Winget said we would move to Item 5 on the agenda due to the presence of Ms. Fisher with Lakeview Seniors.

Director Dunnican arrived at 4:08 PM.

5. Lakeview Seniors Update:

Ms. Fisher reported that this development is in a great place. Eight people moved in during January, and there are more on the waiting list. She also mentioned outreach to Veterans and advertising in flyers and social media. Director Schupp



asked if fencing and an RHC sign on Lakeview Pkwy were taken down. Ms. Fisher said she believed the security fence referenced was down. Director Schupp said he would like to see that sign down. Ms. Fisher said the sign, a down tree and some landscaping would be removed. Ms. Fischer said a requested Proforma has been provided to the HFC, and they would attend City Council Meeting on January 21st. Executive Director Urrutia said there would be a town hall and then a resolution will go before Council that evening. Attorney Bowen said that was correct, IRS rules require a hearing, publishing the hearing and then requesting the City Council to consider a resolution to authorize the Mayor to execute the proper approval Certificate for the bond Lakeview Seniors is seeking. Director Schupp asked if the bonds are for eight million or ten million, and Attorney Bowen said they're asking for ten million, but the actual amount will be determined during the hearing. Director Schupp asked Attorney Bowen if he will attend the Council meeting, he said yes, he will attend. He said he would make it clear to the Council that the city has no responsibility for these bonds "whatsoever". Director Holston recommended making it clear to Council that this is a very typical procedure for HFC's to follow; it's standard procedure for these kinds of transactions. Director Holston asked if an expected payment of \$37,500 was made to HFC and Ms. Fisher said that payment will be made from the bond proceeds. Director Holston said it would be a great idea to make that payment before going to Council on January 21st so we can assure Council all accounts are up to date. Ms. Fisher agreed to take care of this.

There being no further questions on this Agenda Item, Ms. Fisher left the meeting at 4:28PM, and no action was taken on Agenda Item 5. President Winget said we would move on to Agenda Item 3, Legal Update.



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3. Legal Update.:

President Winget asked if the Board needed to go into Executive Session for this Agenda Item. Executive Director Urrutia said there is no current report regarding a legal update.

Attorney Bowen agreed there has been no activity to report, so it would not be necessary to have an Executive Session.

There being no questions on Agenda Item 3, President Winget moved to Agenda Item 4.

No action was taken on Agenda Item 3.

4. 2024 Annual Production Report Related to TDHCA Assignment Agreement:

Executive Director Urrutia said this Agenda Item would be addressed by Ms. Lastrapes and Mr. Soriano and Mr. Fletcher by phone. Ms. Lastrapes said the attached report is all outstanding loans to the R HFC each quarter, in this case there are nine loans and none in the pipeline. Mr. Soriano said there is a single-family buying cap, based on a formula, applied to each state, and this year the buying cap is set at \$400 Million. These funds are intended to promote single family home ownership in each state. The most effective way to do this is by issuing mortgage revenue bonds for first-time single-family home purchases. The HFC allotted funds are best used by assigning them to TDHCA, since there is already an established Mortgage Program in place to administer these loans. Hilltop Securities is the Intermediary channeling funds designated for the HFCs to TDHCA. He assured the Board that they will not accept the HFC funds unless they are certain they can use all those funds for qualified first-time single-family homes in Rowlett. Director Schupp asked if there is a time limit on using these funds, and Mr. Soriano said if they are not used in three years they are reassigned. Mr. Soriano added that the Quarterly Reports (attached) show the HFCs how the money is spent in detail, so the Board can follow the program diligently, including ethnicity, loan amounts and family income. He said the average loan amount in Rowlett is \$300,000 and they approved a total of four million dollars in first time buyer loans last year in Rowlett. He then pointed out



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they also have a down payment assistance program for our community as well.

Director Holston asked where RHFC stands currently in spending the four million dollars mentioned before. Mr. Fletcher said the Quarterly Report ending December 2024 shows a total of six million dollars allocated for loans in Rowlett; two million dollars are carried over from 2022, and four million dollars are currently assigned for Rowlett for 2024. The report shows that all two million from 2022 are issued, and one million two hundred thousand is assigned of the 2024 cap to date. He pointed out the HFC receives monthly fees of 4 basis points on each loan they process, paid annually. Director Dunnican asked if any part of Rowlett is targeted at NCC. Mr. Fletcher said they would research that and get back to the Board. Director Holston asked if City Council has been briefed on our involvement in this program. Executive Director Urrutia said not specifically. Director Schupp said Council was generally briefed on HFC programs when the city took over the HFC, no one has specifically briefed Council on this, to his knowledge. Director Dunnican asked how often these funds are made available, and Mr. Soriano said annually. Director Dunnican then asked if the RHFC missed out on a funding allocation for 2023, since that year was not mentioned in this discussion. Ms. Lastrapes said the RHFC was probably in transition during the Summer when allocations were made. Executive Director Urrutia said it isn't automatically renewed, and the RHFC received the information on this program very late during the time of reorganization, which resulted in missing the timeline for applying for 2023. Mr. Soriano said he would remind the RHFC when it's time for 2025 allocations. Director Schupp asked if the RHFC ever meets regularly with the City Council. President Winget suggested the RHC should have an annual meeting with City Council to discuss items/programs of mutual interest.

6. 190 Main Update

Executive Director Urrutia said a Proforma from 190 Main, requested by the Board at the last Board meeting, was included in the Packet for today (attached). He said if the Board had any questions, he would forward them to Mr. Fambro, since a 190



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Main representative could not attend this meeting. Director Holston asked for clarification on several points in the Proforma. Ms. Lastrapes agreed to try to respond to questions. Director Holston suggested it might be better to hold a discussion on this Agenda Item until next meeting when someone from 190 Main could attend. President Winget said he agreed, he hadn't had an opportunity to review this material either and pointed out there are lines relating to the HFC he would like clarified and drew attention to the page showing the "Waterfall" discussed at the last meeting. President Winget asked if it was known if all buildings were finished and occupied at 190 Main. He said he thought we were told they expected to be finished in October. Executive Director Urrutia said he believed most finished units are now occupied but wasn't sure if all units are now complete. President Winget said he hadn't gone to the project recently to know for sure and asked Executive Director Urrutia to look into this. There being no further questions on this Agenda Item, President Winget said we would move on to Agenda Item 7.

No action was taken on Agenda Item 6.

7. Insurance Update:

Executive Director Urrutia said a memo (attached) from Robbie Ryan was included in the Packet for this meeting. This memo describes a revised insurance binder that confirms Directors and Officers are covered for liability for up to One Million Dollars, and the premium has been paid for the period of 12/20/2024 to 12/20/2025. This memo also provides detailed information on various aspects of the coverage included in this policy. President Winget said "good", and suggested we move on to Agenda Item 8.

No action was taken on Agenda Item 7.



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8. Vision/Mission Statement:

Director Kull mentioned we agreed in principle to the statement Director Dunnican submitted at the last Board meeting. Director Schupp said we decided to edit that text slightly and add language Director Holston suggested. Director Dunnican read her statement, and after a brief discussion on the various concepts in her statement, Director Schupp said he wanted the HFC Mission Statement to be succinct and purposeful. Director Dunnican made a motion to accept the Mission Statement as read. Director Schupp seconded the motion. The motion passed unanimously. Executive Director Urrutia said he would email the Mission Statement just adopted to all Board members.

President Winget said we would now move into Executive session to discuss the Employment Contract for Executive Director.

President Winget read the rules related to Executive Sessions.

9. Executive Session to Discuss Employment Contract With Executive Director.

The RHFC Board of Directors recessed into Executive Session at 5:25PM.

The RHFC Board of Directors reconvened into regular session at 6:03PM.

President Winget said no action was taken in the Executive Session regarding the Executive Director's Employment Contract, everything remains in place with no changes right now. Executive Director Urrutia asked if there were no changes, does that mean there is no increase in salary, and President Winget said that is correct, the contract doesn't have an expiration date. President Winget then said salary increase consideration takes place during the budget process, and that hasn't occurred yet. Executive Director Urrutia stated his case to justify a salary increase, and President Winget said the Board would take that into consideration, and again said there is no expiration date on this, it just says the agreement is for "as long



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as employed”, and the Executive Director will be paid through December 31, 2024. Therefore, the Board feels it’s best to leave the matter “as is” for now; until such time as we go through the budget process and approve a 2025 budget. Executive Director Urrutia said he would begin working on a draft budget, and President Winget said that would be helpful, and we would continue discussing this at that time.

10. Items of Community Interest, Topics for Future Agenda

Director Schupp said the Board needs to give priority to a thorough review of the HFC budget, to avoid surprises. President Winget asked if the draft budget would be ready by the February meeting, and Executive Director Urrutia said yes, it would be a line item on that agenda. President Winget asked for other agenda items, and the Board members mentioned:

- a. Discussion of the 190 Main Proforma
- b. Discussion of the HFC Foundation role and programs
- c. Promote TDHCA as our chosen program for home improvement assistance
- d. Other City home improvement assistance programs/cash down payments of \$5,000/other options.

Director Dunnican said she would research this

President Winget asked for suggestions for the February meeting date, and February 27th was agreed upon, which will involve holding this meeting at 190 Main, to include a tour of that project at 3:15 PM, with our meeting to follow.

Adjournment:

There being no further business, the meeting adjourned at 6:14PM.

Approved on Feb. 21 ~~2024~~ 2025

Jeff Winget ~~2024~~ 2025 President

Richard Kull ~~2024~~ 2025 Secretary