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**Board of Directors Meeting  
Thursday, December 20th, 2023, at 3:00 p.m.  
5720 Rowlett Rd., Rowlett, TX 75089**

**MINUTES**

1. **Call to order.**  
President Margolis called the meeting to order at 3:00 p.m. with a quorum present (Directors Margolis, Shinder, and Schupp). Vice President Winget joined the meeting at 3:02 pm and Director Bowers joined at 3:09 pm.

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

3. **Approval of Minutes:**  
**Consider and take action to approve the minutes of the October 11, 2023, and November 13, 2023, RHFC Board of Directors meeting.**  
MOTION by Director Schupp, second by Secretary Shinder to approve the minutes. Motion passed unanimously.

4. **Proposal by JPI for a development in the North Shore area (Chair Margolis)**

Scott Turner and Miller Sylvan of JPI requested that the RHFC partner with them on Jefferson Merritt Park, a multifamily project in the North Shore area. They had a memorandum of understanding with the former HFC board.

They stated they already have the multifamily zoning and will go forward with the development as multifamily regardless of the RHFC's decision. The site plan was approved by the city staff in October. The project encompasses 40 acres in the northwest corner of the city, just south of Sachse. This includes \$3 million in infrastructure. They have spent \$1.5 million on design. It would have a dog park, 3 resort style pools and other amenities. Parking would be hidden behind the buildings and there would be four different buildings in different styles. Arcadia is the current owner. The development also includes a single-family component but they don't know who the developer for the SF homes will be.

They discussed providing \$2.4 million in upfront fees and PILOT payments as unrestricted funds that could be used by the city. The Board and RHFC attorney questioned the legality and ethical implications of doing this. The attorney will research this. Mr. Sylvan stated they would have to redesign if the RHFC does not partner with them and they have to go with market rate. He said the city will have more controls with an RHFC project than it would with a market rate development.

In response to questions from Board members, they said they anticipated starting in April 2024. If the RHFC denies the request, it would create a more than six months delay. If the

RHFC approves, they would own the property for approximately 10 years vs. 3 years for a market rate property.

There was discussion of the tax implications for the developers, city, other taxing entities, and taxpayers. There was also discussion about the difficulty of making a decision on this while serving in the dual roles of councilmember and Board member.

NO ACTION. The Board did not take action on this item.

**5. October 2023 and November 2023 financial report and 2024 preliminary budget**  
(This item was postponed until after item 6).

Executive Director Urrutia presented the financial report showing net position as of October 31, 2023 of \$1,192,383, which includes \$309,345 in capital assets and \$833,038 unrestricted funds. He stated the RHFC is operating at a deficit because there has been no income.

Executive Director Urrutia also presented a preliminary budget for 2024 of \$135,950, which is a 13.4% increase over 2023 and includes an additional \$9,500 increase in IT support and services for the purpose of increasing security. The contract is with a small firm out of Rockwall and includes a laptop computer. The budget also includes membership dues for the Texas Association of Affordable Housing Providers and training expenses for board members.

**6. Update/discussion on Lakeview Pointe Seniors(contracts/agreement)**

Melissa Fisher appeared in person and Bill Fisher via conference call, representing the LakePoint Seniors project, at the request of the Board. Board members asked why the completion of the Lake Pointe Seniors project was taking so long. The Fishers stated the delays after the fire were caused by the city "moving the goalposts," first requiring them to finish the pool before they could get a Certificate of Occupancy for the clubhouse, then requiring the sidewalks be finished before they could get the CO.

They stated the sidewalk had been framed and ready to pour, and the city told them not to pour and required a redesign. The new design has now been approved. The Board brought in city staff members, including city manager David Hall, Building official Larry King, Planner Alex Koenig, new Community Development Director Ross Altobelli, Engineer Jeff Cohen, and new Assistant City Manager Rebecca Diviney.

There was much discussion about the timeline and sequence of events. It was pointed out that some of the decisions had been made by former employees and several of the staff members are new and don't know all the background regarding this project.

Ms. Fisher stated they would like to open the clubhouse as soon as possible because they are losing residents and unable to fill units due to not having promised amenities. She said the sidewalks are ready to pour but it will take 6 weeks to get the contractor to do it. She was advised to deal with the city staff and working this out and getting the CO for the clubhouse. She stated they anticipate finishing by the end of February.

She also noted that they are waiting on \$8 million from the insurance company, and that

there are lawsuits - her company is suing the insurance company and the insurance company is suing Oncor and the electrical subcontractor. She said none of the RHFC entities are named in the suits. The Board had questions about the LLCs that are listed in connection with the project. Ms. Fisher said the Savannah LLCs are the RHFC's, not her company's. She drew a chart showing the relationship of her company's LLCs and the RHFC's LLCs, and she will provide a more formal chart to the Board later.

NO ACTION. No formal action was taken on this item.

**7. Discuss and take any necessary action on recommendations to city council for appointments of new Board members.**

There was brief discussion regarding the transition process. Board openings will be advertised and the target is to make the appointments before the end of January. There will be three new members appointed and two councilmembers will continue to serve on the Board. Directors Winget and Schupp volunteered to continue in their Board roles.

**8. Executive session to discuss six-month review of Executive Director (interim) contract (Vice Chair Winget)**

As authorized by Section 551.074 of the Texas Government Code (Personnel Matters), the Board convened into executive session at 4:44 pm to discuss the evaluation and appointment of Executive Director Urrutia.

The Board reconvened into open session at 4:59 pm.

MOTION by Director Bowers, second by Director Winget to appoint Interim Executive Director Peter Urrutia to the permanent position of Executive Director at a salary of \$95,550 with 3 weeks of vacation and 2 weeks of sick leave per year and a \$100/month cell phone allowance. Motion carried unanimously.

**9. 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.**

Director Winget asked that the amended budget be brought to the next meeting. Director Bowers asked for a list of RHFC projects.

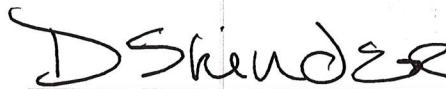
**10. ADJOURNMENT.**

The meeting was adjourned at 5:04 pm.

APPROVED on January 30, 2024



President



Secretary