

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

April 13, 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, April 13, 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:

Tonzaino Bailey	Matt Zeis
David Collins	Chrishelle Palay
Jesus DeAnda	Victor A. Mondragón
Danielle Keys Bess	Dwantrina Russell
Elaine Morales	Marilyn Mugerza

Board directors absent were: Antoinette Jackson, Janae Ladet, and Laurie Vignaud. Others in attendance included: Christa Stoneham, Chief Executive Officer/President of the HLB; Jennifer Allison, Chief Operations Officer for the HLB; Donald Hughes, Acquisition and Development Director for the HLB; LaTosha Okoiron, In-house Legal Counsel and Compliance Director for the HLB; Isai Mendez, Finance Director; Mark Glanowski (Paralegal) of Winstead PC, outside legal counsel for the HLB; Graciela Saenz, outside legal counsel for the HLB; Ron Butler, Director of Maintenance for the HLB; Kellen Zale of the HLB Advisory Board; Lindsey Williams, Director of Community Development for the HLB; Donesha Albrow, Administrative Manager for the HLB; and Er'Ron Robinson.

I. Call to Order and Roll Call

Chairman Zeis called this regular meeting to order at 12:19 p.m. A roll call of the Board members in attendance immediately followed. Chairman Zeis then announced that a quorum of the Board is present for this meeting.

II. Public Speakers

Nothing to report.

III. Consideration and Adoption of Meeting Minutes

a. March 9, 2023 Board Meeting

Chairman Zeis noted that the minutes for the March 9, 2023 regular meeting of the Board of Directors were previously circulated for review and comment. He asked if there were any

comments for discussion to such minutes. Hearing none, Chairman Zeis then requested a motion to approve and adopt such minutes as written.

Director Mondragón made a motion to approve the minutes of the Board of Directors meeting held on March 9, 2023 as written, which motion was then duly seconded by Director Bailey and passed with the unanimous vote of the Board.

IV. Chairman's Greeting: Matt Zeis

Chairman Zeis thanked the Directors for attending this Board meeting.

V. Committee Reports:

a. Executive Committee: Matt Zeis, Chair

Chairman Zeis reported that the Executive Committee met last week to discuss the agenda items for this meeting, the continued negotiations of the draft property tax agreement with the City of Houston which will divert a portion of the ad valorem taxes on land the HLB develops is now under review by the City's legal department and the Mayor's office, the EPA grant for brownfields land, and an update on the Yellow Cab site which is still awaiting the clearance letter from the TCEQ to close on the remaining tract.

b. Finance Committee: Laurie Vignaud, Chair

Mr. Mendez reported that the Finance Committee met last month to discuss SB 7069 and any conflicts with current contracts, updates to the Fiscal Year 2024 preliminary budget, policy updates, and changes to the employee handbook. He then mentioned that Tax Form 990 was prepared for the 501(c) Fund which will need its own bank account.

c. Partnership and Program Development: Courtney Johnson-Rose, Chair

Ms. Williams reported that the Committee met March 29, 2023 and discussed the Black Women Development Program and the new Home Equity Legacy Program for the purpose of instructing community members on affordable housing. She mentioned that the Committee also discussed acquisition funding with Harris County and met with Metro to discuss surface lots and transit oriented development.

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

Director Mondragón reported that the READ Committee met on March 29, 2023 to discuss certain matters on today's meeting agenda, including the Yellow Cab site, the results of the homebuilder RFQ, possible revisions to the process of approving prospective home builders to obtain a greater rate of acceptance, and progress of the Acres Home Town Center.

e. Procurement and Oversight: Jesus DeAnda, Chair

Ms. Okoiron reported that the Procurement Committee met last week to discuss concerns regarding the pool of services which will be included in the RFP for professional services that is

scheduled to close on May 4, 2023. The Committee also had its kickoff meeting with The Goodman Company to sign the contract and discuss relationships with the Settegast neighborhood.

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

Ms. Stoneham reported that the HLB is now focusing on more development projects and revamping portions of the HLB website to make the site more user friendly and explain “what is the HLB”. She then reported that the RFQ for 10 professional and technical support services is now open which will provide more capacity for HLB’s development projects. The real estate brokerage services included in this RFQ will be for HLB’s acquisition needs rather than for sales transactions. This RFQ is scheduled to close on May 4, 2023. She noted that there is a session scheduled for April 14, 2023 for any submitters to ask questions. The final list of vendors to provide support services will be presented to the Board for approval at its June meeting.

Ms. Stoneham announced that four applications have been submitted by the HLB Fund for funding opportunities with one such application moving to the next level. A new round of lot sales will occur on May 1, 2023 which will close on July 1, 2023 for the new home builders. A builders’ forum will be scheduled on June 9, 2023 for the new home builders to discuss the HLB updated guidelines and to educate builders on how to submit a RFQ which will hopefully add more builders to the program. She noted that the Round Nine Lot Sale will occur in the Fall of 2023.

Ms. Stoneham then discussed the status of the development data and the need to add more builders to the program. She noted that the Board Action item on today’s Agenda recommends six new home builders for the Board’s approval and will schedule a forum to assist builders who are not familiar with the process to submit an RFQ submission.

Director Mondragon asked if the bank where a new account will be opened for the HLB Fund will be favorable to working with homebuilders. Ms. Stoneham stated that Mr. Mendez is tasked with leading the conversation with the banks for the new bank account. Mr. Mendez indicated that the banks being considered are experienced with working with home builders.

Director Collins asked how many builders are out of compliance with regard to house construction contracts in Settegast. Ms. Stoneham reported that there are 26 houses out of compliance under the construction contracts. Director Collins then asked how will HLB get them back in compliance. She will be looking into revising the form of construction contracts to include a clawback clause and have conversations with these builders to address the compliance problem. Mr. Hughes stated that he will be part of the conversation with the builders to get them back into compliance. There are currently three NHDP houses for sale in Acres Home, one of which is under contact for with a home buyer. She mentioned that Director Russell and Director Palay will attend the next "Juice in Justice" event to be held on June 2, 2023 at the East River Nine development concerning environmental issues because the East River Nine project was part of a brownfield development. Lastly, Ms. Stoneham reported that she has seven speaking engagements scheduled for this month.

VII. Board Action Items

- a. **Consideration and Possible Action to Approve the 2022-2024 Houston Land Bank Recommended Builders. Approval of this action item would officially induct these builders into the standing Houston Land Bank Approved Builder List, allowing them to purchase lots for construction of affordable homes through the HLB Traditional Homebuyers Program.**

Chairman Zeis announced that approval of this item will accept the READ Committee's proposed selection of the 2022-2024 HLB Recommended Builders. Upon approval by the Board these home builders will then be included on the Houston Land Bank Approved Builders List permitting them to apply to purchase lots for construction of affordable homes through the HLB Traditional Homebuyers Program.

Chairman Zeis noted that the HLB received eighteen responses to the 2022-2024 RFQ for Builders with 14 being from new home builders to the program and 4 from current builders wishing to renew their status as required every two years. HLB Staff conducted an examination all statements of qualifications and recommended renewing one of the four current builders and three of the 14 new applicants who scored high enough in the evaluation process (as conducted by three HLB staff members) to be proposed for approval to the HLB Traditional Homebuyers Program.

He mentioned that there was also one submission from Setex Constructionas for the Master Community Builder Category. HLB Staff recommended that this construction company be included as an approved Master Community Builder, through the end of 2024.

HLB staff proposed the home builders listed below to the READ Committee for consideration, recommending that such builders be approved to participate in the HLB Traditional Homebuyers Program through the end of 2024:

1. American Builder Group
2. Equivest Professionals
3. Europa Homes
4. Five Wood Realty

Upon approval of the above listed home builders, the HLB Traditional Home Buyer Program will have a total of 17 approved home builders, down from the current 19 approved builders. Additionally, five currently approved builders will be dropped from the Houston Land Bank Approved Builders List. Three of the five builders did not apply to renew. Those three builders were identified as Nelrod Homes, St Bernard Project and Lawrence Builders. Also, two current builders submitted renewal applications but were not approved. Those two builders were Excello Homes and L.I.Z.

Director Mondragón asked if HLB staff conducts exit interviews or debriefs the home builders when they leave the Traditional Homebuyer Program. He explained that this is a good way to determine if changes are needed when selecting builders or that changes may be needed to

the program. Ms. Okoiron and Mr. Mendez each responded that exit interviews are conducted when home builders withdraw from the Traditional Homebuyer Program. Director Mondragón then made a motion to approve the 2020-2024 Houston Land Bank Recommended Builders listed above for acceptance onto the Houston Land Bank Approved Builder List, which motion was then duly second by Director Bailey 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 12:49 p.m. upon motion by Director Bailey and duly seconded by Director Russell 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 _____ 10/06 / 2023 _____, 2023.

Jesus DeAnda

Secretary