

**LAND ASSEMBLAGE REDEVELOPMENT AUTHORITY
MINUTES OF THE BOARD OF DIRECTORS MEETING
HOUSTON, TEXAS**

October 27, 2017

A meeting of the Board of Directors ("Board") of the Land Assemblage Redevelopment Authority ("LARA" or the "Authority"), a Texas non-profit corporation created and organized by the City of Houston as a local government corporation pursuant to the Texas Transportation Code Annotated, Section 431.101, *et seq.*, and the Texas Local Government Code Annotated, Section 394.001 *et seq.*, was held in the City of Houston Housing and Community Development Department, 601 Sawyer St., 1st Floor Conference Room, Houston, Texas 77007, on Friday, October 27, 2017 at 2:00 p.m. Written notice of the meeting, which included the date, hour, place and agenda for the meeting, was posted in accordance with the Texas Open Meetings Act.

Board members in attendance were:

Nicholas Hall	Curtis Lampley
Pastor Steve Hall	David Collins
Vincent Marquéz	Dallas Jones
Matt Zeis	Stephan Fairfield
Michael Lactson	

Board members absent were Antoinette Jackson, Pastor Isaac Matthews, and Carol Galloway.

Others in attendance included: Chris Butler of the City of Houston; Yvonne Cantu of the City of Houston Housing and Community Development Department; Greg Erwin and Mark Glanowski (Paralegal) of Winstead PC, outside legal counsel for the Authority; Gracie Saenz, attorney for the Authority; Jenn Char, President of the Authority; Steve Tinnermon, Advisor to the Authority; and Brian White of STR Grants LLC.

I. Call to Order

Chairman Nicholas Hall called the meeting to order at 2:06 p.m. A roll call of the Board members in attendance immediately followed. He noted that a quorum of the Board was present.

II. Review of Minutes of Previous Meeting

Chairman Nicholas Hall asked if there were any questions and/or comments with regard to the minutes prepared and previously circulated for the Board of Directors and Executive Committee meetings held on September 8, 2017. Mr. Zeis requested that the Financial Report be revised to reflect that the General Fund had total net assets of \$2,608,444 consisting of restricted and unrestricted assets. Mr. Zeis then made a motion to approve the minutes as amended, which motion was duly seconded by Pastor Hall and passed by the unanimous vote of the Board.

III. Public Comments

Davis Willis and Jonathan Broussard of Preeminent Homes LLC addressed the Board with regard to the application for a lot acquisition contract submitted but which was not approved. Mr. Willis stated that their meeting with the Builder Selection Committee had to be re-scheduled and are attending today's Board meeting to better understand what is required to obtain approval of its application. Mr. Lampley stated that the Builder Selection Committee will schedule a meeting to discuss the items needed with regard to financial information and prior construction experience to meet the LARA requirements.

Next, Eugene Hamilton of the New Covenant Church of God and Christ addressed the Board to inquire if the lot at 4401 Liberty Road is available for purchase as it is needed for the church which is located at 2920 Wayne Street. The Board explained to Mr. Hamilton that it will need to determine which funds were used by LARA to acquire the subject lot because certain funds include restrictions which prevent the lot from being used for any purpose other than affordable housing. The Board will investigate the funds used to acquire this lot and inform Mr. Hamilton of its findings as soon as possible.

IV. President's Report

Jenn Char presented her first report to the Board and stated that she has already met with the Houston Housing Department which is excited for LARA to begin developing its policies and procedures to work with the City on strategic acquisitions. She noted that funding was also discussed and at this time funds from the Housing Department will be granted on a reimbursement basis. Ms. Char attended a Complete Communities meeting in Acres Homes which included Mayor Turner and organizations for community development. She also toured several LARA owned lots in the Acres Homes area and photographed certain lots which have City code violations with the Department of Neighborhoods. Chairman Hall noted that some lots are being used as dump sites and one lot in particular had approximately 300 old tires on it.

Ms. Char then stated she was pleased that the LARA owned lots are located near mass transit systems for residents to use for work and shopping. She stated she will meet with those Board members she has not yet meet to assess the direction they want LARA to take.

Mr. Marquéz asked Ms. Char to give her assessment of the position of the Houston Housing Department with regard to funding. Ms. Char stated that the Housing Department is committed to reimbursement of the funds to be granted to LARA which is not the desirable option. Chairman Hall noted that once LARA's current funds in its lot acquisition account is depleted then no further land acquisitions can be made. He further stated that LARA will need to prepare a budget and policies and procedures for the acquisition and disposition of land. The Board then thanked Ms. Char for her report.

V. Committee Reports

(a) Finance Committee's Report regarding the current financial status of the Authority

Mr. Zeis stated that the Finance Committee met yesterday and stated that as of October 26, 2017 the cash value of restricted and unrestricted assets in the General Fund is \$2,292,909, the balance in the Sewer and Water Tap program is \$100,000, the balance in the CDC program is \$100,000, and the fund balance in the Marketing Account is \$481,831. Also, \$305.76 in interest was earned. Mr. Marquéz again inquired about using sweep accounts. Mr. Zeis stated that this will need to be investigated with the City.

(b) Builder Committee's Report regarding recent construction activity, approved builder comments, and new builder applications

Mr. Lampley reported that the Building Selection Committee met on October 19, 2017 to examine the applications submitted by several builders. He stated that the application along with the financial statement and construction history submitted by Houston Business Development, Inc. was reviewed and found to be sufficient; therefore, the Builder Selection Committee recommends approval of the application submitted by Houston Business Development, Inc.

VI. Chairman's Comments

Nicholas Hall informed the Board that securing funding and developing policies and procedures for land acquisitions need to be addressed as soon as possible. He also noted that during discussions with the City concerning Agenda item VIII related to forested lots that the City's contractor bid less per lot than LARA's contractors and can clear the forested lots sooner.

VII. Discussion, consideration, and possible action to approve the following purchase and sale agreements to builders:

(a) Ratification of a LARA lot acquisition contract to Burghli Homes under Contract #100917-01 in Acres Homes for construction of new affordable housing under the \$1 Lot Program

Mr. Lampley made a motion to ratify the lot acquisition contract with Burghli Homes, which motion was duly seconded by Mr. Marquez and passed by the unanimous vote of the Board.

(b) Ratification of a LARA lot acquisition contract to HAUCDC under Contract #100917-03 in Acres Homes for construction of new affordable housing under the \$1 Lot Program

Mr. Lampley made a motion to ratify the lot acquisition contract with HAUCDC, which motion was duly seconded by Mr. Marquez and passed by the unanimous vote of the Board.

- (c) **Ratification of a LARA lot acquisition contract to The Odd Group under Contract #100917-05 in Acres Homes for construction of new affordable housing under the \$1 Lot Program**

Mr. Lampley made a motion to ratify the lot acquisition contract with The Odd Group, which motion was duly seconded by Mr. Marquez and passed by the unanimous vote of the Board.

- (d) **Ratification of a LARA lot acquisition contract to BRH under Contract #100917-06 in Denver Harbor for construction of new affordable housing under the STD Lot Program**

Mr. Lampley made a motion to ratify the lot acquisition contract with BRH, which motion was duly seconded by Mr. Marquez and passed by the unanimous vote of the Board.

- (e) **Ratification of a LARA lot acquisition contract to ColeKlein Builders under Contract #100917-07 in Sunnyside for construction of new affordable housing under the \$1 Lot Program**

Mr. Lampley made a motion to ratify the lot acquisition contract with ColeKlein Builders, which motion was duly seconded by Mr. Marquez and passed by the unanimous vote of the Board.

- (f) **Ratification of a LARA lot acquisition contract to SEKA Investments LLC under Contract #100917-08 in Trinity Gardens for construction of new affordable housing under the STD Lot Program**

Mr. Lampley made a motion to ratify the lot acquisition contract with SEKA Investments LLC, which motion was duly seconded by Mr. Marquez and passed by the unanimous vote of the Board.

- (g) **Ratification of a LARA lot acquisition contract to Mayberry Homes under Contract #100917-09 in Fifth Ward for construction of new affordable housing under the \$1 Lot Program**

Mr. Lampley made a motion to ratify the lot acquisition contract with Mayberry Homes, which motion was duly seconded by Mr. Marquez and passed by the unanimous vote of the Board.

- (h) **Award of a LARA contract to Houston Business Development, Inc. under Contract #102417-01 in Acres Homes for construction of new affordable housing under the \$1 Lot Program**

Pastor Hall made a motion to approve the contract with Houston Business Development, Inc. with regard to Contract #102417-01, which motion was seconded by Mr. Lampley and passed by the unanimous vote of the Board.

VIII. Discussion, consideration, and possible action to ratify an agreement with R Squared Land Services to clear LARA owned properties that are densely forested

Chairman Nicholas Hall informed the Board that approximately 14 LARA owned lots were found to be in unsatisfactory condition due to overgrowth and trash. The City Neighborhoods Department was contacted which recommended its contractor R Squared Land Services to clear the densely forested lots. Mr. Lampley expressed concern with regard to LARA's two current maintenance contractors and LARA's inventory system as to the conditions found at these 14 lots. Chairman Hall stated that the Houston Housing Director investigated the condition of the LARA owned lots which led to the discovery of the conditions at these lots. LARA's current maintenance vendors cannot immediately address these lots and the cost would be greater than the quote from R Squared Land Services. Mr. Collins asked if these densely forested lots were on the list of lots to be maintained by LARA's contractors. Chairman Hall responded that this will need to be confirmed with the lot maintenance records. Mr. Collins said he would approve contracting with R Squared Land Services subject to confirmation that these lots were not on the list of lots to be maintained by LARA's maintenance contractors. If these densely forested lots were not on LARA's maintenance contractors' list, then LARA must act quickly to clear these lots of trees and trash. Mr. Tinnermon stated that historically, the City Planning Department monitored the lot cutting program and photographs had to be submitted and date stamped. Mr. Zeis explained that no photo evidence for a lot cutting would mean the contractor would not be paid for that lot. LARA is now in receipt of City code violations for the subject fourteen lots. Chairman Hall asked Brian White if there is software available to track the maintenance of the lots so City code violations are not incurred. Mr. White stated that there is software available that can handle look back audits as well as tracking services and maintenance. The software can be programmed to share data from the City's code violation database as to the status of LARA's lots.

Mr. Zeis made a motion to ratify an agreement with R Squared Land Services to clear the subject densely forested lots, which motion was duly seconded by Mr. Marqu ez and passed by the unanimous vote of the Board.

IX. Auction Update Report by Linebarger, Goggan, Blair & Sampson, LLP – October 2017

No representative of Linebarger, Goggan, Blair & Sampson, LLP was present at this meeting.

X. Board Member Comments

Nothing to report.

XI. Adjournment

Chairman Nicholas Hall asked if there were any additional matters to be considered by the Board. Hearing none, the Board meeting was then adjourned at 3:05 p.m.

Minutes Prepared By:
Mark Glanowski of Winstead PC and
Graciela Saenz of Saenz & Burkhardt, P.L.L.C.

Signed on the _____ day of _____, 2017.

President