



BOARD OF DIRECTORS REGULAR MEETING

April 14, 2022

Table of Contents

Agenda	Page 2
March 10, 2022 Meeting Minutes	Page 5
Financial Report	Page 15
President's Report	Page 19
Item VII.a.: Round 6 Lot Sales Dispositions	Page 28
Item VII.b.: HLB Neighborhood Advisory Committee	Page 29
Item VII.c.: Lowe's Partnership	Page 33

BOARD OF DIRECTORS REGULAR MEETING AGENDA

**Thursday, April 14, 2022 – Noon Central time
BakerRipley Building
4450 Harrisburg Boulevard
Second Floor
Houston, Texas 77011**

Due to health and safety concerns related to COVID-19, this meeting will offer participation by videoconference or in person. The meeting will be open to the public but restrictions regarding masks, allowable room capacity, and seating arrangements may be in place.

The public meeting location will be the BakerRipley Building, 4450 Harrisburg Boulevard, 2nd Floor, Houston, Texas 77011. The Board Chair, as presiding officer of the Board, will be physically present; some Board members may also be physically present. Other Board members will be participating by videoconference in accordance with the provisions of Section 551.127 of the Texas Government Code applicable to a governmental body that extends into three or more counties.

To join by videoconference, please go to: <https://us02web.zoom.us/j/87966649887>

Or join by phone by calling:

877-853-5247 or

888-788-0099

Meeting ID: 879 6664 9887

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

Speakers must be registered by 5 p.m. on Wednesday, March 9, 2022. 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. March 10, 2022 Board Meeting
- IV. Chairman's Greeting: Matt Zeis
- V. Committee Reports:
 - a. Executive Committee: Matt Zeis, Chair

- b. Finance Committee: Laurie Vignaud, Chair
 - 1. Update: Unity National Bank Partnership
- c. Partnership and Program Development: Courtney Johnson-Rose, Chair
 - 1. Recommendation of Lowe's Partnership for discounted construction materials
- d. Real Estate Acquisition and Disposition: Victor Mondragón, Chair
 - 1. Recommendation of additional Round 6 lot sales
- e. Procurement and Oversight: Jesus DeAnda, Chair
 - 1. Update with ongoing Procurements:
 - i. External Audit Services closes April 29, 2022
 - ii. Bookkeeping & Accounting Services closes May 6, 2022
 - iii. Lot Maintenance Services closes May 16, 2022
- VI. President's Report: Christa Stoneham, CEO/President
 - a. Progress Report
- VII. Board Action Items
 - a. Consideration and Possible Action to Approve Round 6 Lot Sales
 - 1. Education Based Housing
 - i. 5709 Haight (HCAD# 0300180400003, Settegast, Sales Price \$6,500; Lot Size 9,500 Square Feet)
 - ii. 0 Haight (HCAD# 0300180400002, Settegast, \$6,500; 9,500 SF)
 - iii. 7914 Fowlie (HCAD# 0300170210004, Settegast, \$6,500; 6,300 SF)
 - iv. 0 Kenton (HCAD# 0300170190015, Settegast, \$6,500; 4,200 SF)
 - b. Consideration and Possible Action to Authorize the CEO/President to Create an HLB Neighborhood Advisory Committee (NAC) Framework to advise on properties served by HLB and neighborhood priorities for new uses of those properties.
 - c. Consideration and Possible Action to Accept Program & Partnership Committee Recommendation to Authorize CEO/President to Engage with Lowe's for a Partnership for discounted construction materials.

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

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

March 10, 2022

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 the Baker Ripley Building, 4450 Harrisburg Boulevard, 2nd Floor, Houston, Texas, on Thursday, March 10, 2022 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:

Laurie Vignaud	Courtney Johnson Rose
Tonzaino Bailey	Victor A. Mondragón
David Collins	Jesus DeAnda
Carol Galloway	Janae Ladet
Juan Cardoza-Oquendo	

Board directors absent were: John David Vasquez, Matt Zeis, Pastor Steve Hall and Antoinette Jackson. Others in attendance included: Christa Stoneham, Chief Executive Officer/President of the HLB; Jennifer Allison, Vice President of Operations and Programs for HLB; Ivan Zapata, Manager of Real Estate and Acquisitions for HLB; Mark Glanowski (Paralegal) of Winstead PC, outside legal counsel for the HLB; Graciela Saenz, outside legal counsel for the HLB; Gonzalo Gonzalez, Vice President of Finance and Accounting for HLB; Conchita Reyes of Finance and Accounting for HLB; Ron Butler, Manager – Property Maintenance for HLB; Kellen Zale of the HLB Advisory Board; Maria Bonilla; and Eric Mbiu.

I. Call to Order and Roll Call

Vice Chairman Collins called this regular meeting to order at 12:01 p.m. A roll call of the Board members in attendance immediately followed. Vice Chairman Collins announced that a quorum of the Board was present.

II. Public Speakers

No public speakers registered to address the Board, however, Eric Mbiu announced himself during the meeting and then stated that he is with STEM Developers and asked how builders are considered for the purchase of lots. Ms. Stoneham thanked him for his interest in HLB's mission to provide affordable housing and directed him to visit the HLB website with regard to builder information.

III. Consideration and Adoption of Meeting Minutes

a. February 10, 2022 Board Meeting

Vice Chairman Collins noted that the minutes for the February 10, 2022 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, he requested a motion to approve and adopt such minutes as written.

Director Galloway made a motion to adopt the minutes of the February 10, 2022 Board Meeting as written, which motion was then duly seconded by Director Vignaud and passed with the unanimous vote of the Board.

IV. Chairman's Greeting: David Collins

Vice Chairman Collins thanked the Board members in attendance for volunteering and being available for this regular meeting.

V. Committee Reports:

a. Executive Committee: David Collins, Vice Chair

Vice Chairman Collins then announced that the Executive Committee met last week to discuss the items on today's meeting agenda, LARA lots, the neighborhood activation committee program, and Yellow Cab. Also, Vice Chairman Collins announced that he attended the City Council meeting with regard to the reappointments of himself and Directors Vignaud, Zeis, DeAnda and Mondragón to the HLB Board, along with non-voting advisory members Nicholas Foran, Elijah Williams, Kellen Zale, and Vincent Marquez.

b. Finance Committee: Laurie Vignaud, Chair

Director Vignaud stated that the monthly financial report is included in the meeting packet distributed to the Board.

1. Monthly Financial Report

Director Vignaud then requested Gonzalo Gonzalez to give the report. Mr. Gonzalez stated that the Finance Committee met yesterday to examine the cash balances and the key performance indicators. He noted that the Committee also discussed the possibility of tax revenue collection pursuant to Senate Bill 1769, the return of lots from New Home Development Program to the HLB Traditional Program inventory, and the Round 6 Lot sales.

Director Bailey made a motion to approve the Finance Committee Report, which motion was duly seconded by Director Vignaud and passed with the unanimous vote of the Board.

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

Director Johnson Rose stated that the Partnership and Program Development Committee meet to discuss the down payment assistance partnership the Avenue CDC has with Wells Fargo Bank to assist with housing affordability needs. The Committee also discussed changes to the 2022 Builder Guidelines, and the lots in the HLB inventory which have no utility infrastructure to develop houses.

Director Galloway made a motion to approve the Partnership and Program Development Committee Report, which motion was duly seconded by Director Bailey and passed with the unanimous vote of the Board.

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

Director Mondragón reported that the READ Committee met on February 23, 2022 to discuss how to establish precedence for construction permits for unique lot situations, and establishing a sales price framework with escalating ranges for the construction of houses. He stated that the Committee also discussed navigating the increasing inflation costs on building materials, the Round 6 Lot sales, and a strategy to acquire additional real estate including lots which already have houses on them.

e. **Procurement and Oversight Committee: Jesus DeAnda, Chair**

1. **Procurements Overview**

Director DeAnda reported that the Procurement and Oversight Committee did not meet last week. He stated that only one response was received for title company services which was approved by HLB staff and will proceed to next steps for approval by the Board. He mentioned that HLB staff selected Landtech, Inc. as the qualified land surveying company to prepare the drawings needed for the 30 lots which do not have right-of-way access.

Director DeAnda stated that the Committee previously examined the six responses to the 2021 RFQ for environmental services which were reviewed and approved by HLB staff. The results of this RFQ will now move forward for consideration by the Board. He then noted that the lot maintenance agreements will expire this year and the Board will need to decide if the new contracts will include pre-set pricing or competitive bid. Also, RFPs will need to be prepared for the annual audit and bookkeeping services.

Director DeAnda made a motion to approve the Procurement and Oversight Committee report, which was duly seconded by Director Vignaud and passed with the unanimous vote of the Board.

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

a. Progress Report

Ms. Stoneham stated that 68 construction contracts are out of their respective timeline schedules and noted that 53 of these contracts are over 120 days past due. She requested legal counsel to send letters to the contractors to require that the construction schedules be brought into compliance and the houses completed in 120 days. She has prepared a new presentation to summarize the current status of the development of 100 lots for affordable houses. Ms. Stoneham reported that she spoke at a meeting of the Houston AIA which included architects from the Houston area with regard to the needs of the providers of affordable houses.

Ms. Stoneham then reported that HLB provided \$4,400,000 in subsidies to the approved homebuilders to facilitate development in the City. She has scheduled a meeting with the City to discuss the number of vacant properties owned by its governmental entities which may be potential opportunities for development of affordable housing.

Lastly, she mentioned that HLB has posted open positions for in-house legal counsel and a community engagement position.

VII. Board Action Items

a. Consideration and Possible Action to Authorize the CEO/President to Negotiate and Execute Contracts with Six Firms as Pre-Qualified Providers of Qualified Environmental Professional Services, With Total Funding Not to Exceed \$500,000

1. Bowman Engineering/Consulting Inc.
2. Geotest Engineering Inc.
3. Ninyo & Moore
4. Tetra Tech
5. ERC Environmental & Construction Services
6. ESE Partners, LLC

Ms. Stoneham stated that as a property owner, buyer, and developer of land in Houston, environmental due diligence activities are standard practice prior to acquiring land and cleanup of historic contamination is often required for housing development. Environmental conditions, like asbestos containing building materials, lead-based paint, petroleum storage tanks, heavy metals in soil, and other contamination often require further assessment, regulatory reporting, and cleanup in order to even secure funding. To alleviate the cost burden on the HLB, HLB and its partners, the City of Houston and Avenue Community Development Corporation, applied for and were awarded a \$600,000 grant in mid-2021 from the U.S. Environmental Protection Agency (EPA) to conduct environmental assessments.

Director DeAnda made a motion to approve the CEO/President to negotiate and execute contracts with the six selected environmental services firms, which motion was seconded by Director Johnson Rose and passed with the unanimous vote of the Board.

b. Consideration and Possible Action to Amend the Fiscal Year 2022 Budget

Mr. Gonzalez explained that approval of this item will amend the Houston Land Bank's Fiscal Year 2022 budget by reducing planned expenditures from \$5,776,914 to \$3,698,668 to address feedback and reduced funding from the City of Houston.

The budget for Fiscal Year 2022 was previously approved by the HLB Board of Directors in June 2021 and as required by HLB's funding agreements with the City of Houston, the approved budget was routed to the City's Housing and Community Development Department (HCDD) for review and approval.

Citing financial pressures, HCDD staff requested HLB to reduce its Fiscal Year 2022 budgeted expenditures by \$2,078,246, which has been accomplished as outlined below:

- Total proposed staffing of 12 positions being reduced from 12 to 9 positions with the vacancies for vice president of business and development, director of communications, and marketing/sales manager being eliminated.
- The amount for legal fees was reduced by \$80,000 with the intent to handle more legal work in-house.
- The professional services amount was reduced by \$338,000 with the elimination of funding for acquisition support, website support, a new website, marketing strategy, and strategic planning services.
- HLB will not renew the additional research software Building Blocks; instead, the intent is to utilize City software already accessible to the public. This will yield a reduction of \$24,000.
- Withdraw the Down Payment Assistance Subsidy program from the HLB Traditional Program as a result of HCDD preferring that subsidies to be solely issued by the HCDD. This will decrease expenditures by \$1,250,000.
- Lot maintenance expenditures were reduced by \$78,000 as a result of lot sales (HLB no longer needs to maintain properties sold to builders).

Director Vignaud made a motion to approve the amended Fiscal Year 2022 Budget, which notion was duly seconded by Director Galloway and passed with the unanimous vote of the Board.

c. Consideration and Possible Action to Approve the Proposed Fiscal Year 2023 Preliminary Budget

Mr. Gonzalez then explained that approval of this item will approve HLB's Proposed FY 2023 Draft Budget for submittal to the City of Houston as required by City of Houston

requirements for local government corporations. He noted that this is not the final FY 2023 budget, which will to be furnished to the Board for approval before the current fiscal year ends on June 30.

HLB staff prepared the HLB Fiscal Year 2023 Draft Budget that includes anticipated revenue of \$4,611,000 to fund \$4,467,000 in planned expenditures.

A table comparing Fiscal Year 2022 current revenues and expenditures to the Fiscal Year 2022 budget approved by the Board and to the preliminary Fiscal Year 2023 budget as proposed was furnished for the Board's review. The draft budget for Fiscal Year 2023 includes the following assumptions and highlights:

Revenue

- HLB Traditional Program dispositions will remain the same from Fiscal Year 2021 as more lots will be transferred from HCDD the HLB Traditional Program.
- The City's New Home Development Program (NHDP) anticipates 15 home sales for the fiscal year; lots will be reimbursed at market value along with the administrative fee per closing.
- Funding from the City of Houston through the Operational Agreement will remain unchanged from year to year.
- U.S. EPA grant reimbursements for the Phase I and Phase II environmental assessments.
- Fundraising through the newly created 501(c)3 corporation.

Expenditures

- Staffing levels to increase by one additional staff member to bring the new total to 10 full-time employees versus the previous approval for 9 employees.
- Legal fees are projected to remain the same as compared to the prior fiscal year.
- Lot maintenance expenses are expected to decrease from the current fiscal year as the reduced inventory of lots yields less area to maintain.
- Expenditures related to EPA Brownfields environmental Phase I and II studies, along with additional builder subsidies and down payment assistance program for HLB Traditional Program.
- A planned \$500,000 allocation toward an acquisitions pool for HLB's Home Building Initiative to replenish the lot inventory available for the organization's traditional program for home builders.
- Post construction costs including original land purchase cost through the NHDP Program for 15 home dispositions.

Director Galloway made a motion to approve the preliminary FY 2023 Budget, which motion was duly seconded by Director Vignaud and passed with the unanimous vote of the Board.

d. Consideration and Possible Action to Amend Traditional Homebuyer Program Guidelines

Ms. Stoneham stated that approval of this item will amend the HLB Traditional Program Guidelines recommended by the READ Committee, Programs and Partnerships Committee, and the Executive Committee to include a revised Home Sales Price Framework and corresponding tiered construction specifications, the inclusion of a Neighborhood Advisory Committee to review and participate in scoring HLB home builder applications.

The HLB Traditional Program Guidelines provide development guidelines, instructions, and parameters for HLB-approved builders when developing affordable homes under the traditional program. Three notable changes are the introduction of a Homes Sales Price Framework, which outlines three price ranges and corresponding construction specifications. Another notable change consists of introducing an HLB Neighborhood Advisory Committee to review and participate in scoring HLB builder applications. The Advisory Committee will be responsible for input on the scale, façade, plans and materials used and community needs. Ms. Stoneham stated the HLB has no visibility with home builders and will need to do more marketing including posting door hangers and signs to promote HLB after its home sales.

Ms. Stoneham then mentioned that HLB is considering ADA requirements for its Traditional Builder Program houses which include wider door frames for wheelchair clearance and a wheelchair turning radius so that residents can age in place. The ADA requirements will not include entrance ramps or handle bars.

Director Johnson Rose made a motion to amend the Traditional Homebuyer Program Guidelines, which motion was duly seconded by Director Ledet and passed with the unanimous vote of the Board.

e. Consideration and Possible Action to Approve Round 6 Lot Sales

1. MHL Properties

- i. 7957 Angus (HCAD# 0300170190100, Settegast, Sales Price \$6,500; Lot Size 4,200 Square Feet)
- ii. 7973 Fowlie (HCAD# 0300170200034, Settegast, \$6,500; 4,080 SF)
- iii. 7965 Fowlie (HCAD# 0300170200036, Settegast, \$6,500; 4,080 SF)
- iv. 0 Fowlie (HCAD# 0300170210023, Settegast, \$6,500; 4,200 SF)
- v. 0 Sparta (HCAD# 0300180020032, Settegast, \$6,500; 4,080 SF)

- vi. 0 Sparta (HCAD# 0300180020046, Settegast, \$6,500; 8,160 SF)
- vii. 0 Haight (HCAD# 030018041005 , Settegast, \$6,500; 9,650 SF)
- viii. 0 Shotwell (HCAD# 0660250010676, Trinity Gardens, \$19,883.25; 10,260 SF)
- ix. 0 Shotwell (HCAD# 0660250010680, Trinity Gardens, \$22,371.30; 10,260 SF)
- x. 0 Shotwell (HCAD# 0660250030711, Trinity Gardens, \$18,237.15; 10,260 SF)
- xi. 7416 Shotwell (HCAD# 0660250080803, Trinity Gardens, \$20,768.40; 10,200 SF)
- xii. 6925 Hoffman (HCAD# 0660250070828, Trinity Gardens, \$18,529.65; 10,200 SF)

Director Vignaud made a motion to approve the above Round 6 Lot Sales to MHL Properties, which motion was duly seconded by Director Galloway and passed with the majority vote of the Board. Director Galloway abstained from voting on this motion.

2. SXG Capital dba Green Home Builder

- i. 8000 Phillips (HCAD# 0162550070012, Acres Home, \$20,823.60; 6,000 SF)
- ii. 7800 Beckley (HCAD# 0162610180044, Acres Home, \$25,676.10; 7,410 SF)
- iii. 3931 Davenport (HCAD# 0641680270016, Sunnyside, \$24,140; 5,000 SF)
- iv. 7312 Shotwell (HCAD# 0660250080797, Trinity Gardens, \$18,538.20; 10,200 SF)

Director Johnson Rose made a motion to approve the above Round 6 Lot Sales to SXG Capital, which motion was duly seconded by Director DeAnda and passed with the unanimous vote of the Board.

3. Lawrence Builders

- i. 0 Weyburn (HCAD# 0731320000375, Trinity Gardens, \$16,267.05; 7,800 SF)
- ii. 7109 Weyburn (HCAD# 0731310000131, Trinity Gardens, \$15,183.90; 7,800 SF)

- iii. 7505 Weyburn (HCAD# 0731320000377, Trinity Gardens, \$14,931.90; 7,800 SF)
- iv. 7422 Touchstone (HCAD# 073132000045, Trinity Gardens, \$16,135.65; 8,400 SF)

Director Johnson Rose made a motion to approve the above Round 6 Lot Sales to Lawrence Builders, which motion was duly seconded by Director Vignaud and passed with the unanimous vote of the Board.

- f. **Consideration and Possible Action to Purchase Two Properties (Lots 892 and 896, Block 11, Trinity Gardens Section 2 - 6506 and 6524 Hoffman Street, 77028, HCAD #0660250110892 and #0660250110896) from Ironclad Homes LLC for \$33,539.00**

Ms. Stoneham stated that approval of this item will authorize HLB's repurchase of two lots from Ironclad Homes LLC at the same price at which the lots were sold to Ironclad Homes LLC by HLB in January 2021.

Ironclad Homes purchased the lots at 6506 and 6524 Hoffman Street in Trinity Gardens for \$33,539.00 as part of Round 3 of HLB's lot sales through the Traditional Homebuyer Program. Ironclad Homes subsequently determined that it could not construct houses on the properties and sell them at a price compliant with HLB's \$212,000 price cap without taking a loss on the houses. As a result, Ironclad Homes wishes to sell the two lots back to HLB at the same price for which they were originally purchased from the HLB.

The lots will be included in a subsequent round of lot sales with the goal of conveying them to another builder that can deliver affordable single-family homes within HLB's price cap.

Director Johnson Rose asked if there are any costs incurred for reacquiring these lots. Director Galloway asked if Ironclad Homes will remain as an approved builder to bid on other lots. Ms. Stoneham stated that this builder will not be approved for additional lots in the future.

Director Johnson Rose made a motion to purchase two lots from Ironclad Homes LLC for \$33,539.00, which motion was duly seconded by Director Galloway and passed with the unanimous vote of the Board.

VIII. Executive Session

Nothing to report.

IX. Board Member Comments

Director Galloway wished Ms. Stoneham a happy birthday.

X. Adjournment

Vice Chairman Collins asked if there were any additional matters to be considered by the Board. Hearing none, the regular Board meeting adjourned at 1:09 p.m. upon the motion of Director Johnson Rose, which was duly seconded by Director Mondragón 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 _____, 2022.

Secretary

Houston Land Bank

Profit and Loss

July 2021 - February 2022

	JUL 2021	AUG 2021	SEP 2021	OCT 2021	NOV 2021	DEC 2021	JAN 2022	FEB 2022	TOTAL
Income									
Acquisition and Development Agreement									\$0.00
Acquisition Proceeds	26,914.86	15,175.62	2,916.02	3,028.62	690,082.73	7,425.00	2,450.00	4,558.91	\$752,551.76
Disposition of Lots	59,920.00	0.00	30,000.00	54,000.00	0.00	55,500.00	18,000.00	36,000.00	\$253,420.00
Disposition Proceeds	9,427.94	0.00	9,944.29	8,089.84	0.00	7,657.68	4,149.06	3,123.96	\$42,392.77
Total Acquisition and Development Agreement	96,262.80	15,175.62	42,860.31	65,118.46	690,082.73	70,582.68	24,599.06	43,682.87	\$1,048,364.53
Administrative Fees	7,500.00		3,750.00	7,500.00	12,973.70	7,500.00	3,750.00	3,750.00	\$46,723.70
HLB Program Revenue									\$0.00
Disposition Proceeds		18,055.00			14,002.00	195,333.00		26,000.00	\$253,390.00
Total HLB Program Revenue		18,055.00			14,002.00	195,333.00		26,000.00	\$253,390.00
Operations Agreement	190,281.88	181,313.19	130,229.55	128,842.18	126,804.47	150,616.04	120,124.36	133,158.35	\$1,161,370.02
Outside Sources Contributions		9,950.00							\$9,950.00
Total Income	\$294,044.68	\$224,493.81	\$176,839.86	\$201,460.64	\$843,862.90	\$424,031.72	\$148,473.42	\$206,591.22	\$2,519,798.25
GROSS PROFIT	\$294,044.68	\$224,493.81	\$176,839.86	\$201,460.64	\$843,862.90	\$424,031.72	\$148,473.42	\$206,591.22	\$2,519,798.25
Expenses									
Admin - Other									\$0.00
Advertising & Marketing	836.00	1,004.00		297.00	1,056.00				\$3,193.00
Bank Service Charges	187.78	119.86	172.89	179.70	119.61	166.33	202.67	150.69	\$1,299.53
Company Insurance									\$0.00
General Liability	1,058.25	1,058.25	1,058.25	1,058.25	10,723.09	1,058.25	1,058.25	1,058.25	\$18,130.84
Officers & Directors Liability	729.13	729.13	644.15	644.15	644.15	644.15	644.15	644.15	\$5,323.16
Property Insurance		1,391.55	2,183.21	5,953.43			-1,266.45		\$8,261.74
Total Company Insurance	1,787.38	3,178.93	3,885.61	7,655.83	11,367.24	1,702.40	435.95	1,702.40	\$31,715.74
Computer and Internet Expenses	9.99	9.99	689.95	745.99	548.19	9.99	9.99	9.99	\$2,034.08
Conference & Meeting	125.00						250.00		\$375.00
Depreciation Expenses	200.09	200.09	200.09	200.09	200.09	200.09	200.09	200.09	\$1,600.72
Dues and Subscription	755.71	1,858.84	1,085.56	996.76	950.56	1,010.56	1,098.85	1,012.27	\$8,769.11
Filing Fees				23.75			132.05		\$155.80
Office Expenses	166.71	845.20	12.99	166.85	128.90	140.99			\$1,461.64
Leasing Office Equipment	241.25	241.25	361.99	254.25	338.44	254.25	264.25	254.25	\$2,209.93
Meals & Entertainment		286.29			356.78	226.21			\$869.28
Office Supplies	-254.98	53.40		177.48	12.07				\$ -12.03
Postage and Delivery		122.00	70.03	286.26					\$478.29
Total Office Expenses	152.98	1,548.14	445.01	884.84	836.19	621.45	264.25	254.25	\$5,007.11
Rental and Lease Expense	4,875.00	4,875.00	4,875.00	3,900.00	3,900.00	3,900.00	3,900.00	3,900.00	\$34,125.00
Software Usage	5,502.22	5,502.22	5,502.22	5,502.22	5,502.22	5,502.22	5,502.22	5,721.14	\$44,236.68
Storage Rental	78.00	78.00	78.00	78.00	78.00	78.00	78.00	78.00	\$624.00
Telephone Expense	642.16	642.04	642.04	640.92	640.50	707.40	482.90	482.42	\$4,880.38
Travel and Lodging Expenses									\$0.00
Mileage Expense		147.07		126.66	132.85	51.32	55.83	101.53	\$615.26
Parking			10.00						\$10.00
Travel Expense		45.94							\$45.94
Total Travel and Lodging Expenses		193.01	10.00	126.66	132.85	51.32	55.83	101.53	\$671.20
Total Admin - Other	15,152.31	19,210.12	17,586.37	21,231.76	25,331.45	13,949.76	12,612.80	13,612.78	\$138,687.35
Employee Cost									
Health Insurance	7,452.16	6,192.56	6,821.02	6,061.40	3,416.13	4,983.03	4,731.48	6,213.83	\$45,871.61
Payroll Services Fee	182.20	122.82	124.85	128.96	128.96	193.44	243.41	128.96	\$1,253.60
Payroll Taxes	3,691.25	4,599.13	4,421.48	4,218.42	4,138.88	6,174.51	5,813.37	4,950.61	\$38,007.65
Retirement	974.67	1,219.10	1,049.17	953.98	1,069.36	1,574.96	833.90	831.02	\$8,506.16
Wages and Salary	47,933.75	59,442.67	57,940.40	55,607.32	55,887.32	82,781.89	54,675.34	59,120.72	\$473,389.41
Total Employee Cost	60,234.03	71,576.28	70,356.92	66,970.08	64,640.65	95,707.83	66,297.50	71,245.14	\$567,028.43
Legal Fees	15,188.50	11,172.04	9,353.60	6,174.60	1,580.70	2,998.50	3,782.50	12,770.00	\$63,020.44
Marketing and Promotional						883.63			\$883.63

Houston Land Bank

Profit and Loss

July 2021 - February 2022

	JUL 2021	AUG 2021	SEP 2021	OCT 2021	NOV 2021	DEC 2021	JAN 2022	FEB 2022	TOTAL
Miscellaneous Expense			487.39						\$487.39
Professional Services									\$0.00
Accounting Fee	7,220.00	7,220.00	7,420.00	7,220.00	7,220.00	9,910.00	7,220.00	7,220.00	\$60,650.00
Audit Fees		7,250.00		7,250.00					\$14,500.00
Consulting Fee	26,737.75	71,384.85	16,197.00	18,225.30	1,710.00	33,150.75	26,709.50	3,156.25	\$197,271.40
Contract Work						760.76			\$760.76
Total Professional Services	33,957.75	85,854.85	23,617.00	32,695.30	8,930.00	43,821.51	33,929.50	10,376.25	\$273,182.16
Property Cost - Maintenance									\$0.00
Property Expenses									\$0.00
Clearing of Land Cost				1,700.00		1,000.00			\$2,700.00
Special Lawn Mowing	250.00	200.00		2,640.00	9,930.00	850.00	650.00		\$14,520.00
Standard Lawn Mowing	51,457.37	39,030.21	36,511.31	31,911.36	38,122.73	22,203.93	16,177.98	1,002.20	\$236,417.09
Total Property Expenses	51,707.37	39,230.21	36,511.31	36,251.36	48,052.73	24,053.93	16,827.98	1,002.20	\$253,637.09
Total Property Cost - Maintenance	51,707.37	39,230.21	36,511.31	36,251.36	48,052.73	24,053.93	16,827.98	1,002.20	\$253,637.09
Property Cost - Disposition HLB									\$0.00
Clearing and Lawn Maintenance					1,826.75	357.04			\$2,183.79
Closing Cost		1,634.31			-13,872.50	6,297.00		1,374.50	\$ -4,566.69
Lots COGS		1,170.00			459.25	22,133.21		2,527.66	\$26,290.12
Property Taxes	-1,794.97			-4,834.73	1,976.68	10,986.40	138.64	1,131.38	\$7,603.40
Survey and Appraisal Expenses						450.00			\$450.00
Utilities and Drainage Expenses								81.69	\$81.69
Total Property Cost - Disposition HLB	-1,794.97	2,804.31		-4,834.73	-9,609.82	40,223.65	138.64	5,115.23	\$32,042.31
Property Cost -Disposition NHDP									\$0.00
Cleaning and Supplies	600.00	3,495.00	2,095.00	185.00	1,425.00	495.00	775.00	860.00	\$9,930.00
Clearing and Lawn Maintenance - NHDP	3,360.00		1,100.00						\$4,460.00
Land Trust Fee			3,500.00						\$3,500.00
Legal Fees - NHDP	2,452.70	632.50	3,213.50	6,497.10	1,890.70	4,277.60	1,315.00	700.00	\$20,979.10
Lots Sold - NHDP									\$0.00
Initial Cost of Lot	12,433.04		3,700.00	11,600.00		8,075.00	5,875.00		\$41,683.04
xImpairment on Lot Sold - (Contra)	-10,984.91		-3,367.00	-10,129.00		-7,178.00	-4,935.00		\$ -36,593.91
Total Lots Sold - NHDP	1,448.13		333.00	1,471.00		897.00	940.00		\$5,089.13
Marketing and Showcase		300.00			4,100.00			1,550.00	\$5,950.00
Property Taxes - NHDP	-2,637.98				723.42				\$ -1,914.56
Repair and Maintenance	45.96			128.62		102.04		168.91	\$445.53
Security and Secure Property Co	790.80	3,954.00				1,186.20		790.80	\$6,721.80
Soft Cost of Construction - NHDP	100.00		500.00	1,500.00	2,490.00	2,000.00		1,245.00	\$7,835.00
Water and Utilities	487.40	507.51	2,258.95	1,007.08	448.49	392.05	638.02	1,738.89	\$7,478.39
Total Property Cost -Disposition NHDP	6,647.01	8,889.01	13,000.45	10,788.80	11,077.61	9,349.89	3,668.02	7,053.60	\$70,474.39
Total Expenses	\$181,092.00	\$238,736.82	\$170,913.04	\$169,277.17	\$150,003.32	\$230,988.70	\$137,256.94	\$121,175.20	\$1,399,443.19
NET OPERATING INCOME	\$112,952.68	\$ -14,243.01	\$5,926.82	\$32,183.47	\$693,859.58	\$193,043.02	\$11,216.48	\$85,416.02	\$1,120,355.06
Other Income									
Interest Income	140.85	20.46	19.80	21.94	25.90	29.12	1,588.71	29.33	\$1,876.11
Total Other Income	\$140.85	\$20.46	\$19.80	\$21.94	\$25.90	\$29.12	\$1,588.71	\$29.33	\$1,876.11
NET OTHER INCOME	\$140.85	\$20.46	\$19.80	\$21.94	\$25.90	\$29.12	\$1,588.71	\$29.33	\$1,876.11
NET INCOME	\$113,093.53	\$ -14,222.55	\$5,946.62	\$32,205.41	\$693,885.48	\$193,072.14	\$12,805.19	\$85,445.35	\$1,122,231.17

Houston Land Bank

Balance Sheet

As of February 28, 2022

	TOTAL
ASSETS	
Current Assets	
Bank Accounts	
Chase-Operations - 8465	535,800.98
Money Market - Lot Acquisition - 7058	1,124,028.58
Money Market Unrestricted - 7066	2,751,969.57
MoneyMarket-Unrstr.C Resev 5577	18,025.99
Petty Cash	12.63
Total Bank Accounts	\$4,429,837.75
Accounts Receivable	
Accts Receivable	671,047.49
Total Accounts Receivable	\$671,047.49
Other Current Assets	
Prepaid Expenses	
Prepaid Acquisition Costs	3,700.00
Prepaid Insurance	5,580.53
Prepaid Rent	3,900.00
Prepaid Subscription Services	23,200.23
Total Prepaid Expenses	\$36,380.76
Total Other Current Assets	\$36,380.76
Total Current Assets	\$5,137,266.00
Fixed Assets	
Equipment	12,005.12
xAccum. Depreciation	-6,727.68
Total Fixed Assets	\$5,277.44
Other Assets	
Earnest Fee	125,200.00
Investments Held For Sale	9,698,303.27
Security Deposit	4,875.00
Total Other Assets	\$9,828,378.27
TOTAL ASSETS	\$14,970,921.71

Houston Land Bank

Balance Sheet

As of February 28, 2022

	TOTAL
LIABILITIES AND EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
Accounts Payable	33,886.57
Total Accounts Payable	\$33,886.57
Credit Cards	
Chase Credit Card	4,078.13
Total Credit Cards	\$4,078.13
Other Current Liabilities	
Due to Tax Assessor	2,692.54
Liabilities Due to HCDD	1,122,902.97
Payroll Liability	4,469.33
Total Other Current Liabilities	\$1,130,064.84
Total Current Liabilities	\$1,168,029.54
Total Liabilities	\$1,168,029.54
Equity	
Retained Earnings-1	12,680,661.00
Net Income	1,122,231.17
Total Equity	\$13,802,892.17
TOTAL LIABILITIES AND EQUITY	\$14,970,921.71

Banking on the Future of Communities

Houston Land Bank: March President's Report



CHRISTA D. STONEHAM, CEO AND PRESIDENT

HLB Mission:

Strategically acquire, dispose, and steward vacant, abandoned, and damaged property into productive use to catalyze transformative community and economic development for the City of Houston.



\$4.4 Mil in subsidies to HLB builders



100+ properties in development as of Feb 2022, 25+ underway



64.91+ acres or 2,827,284 sqft in inventory



>30 >60 >90 >120
68 homes HLB properties are past due on the compliance period



120+ homes sold since 2019



\$21 M Property Value back into the market



>30 >60 >90 >120
27 HLB homes are estimated to be completed within 120 days

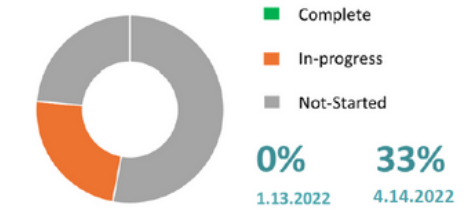
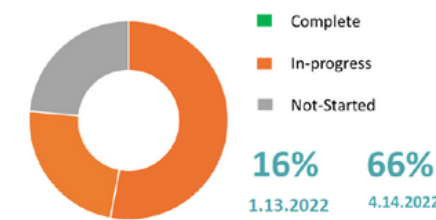
I am passionate and committed to building prosperous, equitable, and resilient communities.



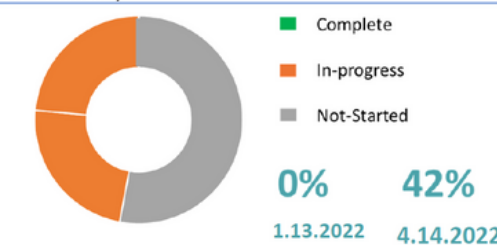

Report of the President & CEO to the Board of Directors

April 1, 2022

March marks the end of Quarter 1 of 2022, and after 90 days in office I am pleased to share we have progressed on of our strategic plan by 46%:

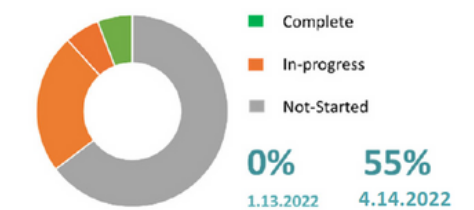


Increase affordability options	
<i>Program Improvement Goals</i>	
*Increase quality and innovate the construction	In-progress
*Increase production	In-progress
*Update affordability reach	In-progress
Increase house types	Complete
<i>Community Engagement Goals</i>	
*Increase awareness of the program, homebuyer resources	In-progress
*Develop a pipeline of neighborhood buyers	In-progress
*Increase homebuyer satisfaction	In-progress
<i>Strategic Projects, partners & resources</i>	
*501C3 to increase resources,	In-progress
*Review alternative strategy for cost-benefit to builders	In-progress
*Review role/partners in alt housing types and markets	In-progress
* Innovate Community	In-progress



Demonstrate neighborhood development	
<i>Program Improvement Goals</i>	
* 'Complete a Block' assembly	In-progress
*Pilot quality standards, new housing types, construction innovation, contra-dumping	In-progress
NHDP: *Align market to product	In-progress
<i>Community Engagement Goals:</i>	
*Pilot unique neighborhood partners, new engagement strategies	In-progress
* *Pilot Community Advisory Group,	In-progress
NHDP: More Yard Socials & new program marketing	In-progress
<i>Projects, partners & resources</i>	
*Pilot Public-Private Partnership Strategy for planning and infrastructure,	In-progress
Master Developer	In-progress
New staff role for increased engagement,	In-progress

Build Inventory	
<i>Program Improvement Goals</i>	
*Increase inventory	In-progress
*Identify pipeline of properties to identify new resources	In-progress
*Identify pipeline of strategic properties	In-progress
<i>Community Engagement Goals:</i>	
*Increase messaging of HLB Value Proposition,	In-progress
*Develop RE Workshops for neighborhoods	In-progress
*Good Neighbor PLUS	In-progress
*Increase marketable land	In-progress
<i>Strategic Projects, partners & resources</i>	
*Interlocal & Legislation	In-progress
*Develop policies to support homeowners	In-progress
*Review alternative land types,	In-progress
*Explore strike fund & Financing	In-progress
*Support acq for alternate uses	In-progress



Organizational excellence	
<i>Program Improvement Goals</i>	
*Refine Committee working structure and processes	In-progress
*Streamlined process for BOD materials & procurement	In-progress
*Increase Economic Development activities through our work	In-progress
*Source new resources	In-progress
NHDP: *Work with HCDD on construction pipeline efficiencies	In-progress
<i>Community Engagement Goals:</i>	
*Increase accessibility to program information	In-progress
*Marketing organization broadly & routinely	In-progress
*Better organizational visibility in neighborhoods	In-progress
*Increased stakeholder engagement	In-progress
<i>Projects, partners & resources</i>	
*Legislation advancement, new interlocal agreement	In-progress
*501C3 and other structures to help secure resources	In-progress
*Define/clarify impact measurement	In-progress
*Data-Driven research approach to strategy development	In-progress
*Pilot projects, grants to support new projects and new roles in CC to explore solutions	In-progress

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

houstonlandbank.org

CEO AND PRESIDENT OUTCOMES

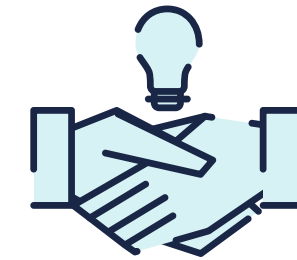
The monthly president's report serves as a showcase to highlight the priorities of the past month and includes a section touching on the focus for months to come. Below is a summary of the strategic priorities to assess, align and accelerate the growth of the Houston Land Bank's mission provided to the CEO by the HLB Board of Directors BOD).



ACQUIRE & ASSEMBLE

Implement a strategy to maintain subsequently increase the number of affordable housing units by identifying new properties and new partners

- Define HLB's core competencies to understand how we can become a conduit for public/private partnerships
- Begin a process to increase affordable housing stock and decrease barriers to affordability
- Streamline land bank processes to ensure the timely production of affordable housing
- Contribute to the continued success and growth of HLB's programs
- Start developing realistic financial models of typically affordable buyer transactions (ie, a capital stack demonstrating the buyer's /lender's positions, where subsidies come in, HLB's role, and any existing gaps)



PARTNERS & POLITICS

Cultivate a strong partnership between Houston Land Bank and the City of Houston Housing Department, Harris County, and Houston ISD

- Forge/reboot strong relationships with the mayor and new housing department leadership
- create priorities that include all stakeholders buy in
- align board and COH on the goals of HLB
- increase collaboration with the county
- work with COH to ensure success/output of NHDP



TEAMWORK & TALENT

Develop a strong, cohesive HLB team of talented people in the right roles that are energized, accountable, and appreciated while ensuring a smooth transition in leadership

- Retain and reinvigorate staff
- Clarify role and responsibilities
- Support strong team culture that encourages others to lead in their area of accountability
- Celebrate organizational and individual successes
- Supervise, guide, and mentor staff to meet priorities and goals
- Ensure crucial conversations with employees as needed
- Advance a culture that appreciates diversity within staff and organization



MEET & GREET

Demonstrate HLB's value to its partners in the broader Houston community

- Leverage opportunities to strengthen relationships with Harris County and Houston ISD
- Continue collaborations with affordable housing, community, and economic development organizations
- Cultivate whole neighborhood strategies to improve/ expand community engagement in HLB brand recognition




BOARD & OVERSIGHT

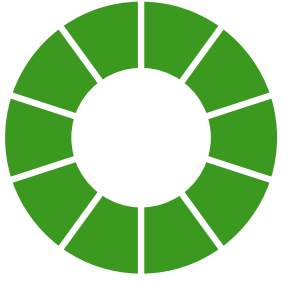

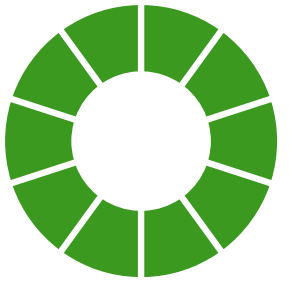
Establish a strong bond with the board collectively and nurture individual board relationships

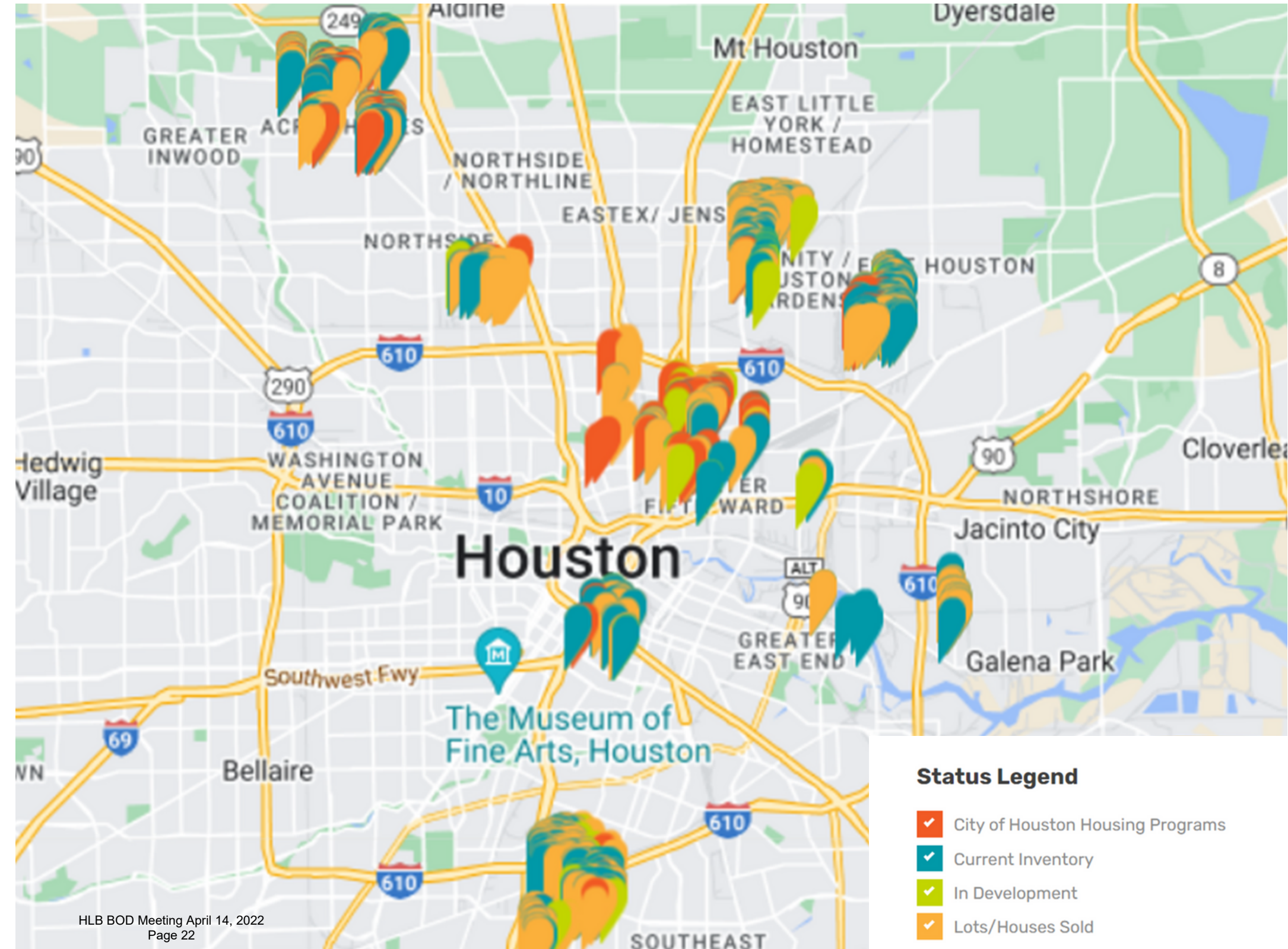
- Prioritize engagement of the board to ensure a sense of commitment to the organization
- Communicate effectively to the board about organizational results, events and needs
- Help lead board meetings



ACQUIRE & ASSEMBLE

 Progress

Action Steps	Progress	Update
Define and confirm HLB mission and goals with staff and board members. Identify SWOT, processes, and benchmarks for each HLB program		The FY21 Strategic Plan has increased by 46% since January 2022.
Conduct property owner analysis by utilizing HCAD and GIS data in LMI area such as the Complete Communities. Identify surplus property owned by COH, Harris County, Houston Housing Authority, redevelopment authorities, TIRZ, and public entities. Prioritize the acquisition of tax delinquent parcels in high value neighborhoods		The HLB Team met with the City of Houston to understand opportunities for redevelopment. Potential challenges were presented in terms of aligned opportunities, but follow up meetings will be held to discuss interlocal agreements.
Create housing solutions and programs for all generations and Houstonians. Create "fast track" master permit procedure with COH.		HCDD permitting process for HLB Builders has not taken place as of yet. HLB Team is awaiting for HCDD feedback on next steps.





TEAMWORK & TALENT



Progress

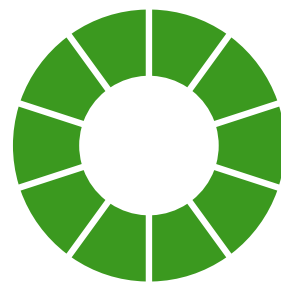
Action Steps

Progress

Update

Listen and learn to staff's strengths, goals and skills. Assess operational gaps, and unfulfilled FTEs. Activate teambuilding activities.

Determine HLB's SWOT with staff and . Identify resources needed for each team member



HLB Team quarterly review sessions concluded in March. Also the team reviewed all candidates for FTEs for all candidates. All positions is targeted to begin by the end of April.

Schedule reoccurring meetings and mentorship trainings for all HLB staff. Schedule quarterly progress reports for HLB staff.



HLB Team will attend fundraising training on a monthly basis. The CEO presented on researching your donor in March for The Fundraising Academy.

Publicly spotlight milestones, mission, board members and staff



BOD spotlights began in March with the Board Chair. CEO began conversations with social media expert to help with brand recognition and expansion





BOARD & OVERSIGHT



Progress

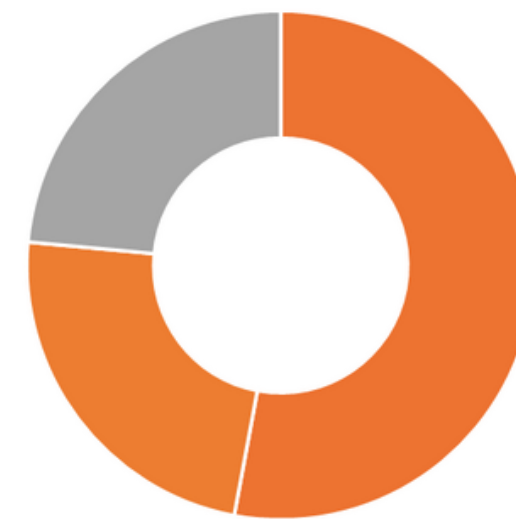
Action Steps	Progress	Update
--------------	----------	--------

Listen to Board's concerns and aspirations. Enhance transparency and increase understanding about productivity, policies, and operations. Make recommendations to tailor and fine-tune solutions such as acquisition and disposition policies. Evaluate and revisit the annual targets for acquisition and disposition



HLB Team has began the process for the FY 22 Strategic plan. The Team will also create benchmarks for acquisition and disposition for the strategic plan with the data analyst and acquisition vice president.

The 501c-3 creation was shared with the City of Houston for approval and City Council agenda preparation.



■ Complete

■ In-progress

■ Not-Started

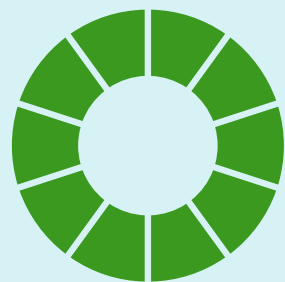
16%

1.13.2022

66%

4.14.2022

Update 2022 plan of action and host HLB orientation. Purchase online engagement tools such as Menti to improve input and collaboration of board



FY 22 priorities were confirmed and FY 23 plan of action is underway for the upcoming budget year.

The FY 22 plan was improved by 46% from January to March 2022.

Increase affordability options
<i>Program Improvement Goals</i>
*Increase quality and innovate the construction
*Increase production
*Update affordability reach
Increase house types
*Increase quality and innovate the construction
<i>Community Engagement Goals</i>
*Increase awareness of the program, homebuyer resources
*Develop a pipeline of neighborhood buyers
*Increase homebuyer satisfaction
<i>Strategic Projects, partners & resources</i>
*501C3 to increase resources,
*Review alternative strategy for cost-benefit to builders
*Review role/partners in alt housing types and markets
* Innovate Community



MEET & GREET



Progress

Action Steps

Identify HLB lead and introduce HLB Team to community



Update

HLB Team presented to the Houston Housing Coalition and NOMA Houston to introduce the organization and programs such as the Brownfields program.

Host call to action and open house with potential aligned partners. Attend and present HLB mission at conferences, ULI luncheons, Bisnow, Houston Business Journal, etc



HLB CEO and Team hosted the 1st HLB Builder's forum on March 4, 2022. Over 100 attendees participated and builders were also educated about opportunities from Workforce Solutions and Lift Fund.

HLB Builders openly received updates about the strategies and opportunities for the program.





PARTNERS & POLITICS



Progress

Action Steps

Progress

Update

Share 2022 HLB plan and quarterly updates with COH & HLB leadership



The HLB CEO has met with the Housing and Community Affairs Committee Chair to brief her on HLB updates.

Identify aligned programs at Harris County, HISD and public entities



HLB Team met with COH Real Estate and Commissioner Ellis's office to discuss the opportunities and people aligned with HLB.

Establish a standard process for the transfer of surplus property at the City and County



The HLB Team met with the City of Houston's real estate division to determine opportunities in March 2022. The HLB Team is still assessing the process to determine how HLB can acquire property.



Our Next Steps

Timeline for the upcoming quarter

Tasks	April	May
● HLB Team to onboard 3 FTEs and host community events		
● Identify HLB Team to elected officials, HISD, and public entities		
● HLB Launch of Brownfields program, website, and Brownfields Activation Committee		
● Introduce HLB Neighborhood Advisory Committee (NAC)		

REQUEST FOR BOARD ACTION

Meeting Date: April 14, 2022

Agenda Item VII. a.: Consideration and Possible Action to Approve Round 6 Lot Sales.

ACTION SUMMARY

Approval of this item will accept READ Committee recommendations of builder lot selections resulting from the Traditional Program's Round 6 of Lot Sales—Builder Revisions. Approval of this item will also authorize staff to initiate the execution of contracts for the sale of lots to builders as described below.

BACKGROUND/OVERVIEW

Round 6 of lot sales had several lots awarded that needed some additional information from builders regarding their design, specs, and/or other information. Since then, all builders have adequately responded to HLB questions or requests for clarification and met all required standards. This list was reviewed and recommended for approval by the READ Committee at the March 2022 meeting. The table below demonstrates the lots awarded to builders.

Round 6 Lot Sales Information

Builder	HCAD#	Address (Neighborhood)	Bed/Bath	Lot Price <i>(Lot Size)</i>	Home Sales Price	TIER
Education Based Housing	0300180400003	5709 Haight (Settegast)	3/2	\$6,500 <i>(9,500 sf)</i>	\$180,000	III
Education Based Housing	0300180400002	0 Haight (Settegast)	3/2	\$6,500 <i>(9,500 sf)</i>	\$180,000	III
Education Based Housing	0300170210004	7914 Fowlie (Settegast)	3/2	\$6,500 <i>(6,300 sf)</i>	\$180,000	III
Education Based Housing	0300170190015	0 Kenton (Settegast)	3/2	\$6,500 <i>(4,200 sf)</i>	\$180,000	III

REQUEST FOR BOARD ACTION

Meeting Date: April 14, 2022

Agenda Item VII. b.: Consideration and Possible Action to Authorize the CEO/President to Create an HLB Neighborhood Advisory Committee (NAC) Framework to advise on properties served by HLB and neighborhood priorities for new uses of those properties

ACTION SUMMARY

Approval of this agenda item will authorize HLB's CEO/president to advise on properties served by HLB and neighborhood priorities for new uses of those properties.

BACKGROUND/OVERVIEW

Per the HLB bylaws, the Houston Land Bank is expected to engage residents of the Complete Communities at all levels of community revitalization and State Bill 1679 states *a land bank shall create one or more advisory committees to consult with and advise the land bank on: (1) properties within the municipality served by the land bank that are imposing the greatest harm on neighborhoods and communities in the municipality; (2) neighborhood priorities for new uses of those properties; and (3) the range of potential transferees of those properties. (b) As appropriate to the location of the real property of the land bank, advisory committee membership and neighborhood consultations shall include formal and informal neighborhood-specific community associations, residents' associations, faith communities, community development corporations, and anchor institutions.*

The HLB Neighborhood Advisory Committee (NAC) allows the HLB team to hear directly from the community, and to learn about their values, concerns, and ideas regarding a particular issue or problem. It also provides a valuable opportunity to better understand the reasons for their conclusions. The NAC will represent the 15/50 points allocated for Neighborhood Design Appropriateness for the Traditional Home Program. However, as agenda items arise for community input the HLB Leadership Team may present additional items for input and outreach. The NAC will be comprised of the Super Neighborhood Council and the Mayor's Youth Council of the respective HLB neighborhoods. The NAC will be represented by representatives from all HLB communities including but not limited to:

- Acres Home
- East End (2nd Ward/ Magnolia Park)
- Fifth Ward
- Near Northside
- Settegast
- Sunnyside
- Third Ward
- Trinity Gardens

HLB Neighborhood Advisory Committee (NAC) Framework

HLB Neighborhood Advisory Committee Representation and Composition

Resident leaders who are actively involved with City of Houston programs (Super Neighborhood and Mayors Youth Council) may participate in the HLB Neighborhood Advisory Committee (NAC). Representative cannot be an HLB builder, elected official, relative or close friend of builder, contractor, BOD, or staff. The term limit shall not exceed time permitted by COH bylaws

- Mayor's Youth Council: The mission of the Mayor's Youth Council (MYC) is to promote civic engagement by youth. The MYC provides high school students with opportunities to learn about city government, develop leadership skills, and bring awareness to issues that are important to Houston's youth. The Mayor's Youth Council is modeled after the elected Houston City Council with District and At-Large Members, Aides, a Chair, Vice Chair, Secretary, and Historian.
 - **The Mayors Youth Council representatives will be present in the process but will be nonvoting members. The Council will also be in a rotation order of no more than 2 at each meeting.**
- Super Neighborhood Council: Super Neighborhoods were created to encourage residents of neighboring communities to work together to identify, prioritize and address the needs and concerns of the broader community. This creates a manageable framework for community action and allows the city to provide services more efficiently.

The NAC allows the HLB team to hear directly from the community, and to learn about their values, concerns, and ideas regarding a particular issue or problem. It also provides a valuable opportunity to better understand the reasons for their conclusions. The NAC will be represented by representatives from all HLB communities including but not limited to the following neighborhoods. The NAC will be comprised of no more than 20 participants and serve no longer than 2 years or longer than the super neighborhood term limits:

- Acres Home
- Fifth Ward
- Independence Heights
- Magnolia Park
- Near Northside
- Second Ward

- Settegast
- Sunnyside
- Third Ward
- Trinity Gardens

HLB Neighborhood Advisory Committee (NAC) Participation

The NAC will be involved in programming such as the HLB Traditional Builder’s Program. However, as agenda items arise for community input the HLB Leadership Team may present additional items for input and outreach.

HLB Traditional Builder’s Program: Neighborhood Design Appropriateness

HLB staff will evaluate proposals to ensure they meet minimum standards of the Program (as outlined in the Houston-Land-Bank-Traditional-Program-Guidelines-and-Min-Standards). The Committee will be allocated 15 out of 50 points to consult, advise, and score a maximum of 15 points for all builder submissions. The votes will be conducted with an individual anonymous survey: Alternatively, conduct an anonymous survey of jury members.

The committee shall advise on:

- Neighborhood Context Judging Criteria: (15 total points): Scale, Façade, floor plan, and materials (0-5 pts): Number of floors, Bedroom size, roof, and building design connects to, highlights, and respects community characteristics, local history, points of interest, and key features.
- Community Engagement & Need (0-5 pts): The community’s vision for a project is created or approved by a group of residents
- Equitable Housing Practices (0-5 pts): Development promotes qualities of a vibrant community; Project and project materials match the cultural landscape of the neighborhood

The Houston Land Bank will attempt to update and incorporate the feedback of the community; however, the HLB Neighborhood Advisory Committee is not the sole decision-maker for projects and developments.

HLB Commitment

The Houston Land Bank shall create one or more advisory committees to consult with and advise the land bank on: (1) properties within the municipality served by the land bank that are imposing the greatest harm on neighborhoods and communities in the municipality; (2) neighborhood priorities for new uses of

those properties; and (3) the range of potential transferees of those properties.
(b) As appropriate to the location of the real property of the land bank, advisory committee membership and neighborhood consultations shall include formal and informal neighborhood-specific community associations, residents' associations, faith communities, community development corporations, and anchor institutions.

Shared Agreements

As a member of NAC, commitment and participation are of the utmost importance to accomplish the various programs and proposed initiatives for community development.

All NAC members agree to:

- Communicate openly and frequently
- Respect others' opinions
- Be inclusive
- Encourage the participation of dissenting voices
- Work toward consensus whenever possible, be willing to compromise
- Start and end meetings on time
- Consistently report and document successes, decisions, challenges, and goals
- Resolve conflict in a professional manner
- Lead by example
- Evaluate the metrics to measure success
- Celebrate successes

REQUEST FOR BOARD ACTION

Meeting Date: April 14, 2022

Agenda Item VII. c.: Consideration and Possible Action to Accept Program & Partnership Committee Recommendation to Authorize CEO/President to Engage with Lowe's for a Partnership for discounted construction materials.

ACTION SUMMARY

Approval of this item will authorize staff to engage, develop, and negotiate terms with Lowe's Home Improvement with the purpose of creating a Discounted Construction Materials Program or opportunity for HLB builders. Through this partnership HLB aims to negotiate lower materials costs for HLB builders using its tax-exempt status and potential 'collective builder' bargaining or purchasing power to reduce construction costs—creating a 'win-win' for both HLB builders and income-qualified home buyers.

BACKGROUND/OVERVIEW

In an attempt to lower construction costs and ultimately home sales prices, HLB has engaged Lowe's to help us provide discounted materials to our builders. Lowe's understands both the incredible difficulty and the incredible need of our mission to continue developing affordable housing options in a marketplace, where those opportunities are either non-existent or rapidly evaporating. More importantly they understand that accomplishing that mission requires that many, if not all, give a little in order to make that happen for hardworking Houston homebuyers.

The general concept or outline of the program is as follows:

- HLB builders purchase materials at reduced costs from Lowe's by using a combination of our tax-exempt status plus Lowe's discounts specifically designed for HLB.
- Builder's will 'opt in' to this program which will trigger another voluntary agreement to participate in this materials program with related terms and conditions.
- Based on the savings amount HLB will attempt to generate administrative or program-related fees from the savings (3-6%) and the remaining savings will be split equally between builder and buyer.
 - Total savings less 3-6% HLB fees, builder/buyer split remaining 94 - 97%.
 - Builder keeps their savings of 47 - 48.5%
 - Homebuyer gets price reduction of 47 - 48.5%

- e.g. (\$10k savings would mean \$500 to HLB (5% fees) \$4,750 cost savings to builder, \$4,750 price reduction to the homebuyer
- Actual materials, quantities, and discounts are being worked through to see how much the potential savings are.
- HLB will work through the program as a pilot w/ 1 or 2 builders to see how the daily logistics/oversight will shake out before we attempt to scale up or roll it out to all HLB builders