

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

August 13, 2020

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 by video conference due to the City of Houston Stay Home Work Safe Order, and Governor Abbott's Executive Order Regarding Public Meetings during the time of the COVID 19 pandemic, in Houston, Texas, on Thursday, August 13, 2020 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:

Matt Zeis	Mario Castillo
David Collins	Curtis Lampley
Antoinette Jackson	Jesus DeAnda
Courtney Johnson Rose	John David Vasquez
Carol Galloway	Victor A. Mondragón
Laurie Vignaud	

Board members absent were: Pastor Steve Hall.

Others in attendance included: Anne Haynes, the CEO/President for the Houston Land Bank; Jennifer Allison, Property Operations and Engagement Manager of the Houston Land Bank; David Benson, Director of Organizational Excellence for HLB; Marye Barba, Administrative Assistant for HLB; Ivan Zapata, Program Manager of Real Estate and Acquisitions for HLB; Greg Erwin and Mark Glanowski (Paralegal) of Winstead PC, outside legal counsel for the HLB; Gonzalo Gonzalez, Director of Finance and Accounting for HLB; Gracie Saenz, In-house counsel for HLB; Darice Harris, Compliance Officer for HLB; Christa Stoneham, Board Liaison Ex-Officio Board Member; Nicholas J. Foran, of the HLB Advisory Board; Elijah J. Williams, of the HLB Advisory Board; John Guess III; Vincent Marquéz, appointee to the HLB Advisory Board; Kellen Zale, appointee to the HLB Advisory Board; Victor Sweet, public speaker; and Akbar S., public speaker.

I. Call to Order and Roll Call

Chairman Matt Zeis called the regular meeting to order at 12:03 p.m. A roll call of the Board members in attendance immediately followed. Chairman Zeis noted that a quorum of the Board was present.

II. Public Speakers

Chairman Zeis then requested Ms. Harris to introduce the persons who registered to address the Board. Ms. Harris asked if Angela Frederick was present, however, there was no response from Ms. Frederick. Next, Ms. Harris asked if Victor Sweet was present and he responded affirmatively and stated that his mother-in-law has lived at 7918 Fowlie Street for more than 50 years. He is interested in purchasing the lot at 7914 Fowlie Street to build a house for him and his wife so they can reside close to her mother. Ms. Haynes responded that the HLB does not currently have a program for the public to purchase lots directly from HLB, however, HLB staff will contact him after the meeting with information with regard to its builder programs wherein an HLB qualified builder purchases the lot for construction of an affordable home. Director Lampley asked where 7914 Fowlie Street is located and Mr. Sweet responded that it is located in northeast Houston near the 610 Loop and N. Wayside.

Ms. Harris then introduced the next public speaker as Akbar S. who is interested in purchasing the lots at 0 Mascot in Galena Park having an Harris County Appraisal District account number of 0141090030007. Ms. Haynes informed him that there is no program currently administered by HLB for the public to purchase lots in its inventory. She then stated that there are programs in which qualified builders of HLB purchase the lots directly from HLB for construction of affordable homes. Ms. Haynes agreed to furnish him with additional information concerning the HLB qualified builders.

Ms. Harris then announced that was the last of the public speakers which registered to address the Board for this meeting.

III. Swearing in of Mayoral Appointees to the Advisory Board

a. Vincent Marquéz

Gracie Saenz conducted the swearing in ceremony for Vincent Marquéz as required by law for his appointment to the Advisory Board.

b. Kellen Zale

Chairman Zeis next introduced Kellen Zale to the Board. Gracie Saenz then conducted the swearing in ceremony for Ms. Zale as required by law for her appointment to the Advisory Board.

IV. Adopt Minutes of July 29, 2020 Special Meeting

Chairman Zeis noted that the minutes for the special 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 requested a motion to adopt the minutes.

Director Castillo made a motion to adopt the minutes of the special meeting which motion was duly seconded by Director Mondragón and passed with the unanimous vote of the Board.

V. Chairman's Greeting—Matt Zeis, Chair

Chairman Zeis thanked the Board members in attendance for volunteering and being available for this meeting concerning this worthy cause. He then mentioned that the strategic planning sessions to discuss the future goals of the HLB have been scheduled for September 11 and 25, but will need to be held virtually for everyone's safety. Director Galloway stated that she would not be able to attend the sessions scheduled for September 11th because her family is hosting an 80th birthday party for her. Chairman Zeis wished her a happy birthday and hoped she would be able to attend the following session.

VI. Committee Reports:

a. Finance Committee: Matt Zeis, Chair

Chairman Zeis stated that the Finance Committee met last week to review the Profit/Loss Balance Sheet, a copy of which is in the Board packet for the meeting. Also, the committee reviewed the invoices for maintenance and operational costs for the houses in the New Home Development Program. Chairman Zeis was happy to report that they have caught up completely with regard to these invoices which corrects any cash flow problems for HLB. He then mentioned that the annual audit is under way and no issues have been identified. Also, the sales tax project is now complete so that HLB does not pay any sales taxes on invoices to its vendors because it is a non-profit corporation.

b. Program Committee: Curtis Lampley, Chair

Director Lampley stated that the Program Committee met on July 30, 2020 to review various updates from the HLB staff on active builders' requests for changes and clarifications concerning matters in existing construction contracts. He reported that there were no major issues requiring Board approval. Under the Housing Initiative Round One Lot Disposition Program, all closings for lots awarded in June 2020 are on track for completion this month. The period for acceptance of applications for Round Two of the Lot Disposition Program has now closed. These applications will be reviewed and scored for recommendations by HLB staff and the Program Committee. There were eight builders which submitted bids on 17 of the 38 Lots in the Round Two Lot Disposition. The Program Committee will submit a summary of the 26 proposals and its recommendations for the builders and the lots bid on at the September Board meeting.

Director Lampley then stated that the Program Committee is finalizing a review of an Extended Program which is called a Right of First Refusal. This program allows adjacent land owners to submit a request to purchase an adjacent land bank lot if certain conditions are met by the adjacent property owner. The prior LARA program was mostly used by faith based organizations for uses such as extending parking and other ancillary uses. These lots are usually odd shaped lots which are not suitable for HLB's affordable housing programs. The Program Committee is close to finalizing the terms, eligibility requirements, and a new name for the lots not suitable for affordable housing. The new name suggested for this program is the Unconditional Land Use Program. A draft of this new program will be submitted to the Board for review before it is placed on the agenda for consideration and approval by the Board.

c. Oversight Committee: Mario Castillo, Chair

Director Castillo stated that the Oversight Committee has been holding weekly sessions to review the HLB Policies and Procedures document. In two weeks, a workshop will be held for the Board to review the final draft of the Policies and Procedures and propose any suggestions. The Board will then have a month to review the final draft of the Policies and Procedures document before it is placed on the Agenda for consideration and approval by the Board.

VII. President's Report: Anne Gatling Haynes, CEO/President

Ms. Haynes stated that the month of July was the first month of the new fiscal year for the HLB. She is working to provide the Board with a new dashboard to provide the status of ongoing work being accomplished by the staff especially the amount of time staff spends with home buyers. Next, Ms. Haynes stated that HLB closed 10 house purchase transactions in July with another three to close this week. She mentioned that 18 houses have been sold under the Traditional Builders Program through July 2020, and there are 53 lots currently under development. In July, two houses were sold under the New Home Development Program and several more are scheduled to close this month and then it will be nearly out of an inventory of houses to sell.

Ms. Haynes then informed the Board that HLB is currently cutting and cleaning approximately 51 acres of land each month. There is another 20 acres in the Settegast neighborhood which is forested and lacks infrastructure in the HLB inventory. She noted that HLB is under contract to purchase a 9+ acre parcel in the near north side to facilitate 60-75 new homes with the City under its New Home Development Program.

Recently, HLB has received reimbursement of \$400,000 for invoices in connection 10 New Home Development Program sales in the past few months and the seven initial lots. This will assist HLB to maintain its cash flow to continue its work.

Lastly, she mentioned there are 544 properties currently in the HLB inventory of which approximately 222 are being held for the Houston Housing Department for development or holding. HLB sold 59 affordable houses during the 2019 calendar year.

Next Ms. Haynes stated there are 44 proposals and qualifications for new home builder contractors being reviewed by staff and Board members. Also, the title company services procurement RFQ closed on July 24th and HLB is currently reviewing the proposals received. HLB also received qualifications and responses for the Planning Services General Pool of Qualified Planning Firms as well as RFP responses for the Settegast Neighborhood Specific Planning Initiative and is now in the process of reviewing such proposals.

VIII. Board Action Items

a. **Consideration and Possible Action to Elect a Board Treasurer**

Chairman Zeis noted that he was the former Board Treasurer and opened nominations for a new Board Treasurer. Director Castillo nominated Director Vignand for the position of Board Treasurer. Hearing no further nominations Chairman Zeis closed the request for nominations.

b. **Consideration and Possible Action to Confirm Board Treasurer as Finance Committee Chair**

Director Mondragón made a motion to confirm the nomination and confirmation of Director Vignaud as the Board Treasurer under Agenda Items VIII.a. and VIII.b which motion was duly seconded by Director Johnson-Rose and passed with the unanimous vote of the Board.

c. **Consideration and Possible Action to Direct Staff to Execute an Agreement with the Center for Community Progress to Provide Technical Assistance Relating to Land Bank best practices, Interlocal Agreements and State Legislation for an Amount Not to Exceed \$56,500**

Director Castillo made a motion to approve the Agreement with the Center for Community Progress in an amount not to exceed \$56,600 which motion was duly seconded by Director DeAnda and passed with a majority vote of the Board. Director Lampley voted to oppose the motion and Directors Collins and Galloway abstained from voting on this motion.

d. **Consideration and Possible Action to Approve On-Call Contracts for Legal Services with Three Firms for two years with possibility of a year extension, and including FY 2021 Funding as Follows:**

1. Winstead PC & The Law Offices of Graciela Saenz PLLC - \$110,000
2. Husch Blackwell LLP - \$54,000
3. MarJuana Bush Williams PLLC - \$47,000

Chairman Zeis requested that Mr. Erwin, Ms. Saenz, and Mr. Glanowski be placed in a breakout room prior to the discussion of contracts for legal services. Such persons were then moved to the virtual breakout room prior to the commencement of the discussion of the contracts for legal services.

Director Galloway made a motion to discuss this Agenda item in Executive Session because she has specific questions concerning these legal services contracts which motion was duly seconded by Director Lampley and passed with the unanimous vote of the Board.

Chairman Zeis then requested Ms. Haynes to place the Board meeting into Executive Session at 12:45 p.m.

Director Mondragón made a motion to approve all three legal services contracts together for a total of \$211,000 and which are to include an option for a one-year extension, which motion was then duly seconded by Director Collins and passed with the unanimous vote of the Board.

IX. Executive Session Items (Discussion may occur in executive session as provided by State law, but all Board actions will be taken in public)

a. Receive Updates from Staff Regarding Potential Property Acquisitions

Ms. Haynes stated there was nothing for the Board to approve regarding this Agenda item.

b. Consideration and Possible Action to Approve an Exchange of Real Estate between Houston Land Bank and Houston Habitat for Humanity (0 Fields, HCAD 0862340000053 from HLB to Houston Habitat; 6204 Wedgefield, HCAD 0300180090001 from Houston Habitat to HLB)

Director Galloway made a motion to approve the exchange of real estate with Houston Habitat for Humanity, which motion was duly seconded by Director Lampley and passed with the unanimous vote of the Board.

c. Consideration and Possible Action to Purchase Three Properties Totaling 20,015 Square Feet from Catholic Charities Community Development Corporation for \$200,000

1. 0 E 41st -- Lot 2 Block 17 Willadale Section 3

- HCAD ID#: 0620540170002
- Size: 5,005 Square Feet (SF)
- Purchase Price: \$50,000

2. 509 E 41st -- Lots 12 & 13 Block 14 Willadale Section 3

- HCAD ID#: 0620540140012
- Size: 10,010 SF
- Purchase Price: \$100,000

3. 0 Neyland -- Lot 4 Block 10 Willadale

- HCAD ID#: 0620530100004
- Size: 5,000 SF

- Purchase Price: \$50,000

Chairman Zeis announced that the regular meeting returned to Open Session at 1:41 p.m. and confirmed a quorum of the Board was present.

Director Lampley made a motion to approve the purchase of the three properties owned by the Catholic Charities Community Development Corporation, which motion was duly seconded by Director Vignaud and passed with the majority vote of the Board as Directors Collins and Galloway abstained from voting on this motion.

X. Board Member Comments

Director Lampley stated that the scheduled dates for the Strategic Planning Sessions may not work due to two other committee meetings that week and a Board meeting scheduled for September 10th. Chairman Zeis stated that he would discuss with the Board members the dates that would work best for everyone. Director Vignaud inquired if the Strategic Planning Sessions could be held on a Saturday due to her schedule during the week days.

Director DeAnda asked why there no HLB program for the direct sale of lots to the public. Ms. Haynes stated that such a program could be discussed during the Strategic Planning Sessions next month if so requested by the Board to determine if such a program fits in with the mission of HLB to provide affordable housing and placing property back on the tax roll.

XI. Adjournment

Chairman Zeis asked if there were any additional matters to be considered by the Board. Hearing none, the regular Board meeting adjourned at 1:49 p.m. upon the motion of Director Lampley which was duly seconded by Director Vignaud.

Minutes Prepared By:

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

Signed on the _____ day of _____, 2020.

Secretary