

**Minutes of Annual Board Meeting  
Held by the Board of Directors of the  
Pharr Housing Development Corporation**

**April 28, 2016**

Annual Session held by the Board of Directors of the Pharr Housing Development Corporation held on April 28, 2016 at 5:30 p.m., at The Pharr Housing Authority, Administration Building, Board Room located at located at 104 W. Polk Ave., Pharr, Texas. Upon roll call those present were as follows:

President: Ricardo Cuellar

Directors: Frank Nunez, Mario Lizcano, Uvaldo N. Gutierrez, III

Absent Directors: Deborah Lopez

Also Present: Mr. Noel De Leon, Interim Director, Marissa Hernandez, PHA Attorney; Jaime X. Pena, CPA; Lazaro Guerra, Finance/Human Resource Director; Joe Cantu, Director of Administrative Services; Janie Barrera, Executive Secretary; Mike Hernandez, Web Designer;

President Ricardo Cuellar called the meeting to order and welcomed everyone present.

Next Order of Business was Excuse the Absence of Any Board Member. President Ricardo Cuellar advised the Board Director Deborah Lopez was not present. Director Mario Lizcano moved to Approve the Absence of Director Deborah Lopez. Director Frank Nunez duly seconded. Upon call for votes the following was recorded.

Ayes: Ricardo Cuellar, Frank Nunez, Mario Lizcano, Uvaldo N. Gutierrez, III

Nays: None

Next Order of Business was Public Comment. President Ricardo Cuellar advised the Board there were no public comment request.

Next Order of Business was Election of Officers. President Ricardo Cuellar Opened the floor for nominations of President. Director Mario Lizcano moved to elect President Ricardo Cuellar for the office of President. Director Frank Nunez duly seconded. Upon call for votes the following was recorded.

Ayes: Ricardo Cuellar, Frank Nunez, Mario Lizcano, Uvaldo N. Gutierrez, III

Nays: None

President Ricardo Cuellar opened the floor for nominations of Vice-President. Mr. De Leon

advised the Board he was currently looking for a tenant for replacement of Mary L. Alvarado. Director Mario Lizcano moved to table election of Vice-President. Director Frank Nunez duly seconded. Upon call for votes the following was recorded.

Ayes: Ricardo Cuellar, Frank Nunez, Mario Lizcano, Uvaldo N. Gutierrez, III

Nays: None

Next Order of Business was Consideration and Possible Action to Approve Minutes for Regular Board Meeting held March 23, 2016. Director Mario Lizcano moved to Approve Minutes for Regular Board Meeting held on March 23, 2016. Director Frank Nunez duly seconded. Upon call for votes the following was recorded.

Ayes: Ricardo Cuellar, Frank Nunez, Mario Lizcano, Uvaldo N. Gutierrez, III

Nays: None

Next Order of Business was Jaime X. Pena, Certified Public Accountant, Financial Report for the Pharr Housing Development Corporation. Mr. Jaime X. Pena reviewed the Financial Statement for the month of February 2016.

Next Order of Business was In accordance with Chapter 551 of the Texas Government Code (Open Meetings Act), the Housing Authority of the City of Pharr, Board of Commissioners hereby gives notice that it will meet in executive session. Should any final action, decision, or final vote be required in the opinion of the Board with regard to any item deliberated during a closed meeting, then such final action, decision, or final vote shall be made during the open meeting held in compliance with Chapter 551, Government Code, V.T.C.A. The Board of Commissioners will discuss the following matters:

**Discussion with General Counsel related to status of TDHCA complaint/special counsel report.**

**Discussion of records received from management companies related to Valle de Palmas lease and status of collection of unpaid rents.**

Pursuant to Section 551.071, the Board of Commissioners may convene in a Closed, non-public meeting with its attorney and discuss any matters related to **Legal advice on pending or contemplated litigation, settlement offer, And/or on a matter in which the duty of the attorney to the governmental body Under the Texas Disciplinary Rules of Professional Conduct of the State Bar Of Texas clearly conflicts with this chapter.** The Board of Commissioners and Its attorney may also discuss such issues with the appropriate staff so as to obtain. Necessary and relevant information so that such discussion is informative and developed. Director Uvaldo N. Gutierrez, III moved to table this Agenda Item. Director Mario Lizcano duly seconded. Upon call for votes the following was recorded.

Ayes: Ricardo Cuellar, Frank Nunez, Mario Lizcano, Uvaldo N. Gutierrez, III

Nays: None

Next Order of Business was Consideration and Possible Action to Adopt Resolution No. 29 - Resolution form HUD 11702 Resolution of Board of Directors and Certificate of Authorized Signatures for all Pharr Housing Development Corporation Bank Accounts. Director Mario Lizcano moved to Adopt Resolution No. 29 - Resolution form HUD 11702 Resolution of Board of Directors and Certificate of Authorized Signatures for all Pharr Housing Development Corporation Bank Accounts. Director Uvaldo N. Gutierrez, III duly seconded. Upon call for votes the following was recorded.

Ayes: Ricardo Cuellar, Frank Nunez, Mario Lizcano, Uvaldo N. Gutierrez, III

Nays: None

Next Order of Business was Executive Directors Report: • Certificates of Deposits • Check List • Mesquite Terrace Tax Extension • Las Canteras Developer Buy Out. Mr. De Leon revised the Certificate of Deposit list with the Board; Compass Bank \$75,000.00; Lone Star National Bank \$286,297.69 for a total of \$361,297.69. Mr. De Leon advised the check list for the PHDC totaled \$19,952.00. Mr. De Leon advised on the Mesquite Terrace, LTD the Certified Public Accountant used by the Management Company Katopody, LLC, Certified Public Accountants filed an extension on the tax return due to the uncollected rent issue, because it has not been settled yet, and based on what is decided on as we move forward will need to enter the amount due in the books which still needs to be determined, that is the reason it had to be extended. Mr. De Leon advised the limited partner PNC is the main partner that did most of the contribution of the investment and is the one receiving the tax credit were also notified of the extension. Mr. De Leon advised the Board on the Las Canteras, LTD a Developer Fee Sale Agreement dated April 25, 2015 was discovered while reviewing minutes and his knowledge of the balance sheet as he had seen it before he did not see this transaction in the books. Mr. De Leon advised this transaction was in agreement to purchase sixty-five percent interests in fees from the developer at 80 cents to the dollar, with the agreement PHDC has purchased six hundred thousand or sixty-five percent interest in fees from the developer for four hundred eighty thousand dollars. The agreement calls for a hundred and forty thousand dollars payment and a promissory note for the difference in three hundred forty thousand dollars at six percent. Mr. De Leon advised PHDC has a thirty five thousand dollar annual payment that is due on a cash contribution that is received from Las Canteras, out Accountant Garcia & Pena, CPA and the Auditor have been notified. Mr. De Leon advised details of the transaction have been requested from the developer, the details are important to better understand how they arrived at the amounts and allowing us to properly record it in our balance sheet and out income statement.

There being no further business to come before the Board of Directors, the President asked for a motion to adjourn. The motion was made by Director Mario Lizcano and duly second by Director Frank Nunez. Upon call for votes the following was recorded.

Ayes: Ricardo Cuellar, Frank Nunez, Mario Lizcano, Uvaldo N. Gutierrez, III

Nays: None

DEVELOPMENT CORP.\*

The Meeting was adjourned at 7:14 p.m.

Se

Attest:

PHARR, TEXAS 1993

*Ricardo Cuellar*

President, Ricardo Cuellar

*Noel De Leon*

Secretary, Noel De Leon

PHARR HC