



BOARD OF DIRECTORS REGULAR MEETING

December 14, 2023

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BOARD OF DIRECTORS REGULAR MEETING
AGENDA

Thursday, December 14, 2023 – Noon Central
Time

United Way of Greater Houston

50 Waugh Drive, Houston, Texas 77007

The meeting will be in person and open to the public but restrictions regarding masks, allowable room capacity, and seating arrangements may be in place.

The public meeting location will be at the United Way Greater Houston 50 Waugh Drive, Houston, Texas 77007. The Board Chair, as presiding officer of the Board, will be physically present; Board members will also be physically present.

Please contact info@houstonlandbank.org or call us at 281-655-4600 with any questions.

AGENDA

- I. Call to Order and Roll Call
- II. Public Speakers & Registered Attendees

Speakers must be registered by 5 p.m. on Wednesday, December 14, 2023. To register, please use the online form at www.houstonlandbank.org/resources, e-mail info@houstonlandbank.org or call 281-655-4600. The Chair will call on speakers and allow three minutes per speaker.
- III. Consideration and Adoption of Meeting Minutes
 - a. October 12, 2023 Board Meeting
- IV. Chairman's Greeting: Matt Zeis
- V. Committee Reports:
 - a. Executive Committee: Matt Zeis, Chair
 - b. Finance Committee: Laurie Vignaud, Chair
 - c. Partnership and Program Development: Commissioner Janae Ladet, Chair
 - d. Real Estate Acquisition and Disposition: Victor Mondragón, Chair
 - e. Procurement and Oversight: Jesus DeAnda, Chair
- VI. President's Annual Report Discussion: Christa Stoneham, CEO/President
- VII. Board Action Items
 - a. Consideration and Possible Action to Authorize the CEO/President to Execute the Final Purchase Contract for the land acquisition of private owners in Trinity/Houston Gardens.
 - b. Consideration and Possible Action for Authorize the CEO/President of Houston Land Bank

- to accept \$800,000.00 under the Pre-Development Agreement with the City of Houston for the Velasco Incinerator Site environmental remediation and redevelopment project.
- c. Consideration and Possible Action for Authorize the Houston Land Bank to accept and approve the Interlocal Agreement with the City of Houston for the Fifth Ward Relocation Program.
 - d. Consideration and Possible Action to Authorize the Houston Land Bank to approve the HLB Builder, L.I.Z Enterprise's Sales Price Increase Request from the original price of \$180,000.00 to \$190,000.00.
 - e. Consideration and Possible Action to execute a change order of \$31,276.52 for Community Lattice for EPA Brownfield Program.
 - f. Consideration and Possible Action to Authorize the CEO/President to Expend \$35,000 of the Velasco Predevelopment Support for Grant writing and Environmental Insurance Consulting.

VIII. Executive Session

NOTE: The Houston Land Bank Board may go into executive session, if necessary, pursuant to Chapter 551 of the Texas Government Code, for one or more of the following reasons: (1) consultation with its legal counsel to seek or receive legal advice or consultation regarding pending or contemplated litigation; (2) discussion about the value or transfer of real property; (3) discussion about a prospective gift or donation; (4) consideration of specific personnel matters; (5) discussion about security personnel or devices; or (6) discussion of certain economic development matters. The Board may announce that it will go into executive session on any item listed on this agenda if the subject matter is permitted for a closed session by provisions of Chapter 551 of the Texas Government Code.

Discussion may occur in executive session as provided by State law, but all Board actions will be taken in public.

IX. Board Member Comments

X. Adjournment

P.O. Box 131106, Houston, Texas 77219
281.655.4600

houstonlandbank.org

**HOUSTON LAND BANK
MINUTES OF THE BOARD OF DIRECTORS REGULAR MEETING
HOUSTON, TEXAS**

October 12, 2023

A regular meeting of the Board of Directors ("Board") of the Houston Land Bank ("HLB"), 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 at 50 Waugh Drive, Houston, Texas, on Thursday, October 12, 2023 at 12:00 p.m. Written notice of the regular meeting, which included the date, hour, place and agenda for the regular meeting, was posted in accordance with the Texas Open Meetings Act.

Board members in attendance were:

Elaine Morales	Danielle Keys Bess
David Collins	Marilyn Muguerza
Tonzaino Bailey	Chrishelle Palay
Matt Zeis	

Board directors absent were: Jesus DeAnda, Janae Ladet, Antoinette Jackson, Victor A. Mondragón, Dwantrina Russell, and Laurie Vignaud. Others in attendance included: Christa Stoneham, Chief Executive Officer/President of the HLB; Jen Allison, Chief Operations Officer for the HLB; Donald Hughes, Acquisition and Development Director for the HLB; Isai Mendez, Finance Director for the HLB; Mark Glanowski (Paralegal) of Winstead PC, outside legal counsel for the HLB; Lindsey Williams, Director of Community Development for the HLB; Donesha Albrow, Administrative Manager for the HLB; Gracie Saenz, outside legal counsel for the HLB; Charles Keys, Asset and Disposition Manager for the HLB; and Neal Rackleff, attorney with Rackleff LLP; Herbert Green, President for Trinity East Village Community Development Corporation; Mark Nightengale with NHD; and Danielle Getzinger, CEO of Community Lattice.

I. Call to Order and Roll Call

Chairman Zeis called this regular meeting to order at 12:07 p.m. A roll call of the Board members attending in person immediately followed. Chairman Zeis then announced that an in-person quorum of the Board was present for this meeting.

II. Public Speakers

Nothing to report.

III. Consideration and Adoption of Meeting Minutes

a. September 14, 2023 Board Meeting

Chairman Zeis then announced that the minutes for the September 14, 2023 regular meeting of the Board were previously circulated for review and comment. He asked if there were any comments for discussion to such minutes. Hearing none he asked for a motion on the minutes.

Director Bess then made a motion to approve the minutes of the Board meeting held on September 14, 2023, as written, which motion was duly seconded by Director Muguerza and passed with the unanimous vote of the Board.

IV. Chairman's Greeting: Matt Zeis

Chairman Zeis stated that the Trinity East CDC representatives are in attendance today with regard to purchase of several HLB lots needed for a senior housing development, and that he has had discussions with the City of Houston with regard to environmental remediation of the Velasco incinerator site along Buffalo Bayou.

V. Committee Reports:

a. Executive Committee: Matt Zeis, Chair

Chairman Zeis reported that the Executive Committee met last week to discuss the sale of lots to the Trinity East CDC and Velasco incinerator site acquisition matters in detail, and the probable disposition partners for the green space once the incinerator site receives a certificate of compliance from the Texas Commission on Environmental Quality.

b. Finance Committee: Laurie Vignaud, Chair

Mr. Mendez reported that the Finance Committee did not meet this month, however the current financial statement is in the packet provided to the Board last week. Director Collins asked what has happened to Laurie Vignaud. Chairman Zeis responded that she has not yet resigned from the Board.

c. Partnership and Program Development Committee: Janae Ladet, Chair

Chairman Zeis reported that the Partnership Committee did not meet this month.

d. Real Estate Acquisition and Disposition Committee: Victor Mondragón, Chair

Mr. Hughes reported that the READ Committee met last week to discuss the status of the next round of lot sales to take place at the end of the month.

e. Procurement and Oversight Committee: Jesus DeAnda, Chair

Chairman Zeis reported that the Procurement and Oversight Committee did not meet this month.

VI. President's Report: Christa Stoneham, CEO/President

Ms. Stoneham stated that this is the last report of the year as HLB prepares for the new year. She then noted that the rate of non-compliance by the approved home builders is going down. She then announced that HLB has 68 lots which are in various stages of development, however, 42 home builders remain out of compliance with regard to their construction contracts. She then mentioned that the HLB is being recognized for its contributions to brownfields sites in the City of Houston, including piloting the environmental finding tool called "Hidden Gems". The third Juice & Justice meeting was held in September to inform Houston community leaders with the knowledge gained at the National Brownfields Conference that was recently held in Detroit. She further mentioned that Donesha Albrow spoke at the Houston Black Real Estate Association's Lunch and Learn which was focused on "Mastering Affordable Housing."

Chairman Zeis requested Ms. Stoneham to provide a list of the names of the homebuilders who are out of compliance including the number of lots each has for the next meeting.

VII. Board Action Items

- a. **Consideration and Possible Action to Approve and Authorize the CEO/President to Execute Expanded Contract Amount with Community Lattice.**

Chairman Zeis noted that this item was on the Agenda for the September meeting, however since that vote had to be undone with corrected information being provided to the Board during the meeting it was necessary to place this item on the Agenda for today's meeting for clarification purposes. Ms. Stoneham informed the Board that Community Lattice has been assisting HLB with its brownfields inventory, Phase II ESAs, RAPs, Reuse Planning, and Community Outreach. The current contract was recently set at an amount not to exceed the amount of \$127,000.00, however, such funds have now been expended due to the recent increase of Brownfield activities, including community engagement, project management, and grant administration. She stated that the subject contract will now need to be increased to an amount not to exceed \$147,724.60 to establish and authorize specific scopes of work to complete projects and ongoing program support for the HLB's EPA brownfields grant.

Under the current project plan, Community Lattice is focused on target neighborhoods identified in the EPA grant; however, several projects have been identified where Community Lattice is subcontracting for more partnership opportunities to ensure quality control and cost efficiency. Community Lattice is also requesting authorization for a Quality Assurance Project Plan/Field Sampling Plan. Upon approval from EPA, HLB will finalize the budget for field sampling activities. Community Lattice will support HLB with the brownfields' cleanup planning of the city-owned Velasco incinerator site along Buffalo Bayou after the HLB acquires ownership of the site and positions the property for cleanup funding. Brownfields' redevelopment planning assists the HLB to make informed decisions about where to direct scarce resources to benefit the existing community. The services include:

- Community Lattice will complete GIS-based brownfields inventory work, including finalizing the Hidden Gems program, brownfields inventory dashboard, and brownfields inventory story map.
- Community Lattice will continue to provide the HLB with programmatic support services, including quarterly reporting, weekly program meetings, budget recommendations, updates to Work Plans, grant closeout and other management tasks.
- Community Lattice will support the HLB with brownfields cleanup planning of the city-owned Velasco incinerator site when the HLB acquires ownership and positions the property for cleanup funding.
- Community Lattice will work with subcontractors to plan a Phase II Environmental Site Assessment/Site Investigation and prepare a QAPP for authorizing by the EPA. Upon review, scope negotiation, and approval from the HLB and the EPA, the budget for field sampling activities will be finalized.
- Community Lattice will provide support with coordinating community and stakeholder engagement for promoting the brownfield program; communicating the mission of the HLB relative to brownfields acquisition, cleanup, reuse, and related environmental/climate justice initiatives.

Director Morales made a motion to approve the CEO/President of the HLB to execute the revised contract amount with the Community Lattice to an amount not to exceed \$147,724.60, which motion was duly seconded by Director Palay and approved with the unanimous vote of the Board.

b. Consideration and Possible Action for Houston Land Bank to apply for an EPA Clean-up grant.

Ms. Stoneham announced that the HLB is seeking to apply to the U.S. Environmental Protection Agency for a clean-up grant for an amount in the range of between \$2 and \$5 million to fund the remediation of the Velasco incinerator site and enter into the TCEQ clean-up program.

The Velasco incinerator site consists of approximately 4.56 acres of vacant land located near the terminus of North Velasco Street and Buffalo Bayou east of downtown Houston. Chairman Zeis informed the Board that from the 1920s through 1940s, the City of Houston municipal waste incinerator operated on the northern portion of this site, and a second City of Houston incinerator operated on the southern portion of the site from the 1950s to the 1960s. The incinerator site was shut down sometime in the 1970's. As a result, incinerator ash was deposited on the site for approximately 40 years, resulting in the presence of 4 to 35 feet in depth of incinerator ash located below the ground surface of the site.

Chairman Zeis noted that the City of Houston is unable to apply for EPA clean-up funds because it is the original contaminator of the site. After the HLB becomes the owner of the land it will then employ vendors to remove the trees and the illegal dumping found on the site. Then a certain amount of the top soil layer will be removed and disposed of at an approved off-site facility. HLB will then employ a construction vendor to install a clay cap to hold the ash in place along

with a textile liner to prevent any water draining into the ash and preventing movement of the ash into Buffalo Bayou. Chairman Zeis mentioned that HLB will have an insurance policy covering it for civil liabilities in connection with the environmental clean-up process.

Chairman Zeis stated that the future use of the site upon completion of the clean-up will be for a park or green space with trails along Buffalo Bayou. HLB will have an option to transfer the land upon completion of the clean-up and receipt of a Certificate of Completion issued by the Texas Commission on Environmental Quality. Being a member in the TCEQ's VCP program will protect the HLB against regulatory liabilities from the state of Texas. In the short term, Chairman Zeis stated that this project will provide more work for the HLB, and in the long range will provide another green space for the City's residents.

Due to the environmental complexities of the contaminated site and the lack of funding, the City of Houston has been unable to remediate this site or redevelop the land for community benefit. However, in partnership with various brownfields redevelopment programs at the City, the City proposes transferring ownership of the land to the HLB at no cost, which will commit to rehabilitating the site into productive reuse for the Second Ward and greater East End community.

The Velasco incinerator site represents an important opportunity to not only address environmental contamination but also transform it into a community asset. A recent feasibility analysis has provided crucial insights, indicating that the total cost of remediating this site is estimated to be between \$4-5 million. The contamination from the former incinerator operation is extensive, with an approximate depth of 35 feet of incinerator ash below the surface of the site. The ash contains elevated levels of heavy metals, petroleum hydrocarbons, dioxins, and PCBs, which pose significant risks to both the environment and public health. Ms. Getzinger stated that the cost to actually remove the ash deposits off the site would be in the vicinity of \$20,000,000. She noted that once the clay cap is in place no structures would be permitted on the site. Future uses would only include a park or green space.

Upon approval by the Board, HLB will apply for US EPA funds to transform the Velasco incinerator site into a public park or green space to be closely aligned with the East Sector Master Plan. Revitalizing this site will create a sustainable and inclusive community asset and therein enhance the quality of life for the residents of the surrounding communities. Director Collins asked what are the current land uses around this site. Chairman Zeis responded that to the south is a multi-family development constructed by the Houston Housing Authority, to the east is a railroad right-of-way, and a park created by the Buffalo Bayou Partnership to the north. Also, he mentioned that Berry Street will be maintained for traffic from the multi-family apartments to access North Velasco Street.

Director Morales noted that this site was once included in a competition years ago called the C-40. Ms. Stoneham stated that this site was not successful because the due diligence was not completed in advance, the site was not structurally sound, and the cost to remove the ash would cost \$20 Million. The Sunnyside landfill was also part of the C-40 competition and was successful. She also mentioned that air quality issues will be addressed during construction of the clay cap.

Director Murguerza made a motion for HLB to apply for an EPA clean-up grant, which motion was duly seconded by Director Bess and passed with the majority vote of the Board.

10.c. Consideration and Possible Action for Houston Land Bank to apply for an EPA Community-Wide Assessment grant.

Ms. Stoneham stated that the HLB is seeking to apply for an EPA Community-Wide Assessment grant for \$500,000 targeting the Settegast/East Houston, East End, Kashmere Gardens, and possibly one additional neighborhood, such as Acres Homes. This funding will be used to support more projects similar to the Yellow Cab site with environmental site assessment and reuse planning activities. This will be the same type of grant the HLB received from the US EPA in 2021.

The proposed utilization of the \$500,000 grant will be two-fold. First, the HLB will allocate a substantial portion of the funding towards environmental site assessment activities in the specified communities to ensure that these communities have access to accurate information regarding their environmental conditions.

Second, a significant portion of the grant will then be directed toward reuse planning activities. This phase is essential for envisioning and implementing sustainable land reuse strategies that align with the aspirations and needs of the communities involved.

Director Palay made a motion to apply for an EPA Community-Wide Assessment grant in the amount of \$500,000.00, which motion was duly seconded by Director Morales and passed with the unanimous vote of the Board.

10.d. Consideration and Possible Action for Authorize the CEO/President of Houston Land Bank to execute a Land Banking Agreement with the City of Houston for the transfer of ownership of the Velasco Incinerator Site for environmental remediation and redevelopment.

Ms. Stoneham announced that the proposed Land Banking Agreement is a collaborative effort between the City of Houston and the Houston Land Bank, with the primary objective of facilitating the transfer of the Velasco incinerator site for environmental remediation and redevelopment through the Texas Commission on Environmental Quality's Voluntary Cleanup Program (TCEQ VCP). The Land Banking Agreement will be on the Houston City Council meeting agenda next week.

The Velasco incinerator site has long been a symbol of environmental neglect in Houston for over 50 years. The HLB, as a steward of the community's well-being, wishes to address the environmental contamination associated with this site while simultaneously creating opportunities for economic development and community improvement.

Under the proposed agreement the HLB will be provided a period of five years to actively pursue grant funding for the cleanup and remediation costs of the Velasco incinerator site. This timeline reflects HLB's commitment to responsible land stewardship, environmental sustainability, and due diligence in securing the necessary resources for this project. The City of Houston, in turn, will be responsible for the maintaining and insuring the site throughout the cleanup period. Additionally, the HLB will be applying to the TCEQ's VCP program.

While the Land Banking Agreement is a significant step toward realizing HLB's mission for activating vacant and dilapidated sites into productive uses, a separate agreement detailing the terms of redevelopment will be arranged and subsequently presented to the Board for thorough review and approval once HLB has gained acceptance into the TECQ VCP program.

Director Collins asked who will do the clean-up. Chairman Zeis responded that the HLB will procure an environmental company to handle the clean-up at a later date. Director Collins then asked what the HLB can build on the site. Chairman Zeis answered that nothing can be built on the site other than a park or green space.

Director Bess made a motion to enter into a Land Banking Agreement with the City of Houston to transfer the ownership of the Velasco incinerator site land to the HLB for environmental remediation and redevelopment, which motion was duly seconded by Director Mugerza and passed with the unanimous vote of the Board.

10.e. Consideration and Possible Action for Authorize the CEO/President of Houston Land Bank to execute an option purchase agreement with the Trinity East Village CDC and the NHP Foundation.

Ms. Stoneham announced that the approval of this Agenda item will authorize the HLB to renew a previous option to purchase agreement between the Trinity East Village CDC/ NHP Foundation and the HLB in 2019. The previous agreement was not signed by the HLB in 2019, therefore the parties wish to renew and execute a new option to purchase agreement.

Mr. Rackleff informed the Board that Trinity East Village CDC and the NHP Foundation have been working together since 2019 to build 72 apartment homes for seniors and families on land owned by Trinity East United Methodist Church at Live Oak and McGowen Streets. These apartment homes will provide Third Ward residents facing displacement due to gentrification and the redevelopment of Cuney Homes remain in their neighborhood. Seven lots in the project area are owned by the Houston Land Bank, and several lots are owned by the Midtown Redevelopment Authority. Mr. Rackleff explained that the construction costs for this project will be much greater if the HLB lots are not included in the project. He also understood that the HLB has a heavy emphasis on single family houses. Director Collins asked when the 7 lots were purchased by the HLB and how much was paid for them. Ms. Stoneham noted that the HLB will receive consideration for its lots and that HLB's prior leadership purchased these lots to support this project. Chairman Zeis stated that the HLB will receive the greater of the current fair market value of each lot or its acquisition costs and its holding costs since the acquisitions.

Mr. Green, a former Director of Single-Family Housing with Housing and Urban Development, stated that Trinity East Village CDC has had discussions with the leadership of the City's Housing and Community Development Department and the HLB about earmarking these lots for affordable rental development and transferring the lots to the Trinity East Village CDC. With the Harris County Finance Corporation tax exempt bond lottery ending October 19, 2023, there is now renewed interest in this project by Harris County, the Houston Housing Authority, and the Rice Management Company. From the outset, the proposed development has received widespread support among Third Ward community groups and residents. Organizations from the Third Ward Super Neighborhood to the Emancipation Economic Development Council have

submitted letters of support for this development. In addition to the community support, the City of Houston Housing and Community Development has voiced no objection to this request. Director Bess asked how will the tenants for these senior apartments be sourced and what is the make-up of the units. Mr. Rackleff answered that there will be 7 studio units at 30% AMI, 7 one-bedroom units at 30% AMI, 4 studio units at 60% AMI, and 57 one-bedroom units at 60% AMI.

Mr. Green noted that the balance of the land will be for family affordable housing when additional funding is available.

Director Bess made a motion to authorize the CEO/President of the Houston Land Bank to execute an option purchase agreement with the Trinity East Village CDC and the NHP Foundation, which motion was duly seconded by Director Muguerza and passed with the unanimous vote of the Board.

10.f. Consideration and Possible Action to Adopt Updates to Houston Land Bank Board Policies.

Ms. Stoneham announced that approval of this item will update and amend HLB policies with regard to governing activities, including property acquisition and disposition, compliance with state land banking legislation, City of Houston governance, and financial management, including budget policies.

HLB's current policies were adopted on February 10, 2022 and are reviewed at least annually by the Board and HLB staff. Proposed updates were presented for information purposes at the HLB Board Retreat/Workshop held May 2023 and discussed in various committee meetings throughout the year. Additionally, HLB staff meet with HLB Director Christa Stoneham to discuss any needed or suggested updates. Ms. Stoneham noted that the policy changes are minimal.

The updated proposed HLB policies include the enabling authority as approved by the Board of Directors on September 14, 2023, the inclusion of private mission-aligned for-profit entities for land banking, and updated budget policies required by the City of Houston. A red-lined version of the updated HLB Board policies was furnished to the Board for examination.

Director Palay made a motion to adopt the requested updates to the HLB Board policies, which motion was duly seconded by Director Bess and passed with the unanimous vote of the Board.

10.g. Consideration and Possible Action for Authorization to Approve the 2023-2025 Houston Land Bank Recommended Rehab/Reconstructions Service Builders. Approval of this action item would officially induct these builders into the standing Houston Land Bank Approved Builder List: Fifth Ward CRC, Jimmy Nathan Zarate LLC, New Community Construction, and Titanium Group.

Ms. Stoneham stated that approval of this item will accept the READ Committee's recommended selection of the Rehab/Reconstruction service builders for 2023-2025 and officially induct each of these builders into the approved builders list. She noted that this matter is a continuation from the agenda item at last month's meeting.

Director Muguerza made a motion to approve the 2023-2025 recommended Rehab/Reconstruction Service Builders, which motion was duly seconded by Director Bess and passed with the unanimous vote of the Board.

10.h. Consideration and Possible Action to Adopt the Houston Land Bank FY2023 Financial External Audit.

Mr. Mendez reported that the annual financial external audit was conducted by A. Bricks Coggin CPA, PLLS and submitted to the Board for examination. He noted that due to a scheduling conflict the auditor was not able to attend today's meeting. The financial report for Fiscal Year 2023 found no significant matters, findings or issues in connection with the audit.

Director Bailey made a motion to adopt the Fiscal Year 2023 financial external audit, which motion was duly seconded by Director Muguerza and passed with the unanimous vote of the Board.

VIII. Executive Session

Nothing to report.

IX. Board Member Comments

Nothing to report.

X. Adjournment

Chairman Zeis asked if there were any additional matters to be discussed or considered by the Board. Hearing none, this regular Board meeting then adjourned at 1:00 p.m. upon the motion of Director Bailey which was duly seconded by Director Bess and passed with the unanimous vote of the Board.

Minutes Prepared By:

Mark Glanowski (Paralegal) of Winstead PC and
Graciela Saenz of Law Offices of Graciela Saenz, PLLC

Signed on the ____ day of _____, 2023.

Secretary

Houston Land Bank
Balance Sheet
As of October 31, 2023

	Total
ASSETS	
Current Assets	
Bank Accounts	
10100 Chase - Operating 8465	144,569
10200 UNB - Operating MM 4992	167,339
10300 Chase - Lot Acquisition MM 7058	1,051,014
10400 Chase - Unrestricted MM 7066	2,903,145
10500 Chase - Unrestricted Reserve 5577	18,257
10600 Susser Bank - MM 7878	250,531
10700 Susser Bank - Savings Sweep 78781	56,527
10800 Petty Cash	13
Total Bank Accounts	\$ 4,591,394
Accounts Receivable	
12100 Accts Receivable	1,458,044
Total Accounts Receivable	\$ 1,458,044
Other Current Assets	
Prepaid Expenses	
14100 Prepaid Acquisition Costs	5,500
14200 Prepaid Insurance	18,959
14300 Prepaid Rent	3,689
14400 Prepaid Security Deposit	4,689
14500 Prepaid Subscription Services	8,359
Total Prepaid Expenses	\$ 41,195
Total Other Current Assets	\$ 41,195
Total Current Assets	\$ 6,090,633
Fixed Assets	
15100 Equipment	14,665
15900 Accum. Depreciation	-11,051
Total Fixed Assets	\$ 3,614
Other Assets	
16100 Earnest Fee	129,100
16200 Lease Asset	67,042
Total 17100 Investments Held For Sale	\$ 9,694,767
Total Other Assets	\$ 9,890,909
TOTAL ASSETS	\$ 15,985,157
LIABILITIES AND EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	

Houston Land Bank
Balance Sheet
As of October 31, 2023

	Total
20100 Accounts Payable	77,914
Total Accounts Payable	\$ 77,914
Other Current Liabilities	
21100 Liabilities Due to HCDD	1,047,363
21300 Payroll Liability	33,772
21301 Retirement Liability	768
21400 Liabilities Due to HLB Fund	3,000
21600 Lease Liability - Current	44,171
Total Other Current Liabilities	\$ 1,129,074
Total Current Liabilities	\$ 1,206,989
Long-Term Liabilities	
22600 Lease Liability - Noncurrent	22,871
Total Long-Term Liabilities	\$ 22,871
Total Liabilities	\$ 1,229,859
Equity	
30100 Unrestrict (retained earnings)	14,565,343
Net Income	189,954
Total Equity	\$ 14,755,297
TOTAL LIABILITIES AND EQUITY	\$ 15,985,157

Houston Land Bank
Profit and Loss
July - October, 2023

	Total
Income	
40100 Acquisition and Development Agreement	235,541
40200 Administrative Fees	22,500
40400 Operations Agreement	609,801
40500 Outside Sources Contributions	288,258
Total Income	\$ 1,156,100
Gross Profit	\$ 1,156,100
Expenses	
60100 Salaries and Fringe	328,671
60200 Legal Fees	45,236
60300 Professional Services	353,973
60400 Property Cost - Lot Maintenance	115,615
60500 Software and Subscriptions	14,130
60600 Rent Expense	16,449
60800 Bank Fees	4,733
60900 Conference and Meetings	1,040
61000 Depreciation Expense	978
61200 Insurance	12,700
61400 Office Expense	4,169
61500 Phone and Internet	2,326
61600 Training and Development	580
61700 Travel Expense	9,101
62200 Property Cost Disposition - HLB Traditional	36,351
63200 Property Cost Disposition - NHDP	43,099
Total Expenses	\$ 989,150
Net Operating Income	\$ 166,950
Other Income	
70100 Interest Income	23,005
Total Other Income	\$ 23,005
Net Other Income	\$ 23,005
Net Income	\$ 189,954



REQUEST FOR BOARD ACTION

Meeting Date: December 14, 2023

Agenda Item: VII.a Consideration and Possible Action to Approve the Purchase of Land from Private Owners in Trinity/Houston Gardens.

ACTION SUMMARY

Approval of this item will authorize the Houston Land Bank (HLB) to purchase land from private owners in Trinity/Houston Gardens, which measures a total of 40,854 sq. ft. in the amount of \$400,000.00. The purpose of acquiring larger properties is to replat or subdivide as necessary to maintain affordability in neighborhoods experiencing significant increases in the per-square-foot cost for residential lots.

BACKGROUND/OVERVIEW

The purchase of this property aligns with Houston Land Bank's mission to address the need for affordable housing. With Board approval, Houston Land Bank can expand its expertise and resources to develop additional affordable housing units that meet the need of the citizens of Houston. This strategic approach will allow us to create more affordable housing units while addressing rising property costs.

By acquiring larger parcels and implementing replating or subdivision strategies, Houston Land Bank can optimize land use and maximize the number of affordable housing units while simultaneously contributing to the mission of preservation of affordable housing stock and help prevent the displacement of low-income residents.

Property Information:

Neighborhood: Trinity Gardens

Parcel Size: 40,854 SF



REQUEST FOR BOARD ACTION

Meeting Date: December 14, 2023

Agenda Item: VII. b: Consideration and Possible Action to accept \$800,000 from the City of Houston for the predevelopment of the former Velasco Incinerator Site

ACTION SUMMARY

The \$800,000 funding allocation will initiate essential pre-development activities, ensuring a successful and impactful transformation of the Velasco Incinerator site. The predevelopment funds are a critical step toward achieving our goals, ensuring compliance with environmental regulations, and fostering positive community impact.

BACKGROUND/OVERVIEW

The Velasco Incinerator Site has long been a symbol of environmental degradation and neglect in our city for over 50 years. It is incumbent upon us, as stewards of our community's well-being, to address the environmental concerns associated with this site while simultaneously creating opportunities for economic development and community improvement. The Board previously approved a five-year land banking agreement of the site and the submittal of an EPA clean-up grant for the remediation of the site.

Houston Land Bank will be granted a period of five years to actively pursue grant funding for the cleanup and remediation of the Velasco Incinerator Site. This timeline reflects our commitment to responsible land stewardship, environmental sustainability, and due diligence in securing the necessary resources for this transformative project. The City of Houston, in turn, will shoulder the crucial responsibilities of maintaining and insuring the site throughout this period.

The requested funding will be directed towards the following key areas:

- **Grant Writing:** Securing necessary funding from the U.S. EPA for the project, enhancing our ability to pursue additional financial support.
- **Site Clearing for Safety & Access:** Specialized site clearing is essential for safety, environmental assessments, and deterring unauthorized access and illegal dumping.
- **Regulatory Compliance:** Ensuring the project meets regulatory requirements, enabling the Houston Land Bank to retain property ownership and manage the cleanup process.
- **Continuous Community Engagement:** Supporting ongoing community engagement efforts, ensuring project progress aligns with community expectations and needs.
- **Environmental Insurance:** Funding for an insurance policy to safeguard against unforeseen costs related to environmental remediation.
- **Administrative Costs:** Covering indirect and administrative costs of staff dedicated to the Velasco Incinerator project and necessary consultants for one year.

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REQUEST FOR BOARD ACTION

Meeting Date: December 14, 2023

Agenda Item: VII. c: Consideration and Possible Action to accept \$2,000,000 and role as “master developer” for Fifth Ward Relocation Program homeowners.

ACTION SUMMARY

The City of Houston, through Ordinance No. 803, established the Fifth Ward Voluntary Relocation Fund to support the voluntary relocation of residents within an area contaminated with a creosote plume. The fund, totaling \$5,000,000, aims to facilitate the relocation of both homeowners and tenants. Houston Land Bank (HLB) plays a crucial role as the Master Developer, particularly for homeowners opting to purchase a Land Bank Lot. HLB may receive up to \$2,000,000 from the Program Fund for assisting Relocating Homeowners.

BACKGROUND/OVERVIEW

The Houston Land Bank (“HLB”) will work alongside the City of Houston (“City”) to provide newly constructed homes to homeowners choosing to utilize the Fifth Ward Voluntary Relocation Program (“Program”) established by the City. This collaboration aims to support Relocating Homeowners within the 5th Ward community facing environmental and health impacts due to their Prior Home location to obtain a newly constructed Land Bank Home comparable in size and appraised value to the Prior Home amid the current housing crisis resulting in a lack of affordable housing and the ongoing displacement of minority and lower-income residents due to rapidly rising housing costs. Through this Program, HLB will:

- Act as the master developer to facilitate and oversee the land selection, Land Bank Home design, and entire construction process of Land Bank Homes for Relocating Homeowners within the identified relocation zone.
- Leverage existing HLB land holdings to provide opportunities for new home construction, allowing Relocating Homeowners the opportunity to remain connected to their existing communities.
- Work with the City and the City's retained case manager to support the goals and objectives of the Program, including the provision of all relative information, reports, and site access as stated in this agreement.
- Facilitate necessary assistance, resources, and support to HLB contractors in the construction of Land Bank Homes on HLB available land inventory deemed environmentally clear, comparable to Prior Home size and appraised value to achieve a smooth transition process for Relocating Homeowner.
- Provide necessary and effective community engagement and awareness initiatives relative to HLB processes and scope related to this Program to enhance the quality of life for Relocating Homeowners and all Houstonians.

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REQUEST FOR BOARD ACTION

Meeting Date: December 14, 2023

Agenda Item VII: d. Consideration and Possible Action to Authorize the Houston Land Bank to approve the HLB Builder, L.I.Z Enterprise's Sale Price Increase Request from the original price of \$180,000.00 to \$190,000.00.

ACTION SUMMARY

Approval of this item will authorize staff to amend existing contracts to reflect the recommended sales prices for L.I.Z Enterprises. This application has been reviewed, analyzed, and recommended by both READ and Executive Committees.

BACKGROUND/OVERVIEW

Given the continued material and labor inflation in Houston, L.I.Z Enterprises, a HLB approved builder has requested sales price increases for 7934 Sparta, 7938 Sparta, 7942 Sparta, 7946 Sparta in the Settegast Community. These homes were sold to L.I.Z Enterprises on 02/02/2022 for \$6500.00 each, with a maximum sales price of \$180,000 (\$120/SF). L.I.Z Enterprises, initially submitted a price increase in the amount of \$200,000 @1491 SF (\$134/SF) but was denied as pricing was out of alignment with the maximum sales for that neighborhood and the READ committee requested an update on the construction status of the homes to reconsider the price increase. After staff performed a site visit to confirm the construction status and quality check, the sales price increase was resubmitted for reconsideration. The READ Committee considered this subsequent request and approved a sales price increase in the amount of \$190,000 @1491 SF (\$127/SF) per home which was aligned with the maximum sales price in that area.

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REQUEST FOR BOARD ACTION

Meeting Date: December 14, 2023

Agenda Item: VII:e Consideration and Possible Action to execute a change order of \$31,276.52 for Community Lattice for EPA Brownfield Program

ACTION SUMMARY

Community Lattice is assisting HLB with Brownfields Inventory, Phase II ESAs, RAPs, Reuse Planning, and Community Outreach. The current contract has a not to exceed the amount of \$147,724.60 however, additional testing was required and the scope expanded after Board approval. With HLB Board approval, the contract will be increased not to exceed the amount of \$31,276.52 to pay for work that was completed as a result of the expanded scope and testing.

BACKGROUND/OVERVIEW

Under the current work plan, Community Lattice is focused on target neighborhoods identified in the EPA grant; however, several projects have been identified where Community Lattice is subcontracting for more partnership opportunities to ensure quality control and cost efficiency. Community Lattice is requesting authorization for a Quality Assurance Project Plan/Field Sampling Plan. Upon approval from EPA, we will finalize the budget for field sampling activities.

1. Soil and Groundwater Analysis: \$21,918.10

Due to findings during field activities and analytical results, it became necessary to conduct additional analysis on soil and groundwater samples. The time-sensitive nature of this additional analysis was due to the "hold times" required by the Texas Commission of Environmental Quality regulations and guidance. These samples are in compliance with the Site Sampling and Quality Assurance Project Plan approved by the EPA in September 2023. It is important to note that Community Lattice has waived the standard 10% markup for this service.

2. Community Engagement - Task 4: \$9,358.42

Community Lattice has been asked to coordinate two events that require additional effort beyond the original scope of work and the proposed budget from September 2023. This proposed change order is well within the EPA Work Plan budget and, once expended, will successfully fulfill our obligations under HLB's FY21 EPA grant for community engagement.



3302 Canal Street, #32
Houston, Texas 77003
info@communitylattice.com

December 7, 2023

Ms. Christa Stoneham
President & CEO
Houston Land Bank
PO Box 131106
Houston, Texas 77219
cstoneham@houstonlandbank.org

Re: Change Order for Brownfields Program Services

Dear Ms. Stoneham:

We appreciate the opportunity to assist the Houston Land Bank (HLB) with the implementation of your U.S. Environmental Protection Agency (EPA) Brownfields Assessment Coalition Grant. Community Lattice has been assisting the HLB under the "On-Call Environmental Planning & Analysis Service" scope of work authorized by HLB on December 15, 2021. On September 26, 2023, HLB authorized an extension of our scope and estimated budget to continue work and expand our scope through October 2023.

The following table summarizes the expenditure of this budget through our October 2023 invoice cycle.

EPA Work Plan Task	Community Lattice Task ID	Estimated Cost	Invoiced to Date	Balance
Task 1: Brownfields Inventory	Task 1: Brownfields Inventory	\$6,434.50	\$6,434.50	\$6,434.50
Task 3: Phase II ESAs, RAPs, and Reuse Planning	Task 3a: Program Management	\$13,300.00	\$15,646.25	(\$2,346.25)
	Task 3b: Velasco Cleanup	\$10,030.00	\$16,442.25	(\$6,412.25)
	Task 3c: 0 Navigation Blvd Phase II Planning	\$86,915.10	\$79,082.63	\$7,832.47
	Task 3d: 0 N. Charles St Phase II	\$6,140.00	\$6,113.47	\$26.53
Task 4: Community Outreach	Task 4 - Community Engagement	\$24,905.00	\$24,005.50	\$899.50
TOTAL		\$147,724.60	\$147,724.60	\$0

Based on HLB request, project requirements, and program demands, Community Lattice and our subcontractors have accrued additional time and materials expenses beyond the budget estimated in our September 26, 2023, authorization. These expenses and associated efforts are necessary based on environmental investigation best practices, regulatory requirements, grant application deadlines,

funding proposals (including City of Houston negotiations for Velasco Incinerator funding), event coordination demands, and to mitigate risk related to environmental liability. At this time, we are requesting a change order for the following tasks:

Task ID	Change Order	Justification
Task 3c: 0 Navigation Blvd Phase II Planning	\$21,918.10	Based on findings of field activities and analytical results, additional analysis was required on soil and groundwater samples. This analysis was time-sensitive due to the "hold times" of the soil and groundwater collected during field activities and were required per Texas Commission of Environmental Quality regulations and guidance. These additional samples comply with the Site Sampling and Quality Assurance Project Plan approved by EPA in September 2023. For this change order, Community Lattice has waived our standard 10% markup.
Task 4 – Community Engagement	\$9,358.42	Community Lattice has been asked to coordinate two events that require additional effort beyond our original scope of work and proposed budget from September 2023. This proposed change order is within the EPA Work Plan budget and, once expended, will complete obligations under HLB's FY21 EPA grant.
Task 5 – Grant Writing (non-EPA)	\$30,000.00	Community Lattice wrote and submitted two EPA grants totaling \$1.5 million on November 12, 2023. We also supported the HLB's proposal to the City of Houston to secure funding to pay for grant writing efforts, which included hosting a public meeting, coordinating support letters, creating a project website, and responding to public comments.
Task 6 – Velasco Incinerator Project Support (non-EPA)	\$5,000.00	To support the negotiation of environmental insurance terms and conditions, exclusion clauses, and underwriting amounts. We propose engaging our sub-consultant, Adaapta, who is an expert in environmental insurance and risk mitigation.
TOTAL	\$66,276.52	

Please do not hesitate to contact the undersigned at danielle@communitylattice.com or 401-339-3997 if you have any questions or would like to discuss project details.

Sincerely,



Danielle Getsinger, PG
Cofounder & CEO

Proposal Acceptance Statement

Community Lattice’s proposal to Houston Land Bank for Brownfields Program Services, dated December 7, 2023, is hereby accepted on behalf of Houston Land Bank, except as follows (insert exceptions, if any, or state “none”).

Exceptions or comments, if any: _____

Accepted By: _____
signature

Date: _____

Name: _____

Title: _____



REQUEST FOR BOARD ACTION

Meeting Date: December 14, 2023

Agenda Item: VII:f Consideration and Possible Action to Authorize the CEO/President to Expend \$35,000 of the Velasco Predevelopment Support for Grant writing and Environmental Insurance Consulting

ACTION SUMMARY

The Velasco Incinerator Project is a significant undertaking aimed at environmental restoration, community empowerment, and compliance with the Texas Commission on Environmental Quality (TCEQ). Upon acceptance of the \$800,000 predevelopment grant from the City of Houston, HLB is requesting to expend \$35,000 to Community Lattice for grant writing and environmental insurance consulting for the site and organization.

BACKGROUND/OVERVIEW

Community Lattice, a reputable partner, has demonstrated exceptional capability in securing grants. They have successfully submitted the HLB Brownfield grant and several grants for the City of Houston. Furthermore, they played a pivotal role in supporting the Houston Land Bank's proposal to the City of Houston, which is aimed at securing funding to cover grant writing efforts. Their involvement includes hosting a public meeting, coordinating support letters, creating a project website, and responding to public comments. This allocation will support Velasco Project and the HLB Brownfields grant.

Adaapta, a sub-consultant of Community Lattice, specializes in environmental insurance and risk mitigation. Allocating \$5,000.00 towards this effort will aid in the negotiation of environmental insurance terms and conditions. This includes addressing exclusion clauses and determining underwriting amounts. Their expertise will be instrumental in ensuring comprehensive coverage and managing potential risks associated with the Velasco Incinerator Project.

The requested expenditures are critical for advancing the Velasco Incinerator Project. Securing additional grant funding is essential for the successful implementation of the project, and Community Lattice has demonstrated competence in this regard. Additionally, engaging Adaapta for environmental insurance negotiation support will ensure that our project is adequately covered against potential risks, fostering responsible project management.



3302 Canal Street, #32
Houston, Texas 77003
info@communitylattice.com

December 7, 2023

Ms. Christa Stoneham
President & CEO
Houston Land Bank
PO Box 131106
Houston, Texas 77219
cstoneham@houstonlandbank.org

Re: Change Order for Brownfields Program Services

Dear Ms. Stoneham:

We appreciate the opportunity to assist the Houston Land Bank (HLB) with the implementation of your U.S. Environmental Protection Agency (EPA) Brownfields Assessment Coalition Grant. Community Lattice has been assisting the HLB under the "On-Call Environmental Planning & Analysis Service" scope of work authorized by HLB on December 15, 2021. On September 26, 2023, HLB authorized an extension of our scope and estimated budget to continue work and expand our scope through October 2023.

The following table summarizes the expenditure of this budget through our October 2023 invoice cycle.

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TOTAL		\$147,724.60	\$147,724.60	\$0

Based on HLB request, project requirements, and program demands, Community Lattice and our subcontractors have accrued additional time and materials expenses beyond the budget estimated in our September 26, 2023, authorization. These expenses and associated efforts are necessary based on environmental investigation best practices, regulatory requirements, grant application deadlines,

funding proposals (including City of Houston negotiations for Velasco Incinerator funding), event coordination demands, and to mitigate risk related to environmental liability. At this time, we are requesting a change order for the following tasks:

Task ID	Change Order	Justification
Task 3c: 0 Navigation Blvd Phase II Planning	\$21,918.10	Based on findings of field activities and analytical results, additional analysis was required on soil and groundwater samples. This analysis was time-sensitive due to the "hold times" of the soil and groundwater collected during field activities and were required per Texas Commission of Environmental Quality regulations and guidance. These additional samples comply with the Site Sampling and Quality Assurance Project Plan approved by EPA in September 2023. For this change order, Community Lattice has waived our standard 10% markup.
Task 4 – Community Engagement	\$9,358.42	Community Lattice has been asked to coordinate two events that require additional effort beyond our original scope of work and proposed budget from September 2023. This proposed change order is within the EPA Work Plan budget and, once expended, will complete obligations under HLB's FY21 EPA grant.
Task 5 – Grant Writing (non-EPA)	\$30,000.00	Community Lattice wrote and submitted two EPA grants totaling \$1.5 million on November 12, 2023. We also supported the HLB's proposal to the City of Houston to secure funding to pay for grant writing efforts, which included hosting a public meeting, coordinating support letters, creating a project website, and responding to public comments.
Task 6 – Velasco Incinerator Project Support (non-EPA)	\$5,000.00	To support the negotiation of environmental insurance terms and conditions, exclusion clauses, and underwriting amounts. We propose engaging our sub-consultant, Adaapta, who is an expert in environmental insurance and risk mitigation.
TOTAL	\$66,276.52	

Please do not hesitate to contact the undersigned at danielle@communitylattice.com or 401-339-3997 if you have any questions or would like to discuss project details.

Sincerely,



Danielle Getsinger, PG
Cofounder & CEO

Proposal Acceptance Statement

Community Lattice’s proposal to Houston Land Bank for Brownfields Program Services, dated December 7, 2023, is hereby accepted on behalf of Houston Land Bank, except as follows (insert exceptions, if any, or state “none”).

Exceptions or comments, if any: _____

Accepted By: _____
signature

Date: _____

Name: _____

Title: _____



Sole Source Justification for Expenditure of Velasco Predevelopment Support

December 8, 2023

I am writing to provide a sole source justification for the expenditure of \$35,000 of the Velasco Predevelopment Support for Grantwriting and Environmental Insurance Consulting. The selected vendor for these services is Community Lattice

- Grantwriting Services
 - Community Lattice has a proven track record of exceptional capability in securing grants.
 - They successfully submitted the HLB Brownfield grant and several grants for the City of Houston.
 - Their pivotal role in supporting the Houston Land Bank's proposal to the City of Houston demonstrates their commitment and expertise in securing funding.
 - In addition to grant writing, their involvement includes hosting public meetings, coordinating support letters, creating project websites, and responding to public comments.
 - This allocation will not only support the Velasco Project but also contribute to the success of the HLB Brownfields grant.
- Environmental Insurance Consulting
 - Adaapta, a sub-consultant of Community Lattice, specializes in environmental insurance and risk mitigation.
 - Allocating \$5,000.00 to Adaapta will aid in the negotiation of environmental insurance terms and conditions.
 - Their expertise will address exclusion clauses and determine underwriting amounts, ensuring comprehensive coverage.
 - Adaapta's involvement is instrumental in managing potential risks associated with the Velasco Incinerator Project.

The requested expenditures are critical for advancing the Velasco Incinerator Project. Securing additional grant funding is imperative for the successful implementation of the project. Community Lattice has demonstrated competence and effectiveness in grant writing, and their multifaceted support aligns with the holistic needs of the Velasco Project. Adaapta's specialized expertise in environmental insurance ensures responsible project management by addressing potential risks comprehensively.

Given Community Lattice's unique qualifications and demonstrated success in securing grants for similar projects, it is in the best interest of the Houston Land Bank to continue our partnership

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with them. Furthermore, Adaapta's specialized skills make them uniquely qualified to provide environmental insurance consulting for the Velasco Incinerator Project. The sole source justification presented here is based on the specific expertise and past success of Community Lattice in grant writing and Adaapta in environmental insurance consulting. These services are critical for the success and responsible management of the Velasco Incinerator Project.

Sincerely,

A handwritten signature in black ink, appearing to read 'Christa Stoneham', written in a cursive style.

Christa Stoneham
CEO/President