



BOARD OF DIRECTORS REGULAR MEETING

May 12, 2022

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BOARD OF DIRECTORS REGULAR MEETING AGENDA

**Thursday, May 12, 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. Swearing in of Board Members
 - a. Position 13: Elaine Morales (new appointment – Harris County)
- IV. Consideration and Adoption of Meeting Minutes
 - a. April 14, 2022 Board Meeting
- V. Chairman's Greeting: Matt Zeis

- VI. Committee Reports:
 - a. Executive Committee: Matt Zeis, Chair
 - b. Finance Committee: Laurie Vignaud, Chair
 - c. Partnership and Program Development: Courtney Johnson-Rose, Chair
 - d. Real Estate Acquisition and Disposition: Victor Mondragón, Chair
 - 1. Recommendation of price increase requests.
 - e. Procurement and Oversight: Jesus DeAnda, Chair
 - 1. Update with ongoing Procurements:
 - i. External Audit Services closed April 29, 2022
 - ii. Bookkeeping & Accounting Services closed May 6, 2022
 - iii. Lot Maintenance Services closes May 16, 2022
- VII. President's Report: Christa Stoneham, CEO/President
- VIII. Board Action Items
 - a. Consideration and Possible Action to Accept Real Estate Acquisition and Disposition Committee Recommendations of Contract Amendments for Maximum Sales Price Increase Requests under the HLB Traditional Homebuyer Program for the following Homes
 - 1. L.I.Z. Enterprises
 - i. 8128 Sunnyhill (Acres Homes, Price Increase of \$12,873; Home Sales Price from \$210,000 to \$222,873)
 - 2. Europa Homes
 - i. 7414 Touchstone (Trinity Gardens, Price Increase of \$12,114; Home Sales Price from \$197,617 to \$209,731)
 - ii. 7418 Touchstone (Trinity Gardens, Price Increase of \$12,114; Home Sales Price from \$197,617 to \$209,731)
 - iii. 7116 Touchstone (Trinity Gardens, Price Increase of \$12,620; Home Sales Price from \$205,867 to \$218,487)
 - iv. 7118 Touchstone (Trinity Gardens, Price Increase of \$12,620; Home Sale Price from \$205,867 to \$218,487)
 - 3. 5th Ward CRC
 - i. 3420 Russell (Fifth Ward, Price Increase of \$12,976; Home Sales Price Increase from \$211,678 to \$224,654)

- ii. 6915 Hoffman (Trinity Gardens, Price Increase of \$29,062; Home Sales Price Increase from \$211,419 to \$240,481)
 - iii. 7006 Hoffman (Trinity Gardens, Price Increase of \$29,017; Home Sales Price Increase from \$211,728 to \$240,745)
- 4. MHL Properties
 - i. 6925 Hoffman (Trinity Gardens, Price Increase of \$13,000; Home Sales Price Increase from \$212,000 to \$225,000)
 - ii. 0 Shotwell (Trinity Gardens, Price Increase of \$13,000; Home Sales Price Increase from \$212,000 to \$225,000)
 - iii. 0 Shotwell (Trinity Gardens, Price Increase of \$13,000; Home Sales Price Increase from \$212,000 to \$225,000)
 - iv. 0 Shotwell (Trinity Gardens, Price Increase of \$13,000; Home Sales Price Increase from \$212,000 to \$225,000)
 - v. 7416 Shotwell (Trinity Gardens, Price Increase of \$13,000; Home Sales Price Increase from \$212,000 to \$225,000)
- b. Consideration and Possible Action to Approve Round 6 Lot Sales
 - 1. SXG Capital, LLC
 - i. 8510 Safeguard (HCAD# 0761490010010, Sunnyside, Sales Price \$15,000; Lot Size 7,250 Square Feet)
 - 2. Europa Homes
 - i. 0 Peachtree (HCAD# 0660260090213, Trinity Gardens, Sales Price \$21,762; Lot Size 12,000 Square Feet)
 - ii. 0 Peachtree (HCAD# 0660260100186, Trinity Gardens, Sales Price \$21,330; Lot Size 12,000 Square Feet)
 - iii. 0 Shotwell (HCAD# 0660250010673, Trinity Gardens, Sales Price \$18,483; Lot Size 10,260 Square Feet)
 - iv. 0 Wileyvale (HCAD# 0660260080062, Trinity Gardens, Sales Price \$21,591; Lot Size 12,000 Square Feet)
 - v. 8315 Sandra (HCAD# 0660260160289, Trinity Gardens, Sales Price \$15,202; Lot Size 7,440 Square Feet)
 - vi. 8417 Wileyvale (HCAD# 0660260120991, Trinity Gardens, Sales Price \$25,167; Lot Size 12,060 Square Feet)
 - vii. 8721 Allwood (HCAD# 0681170010034, Trinity Gardens, Sales Price \$22,910; Lot Size 11,775 Square Feet)

viii. 0 Bostic (HCAD# 0640190060006, Trinity Gardens, Sales Price \$31,980: Lot Size 17,710 Square Feet)

c. Presentation and Discussion Regarding Proposed HLB Fiscal Year 2023 Budget

IX. 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.

X. Board Member Comments

XI. Adjournment

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

April 14, 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, April 14, 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:

Tonzaino Bailey	Courtney Johnson Rose
David Collins	Victor A. Mondragón
John David Vasquez	Jesus DeAnda
Juan Cardoza-Oquendo	Janae Ladet
	Matt Zeis

Board directors absent were: Laurie Vignaud, Carol Galloway, 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; Greg Erwin and 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; Ron Butler, Manager – Property Maintenance for HLB; and Nick Foran of the HLB Advisory Board.

I. Call to Order and Roll Call

Chairman Zeis called this regular meeting to order at 12:08 p.m. A roll call of the Board members in attendance immediately followed. Chairman Zeis announced that a quorum of the Board was present.

II. Public Speakers

No public speakers registered to address the Board.

III. Consideration and Adoption of Meeting Minutes

a. March 10, 2022 Board Meeting

Chairman Zeis noted that the minutes for the March 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 Mondragón made a motion to adopt the minutes of the March 10, 2022 Board Meeting 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 Board members in attendance for volunteering and being available for this regular meeting.

V. Committee Reports:

a. Executive Committee: Matt Zeis, Chair

Chairman Zeis then announced that the Executive Committee met last week to discuss the items on today's meeting agenda, several LARA lots which have ownership issues, the Neighborhood Advisory Committee program, the proposed partnership with Lowe's, and the Yellow Cab property development plan.

b. Finance Committee: Laurie Vignaud, Chair

Chairman Zeis noted that Director Vignaud was not in attendance today and stated that the monthly financial report is included in the meeting packet distributed to the Board.

1. Monthly Financial Report

Chairman Zeis 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 opening of the Unity National Bank Premium Money Market Account which has now accrued \$50.00 in interest.

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

Christa Stoneham stated that the Partnership and Program Development Committee meet to discuss the details of the partnership with Lowe's to receive a discount on construction materials. The Committee discussed the framework for the logistics of implementing the discount on construction materials with its home builders, including confirming the builder is in compliance and the house is part of the HLB program. HLB staff will then submit the tax identification number to Lowe's for additional savings to the home builder and home buyer.

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

Director Mondragón reported that the READ Committee met 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 and the Round 6 Lot sales.

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

1. **Procurements Overview**

Director DeAnda reported that the Procurement and Oversight Committee met 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. HLB staff will meet with Landtech, Inc. to determine the location of the driveways to finalize the surveys to obtain temporary permits.

Director DeAnda stated that the Committee previously examined the six responses to the 2021 RFQ for environmental services which were reviewed and rated by HLB staff. The results of this RFQ will now move forward for consideration by the Board. He then noted that the lot maintenance RFP will close on May 16, 2022. Also, the RFP prepared for the annual audit will be closing April 29, 2022 and the RFP for bookkeeping and accounting services will close on May 6, 2022.

Director DeAnda mentioned that HLB has requested proposals for design services with regard to the Yellow Cab property from the two firms which the Board approved in November 2020.

Director Mondragón asked how many responses have been received for the RFP for the lot maintenance contracts. Mr. Gonzalez reported that as of today only one response has been received.

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

a. **Progress Report**

Ms. Stoneham stated that the first quarter of the year has ended and the HLB has progressed on the strategic plan by 46% since January 2022 with regard to affordability options, lot inventory, demonstrate neighborhood development and organizational excellence.

Ms. Stoneham then reported that the New Home Development Program returned 80 lots back to the HLB, the majority of which are located in Acres Home and others dispersed in the other communities. She stated that HLB will need to reignite its relationship with Linebarger Goggan to access tax delinquent properties owned by governmental entities which may be potential opportunities for development of affordable housing. Ms. Stoneham noted that community engagement has not progressed as needed, however a new employee starting on Monday will be tasked with this going forward.

Lastly, she mentioned that the new in-house legal counsel person will begin on Monday and one of her responsibilities will be to build a relationship with the delinquent tax attorneys to transfer land which is foreclosed for non-payment of taxes.

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)

Director Mondragón made a motion to approve the sale of the above four lots to Education Based Housing, which motion was duly seconded by Director Bailey and passed with the unanimous vote of the Board.

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.

Ms. Stoneham stated that approval of this agenda item will authorize her to advise on neighborhood priorities for new uses of the inventory of HLB lots and alignment of infrastructure with the City of Houston.

The to be formed HLB Neighborhood Advisory Committee (NAC) will allow HLB staff to be informed of the community interests, and to learn more about the values, concerns, and ideas regarding a particular issue or problem in the community. It will also provide a valuable opportunity to better understand the reasons for their conclusions and/or needs. The NAC will represent the 15/50 points allocated for Neighborhood Design Appropriateness for the Traditional Home Program. Ms. Stoneham noted that, if approved, the first meeting will be scheduled for May 19, 2022 for introduction purposes and to answer any questions with regard to HLB's home builders mission. 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

Director Mondragón made a motion to authorize the CEO/President to create a Neighborhood Advisory Committee to advise on priorities for new uses of HLB lots which motion was duly seconded by Director DeAnda and passed with the unanimous vote of the Board.

c. **Consideration and Possible Action to Accept Program and Partnership Committee Recommendation to Authorize CEO/President to Engage with Lowe's for Partnership for discounted construction materials.**

Ms. Stoneham announced that approval of this item will authorize HLB staff to engage, develop, and negotiate terms and conditions with Lowe's Home Improvement with the purpose of creating a Discounted Construction Materials Program or similar opportunity for the HLB approved home builders. Through this partnership HLB will be able to negotiate lower materials costs for the HLB approved home builders using HLB's tax-exempt status and potential 'collective builder' bargaining or purchasing power to reduce construction costs for both HLB home builders and approved income-qualified home buyers. She stated that HLB staff are still working through the details of what the discount to the home builders will be at this time.

In an attempt to lower construction costs and ultimately home sales prices, HLB has engaged Lowe's to help provide discounted materials to the HLB home 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 home buyers.

The general outline of the discount program will be as follows:

- HLB home 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 building 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%

- Home buyer 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 home buyer
- Actual materials, quantities, and discounts are being worked through to forecast how much the potential savings will be.
- HLB will process through the program with one or two home builders to determine how the daily logistics/oversight will work before an attempt to scale up or roll it out to all HLB builders

Director Johnson Rose made a motion to authorize the CEO/President to engage with Lowe's Home Improvement to propose a partnership for discounted construction materials, which motion was duly seconded by Director Ladet and passed with the unanimous vote of the Board.

VIII. Executive Session

Nothing to report.

IX. Board Member Comments

Director Collins stated that he is going fishing.

X. Adjournment

Chairman Zeis asked if there were any additional matters to be considered by the Board. Hearing none, the regular Board meeting adjourned at 12:39 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

Balance Sheet
As of March 31, 2022

	TOTAL
ASSETS	
Current Assets	
Bank Accounts	
Chase-Operations - 8465	125,684.59
Money Market - Lot Acquisition - 7058	1,383,390.05
Money Market Unrestricted - 7066	2,751,987.08
MoneyMarket-Unrstr.C Resev 5577	18,026.11
Petty Cash	12.63
Unity National Bank PMM - 4992	250,043.15
Total Bank Accounts	\$4,529,143.61
Accounts Receivable	
Accts Receivable	918,047.26
Total Accounts Receivable	\$918,047.26
Other Current Assets	
Prepaid Expenses	
Prepaid Acquisition Costs	3,700.00
Prepaid Insurance	27,039.20
Prepaid Rent	3,900.00
Prepaid Subscription Services	17,222.96
Total Prepaid Expenses	51,862.16
Total Other Current Assets	\$51,862.16
Total Current Assets	\$5,499,053.03
Fixed Assets	
Equipment	12,005.12
xAccum. Depreciation	-6,927.77
Total Fixed Assets	\$5,077.35
Other Assets	
Earnest Fee	125,100.00
Investments Held For Sale	9,730,859.55
Security Deposit	4,875.00
Total Other Assets	\$9,860,834.55
TOTAL ASSETS	\$15,364,964.93



Houston Land Bank

Balance Sheet As of March 31, 2022

	TOTAL
LIABILITIES AND EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
Accounts Payable	86,549.46
Total Accounts Payable	\$86,549.46
Credit Cards	
Chase Credit Card	6,748.63
Total Credit Cards	\$6,748.63
Other Current Liabilities	
Due to Tax Assessor	2,692.54
Liabilities Due to HCDD	1,382,281.07
Payroll Liability	1,041.48
Total Other Current Liabilities	\$1,386,015.09
Total Current Liabilities	\$1,479,313.18
Total Liabilities	\$1,479,313.18
Equity	
Retained Earnings-1	12,680,661.00
Net Income	1,204,990.75
Total Equity	\$13,885,651.75
TOTAL LIABILITIES AND EQUITY	\$15,364,964.93



Houston Land Bank

Profit and Loss

July 2021 - March 2022

	JUL 2021	AUG 2021	SEP 2021	OCT 2021	NOV 2021	DEC 2021	JAN 2022	FEB 2022	MAR 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	3,783.91	3,729.97	\$755,506.73
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	72,000.00	\$325,420.00
Disposition Proceeds	9,427.94	0.00	9,944.29	8,089.84	0.00	7,657.68	4,149.06	3,123.96	7,781.46	\$50,174.23
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	42,907.87	83,511.43	\$1,131,100.96
Administrative Fees	7,500.00		3,750.00	7,500.00	12,973.70	7,500.00	3,750.00	3,750.00	7,500.00	\$54,223.70
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	132,444.27	157,477.42	\$1,318,133.36
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	\$205,102.14	\$248,488.85	\$2,766,798.02
GROSS PROFIT	\$294,044.68	\$224,493.81	\$176,839.86	\$201,460.64	\$843,862.90	\$424,031.72	\$148,473.42	\$205,102.14	\$248,488.85	\$2,766,798.02
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	187.88	\$1,487.41
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	1,058.25	\$19,189.09
Officers & Directors Liability	729.13	729.13	644.15	644.15	644.15	644.15	644.15	644.15	644.15	\$5,967.31
Property Insurance		1,391.55	2,183.21	5,953.43			-1,266.45		-555.41	\$7,706.33
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	1,146.99	\$32,862.73
Computer and Internet Expenses	9.99	9.99	689.95	745.99	548.19	9.99	9.99	9.99	27.98	\$2,062.06
Conference & Meeting	125.00						250.00		27.06	\$402.06
Depreciation Expenses	200.09	200.09	200.09	200.09	200.09	200.09	200.09	200.09	200.09	\$1,800.81
Dues and Subscription	755.71	1,858.84	1,085.56	996.76	950.56	1,010.56	1,098.85	1,012.27	3,313.27	\$12,082.38
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	403.08	\$2,613.01
Meals & Entertainment		286.29			356.78	226.21			112.99	\$982.27
Office Supplies	-254.98	53.40		177.48	12.07				140.13	\$128.10
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	656.20	\$5,663.31



Houston Land Bank

Profit and Loss

July 2021 - March 2022

	JUL 2021	AUG 2021	SEP 2021	OCT 2021	NOV 2021	DEC 2021	JAN 2022	FEB 2022	MAR 2022	TOTAL
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	3,900.00	\$38,025.00
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	5,956.21	\$50,192.89
Storage Rental	78.00	78.00	78.00	78.00	78.00	78.00	78.00	78.00	78.00	\$702.00
Telephone Expense	642.16	642.04	642.04	640.92	640.50	707.40	482.90	482.42	482.42	\$5,362.80
Travel and Lodging Expenses										\$0.00
Mileage Expense		147.07		126.66	132.85	51.32	55.83	101.53	81.49	\$696.75
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	81.49	\$752.69
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	16,057.59	\$154,744.94
Employee Cost										\$0.00
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	6,868.37	\$52,739.98
Payroll Services Fee	182.20	122.82	124.85	128.96	128.96	193.44	243.41	128.96	126.83	\$1,380.43
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	4,100.38	\$42,108.03
Retirement	974.67	1,219.10	1,049.17	953.98	1,069.36	1,574.96	833.90	831.02	773.33	\$9,279.49
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	54,335.49	\$527,724.90
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	66,204.40	\$633,232.83
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	10,551.00	\$73,571.44
Marketing and Promotional						883.63				\$883.63
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	7,220.00	\$67,870.00
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	17,950.00	\$215,221.40
Contract Work						760.76			185.00	\$945.76
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	25,355.00	\$298,537.16
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	37,113.71	\$273,530.80
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	37,113.71	\$290,750.80
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	37,113.71	\$290,750.80



Houston Land Bank

Profit and Loss July 2021 - March 2022

	JUL 2021	AUG 2021	SEP 2021	OCT 2021	NOV 2021	DEC 2021	JAN 2022	FEB 2022	MAR 2022	TOTAL
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	-10.00	\$ -4,576.69
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	-251.07	\$7,352.33
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	-261.07	\$31,781.24
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	1,540.00	\$11,470.00
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	1,880.00	\$22,859.10
Lots Sold - NHDP										\$0.00
Initial Cost of Lot	12,433.04		3,700.00	11,600.00		8,075.00	5,875.00	6,485.74	12,100.00	\$60,268.78
xImpairment on Lot Sold - (Contra)	-10,984.91		-3,367.00	-10,129.00		-7,178.00	-4,935.00	-5,902.02	-10,709.00	\$ -53,204.93
Total Lots Sold - NHDP	1,448.13		333.00	1,471.00		897.00	940.00	583.72	1,391.00	\$7,063.85
Marketing and Showcase		300.00			4,100.00			1,550.00	775.00	\$6,725.00
Property Taxes - NHDP	-2,637.98				723.42					\$ -1,914.56
Repair and Maintenance	45.96			128.62		102.04		168.91	369.97	\$815.50
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	250.00	\$8,085.00
Water and Utilities	487.40	507.51	2,258.95	1,007.08	448.49	392.05	638.02	1,738.89	2,515.89	\$9,994.28
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	7,637.32	8,721.86	\$79,779.97
Total Expenses	\$181,092.00	\$238,736.82	\$170,913.04	\$169,277.17	\$150,003.32	\$230,988.70	\$137,256.94	\$121,758.92	\$163,742.49	\$1,563,769.40
NET OPERATING INCOME	\$112,952.68	\$ -14,243.01	\$5,926.82	\$32,183.47	\$693,859.58	\$193,043.02	\$11,216.48	\$83,343.22	\$84,746.36	\$1,203,028.62
Other Income										
Interest Income	140.85	20.46	19.80	21.94	25.90	29.12	1,588.71	29.33	86.02	\$1,962.13
Total Other Income	\$140.85	\$20.46	\$19.80	\$21.94	\$25.90	\$29.12	\$1,588.71	\$29.33	\$86.02	\$1,962.13
NET OTHER INCOME	\$140.85	\$20.46	\$19.80	\$21.94	\$25.90	\$29.12	\$1,588.71	\$29.33	\$86.02	\$1,962.13
NET INCOME	\$113,093.53	\$ -14,222.55	\$5,946.62	\$32,205.41	\$693,885.48	\$193,072.14	\$12,805.19	\$83,372.55	\$84,832.38	\$1,204,990.75

Banking on the Future of Communities

Houston Land Bank: April President's Report



MAY 12, 2022

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 April 2022,

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

120+ homes sold since 2019

\$21 M Property Value back into the market

27 HLB homes are estimated to be completed within 120 days

68 homes HLB properties are past due on the compliance period

Compliance Period	Count
>30	7
>60	3
>90	4
>120	54

“

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



Report of the President & CEO to the Board of Directors

May 1, 2022

April, May, and June will complete the fiscal year for the Houston Land Bank, and I am excited to move the priorities forward with the team. I am also pleased to announce the addition of two staff members and two marketing consultants to help move our initiatives forward:

- LaTosha Okoiron, Counsel and Compliance Director: LaTosha has gained extensive client consultation, and investigative and legal experience in a wide range of legal actions, mainly focused in the areas of real estate, probate, contractual disputes, and consumer protection issues. Her academic and professional training, combined with my passion and dedication, made her an ideal candidate for the Houston Land Bank team.
- Jahmeilla Hunter, Community Relations and Engagement Manager: Jahmeilla has experience in project management, conflict resolution skills, and research activities. She also has a well-rounded skill set for the Houston Land Bank, including polished public speaking and pragmatic reasoning abilities.

The additions to the team will focus on community engagement and program improvement goals such as:

- Interlocal agreements
- Increase the quality and innovate the construction
- Launch Neighborhood Advisory Committee and develop a pipeline of neighborhood buyers
- Marketing organization broadly & routinely, Better organization visibility in the neighborhood

The Houston Land Bank team is almost complete, and the foundation of every team are leaders who energize, orient, and engage its members. Therefore, I am grateful the board has accepted my recommendation for our new guiding principles: (Transparency, Ownership, Equity, and Stewardship). Our T.O.E.S. “provide posture and balance, support our body weight, and propulsion during the gait cycle. Not only do your toes help thrust your body forward when you walk, they actually help increase the length of your stride allowing you to run faster.”

Respectfully,

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

houstonlandbank.org

CEO AND PRESIDENT OUTCOMES

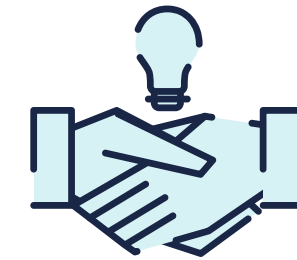
The monthly president's report serves as a showcase to highlight the priorities of the past month and includes a section touching on the focus for months to come. Below is a summary of the strategic priorities to assess, align and accelerate the growth of the Houston Land Bank's mission provided to the 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 FY22 Draft Strategic Plan's Guiding Principles was presented in April. The BOD supported the acronym T.O.E.S. HLB Staff will continue to build on the framework for adoption.
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 will follow up with the City of Houston now that in-house counsel has been hired and onboarded.
Create housing solutions and programs for all generations and Houstonians. Create "fast track" master permit procedure with COH.		HCDD permitting process for HLB Builders will be finalized in May 2022. The HLB Team will be meeting with HCDD to discuss the logistics.



*"The main function of your toes is to **provide posture and balance, support our body weight, and propulsion during the gait cycle.** Not only do your toes help thrust your body forward when you walk, they actually help increase the length of your stride allowing you to run faster."*

- Transparency
- Ownership
- Equity
- Stewardship



TEAMWORK & TALENT



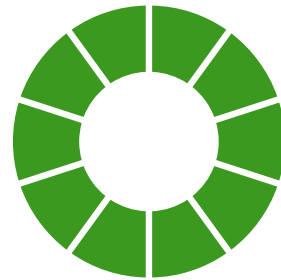
Progress

Action Steps

Progress

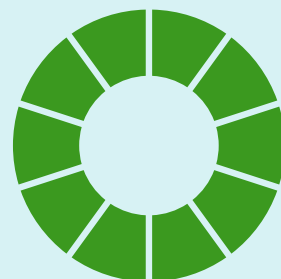
Update

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 hired the HLB Counsel and Compliance Director and Community Relations Manager in April 2022. The data analyst position will begin in May, but was indentified in 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



HLB Team hired communications support for social media and website revamp to help advertise accomplishments and outcomes. New content will begin in May

BOARD OF DIRECTORS SPOTLIGHT

MEET **Laurie VIGNAUD**
TREASURER

Laurie Vignaud was the first woman to serve as president and CEO of Unity National Bank leading a team of 25 associates in Houston and Atlanta. With more than 30 years in leadership roles in banking and community development institutions, Ms. Vignaud has demonstrated a strong track record in initiating and leading change, driving results, and innovating amid a rapidly evolving banking landscape. She previously served Capital One Bank as the president of its community development corporation and senior vice president of community development banking for the bank's south-central region. She was instrumental in bringing millions of dollars in grant financing to Capital One to support affordable housing programs. In addition, she created and led some of the bank's most innovative affordable housing and small business initiatives in the region in recent years. Today, Ms. Vignaud is working with investors to launch a new de novo bank with locations in New Orleans, La. and Houston, Texas. She serves on the OCC Minority Depository Institutions Advisory Council, NAACP Texas State Corporate Advisory Board, Texas Southern University Business School Advisory Board, the Houston Area Urban League Board of Directors, Earl Carl Institute Board of Directors, and the Ensemble Theatre Board of Directors. She is also a member of the Missouri City chapter of The LINKs, Inc.

BOARD OF DIRECTORS SPOTLIGHT

MEET **MATT ZEIS**
BOARD CHAIR

Matt Zeis has served on the HLB board as a mayoral appointee since December 2015; he has served as board treasurer and chaired the board's finance committee. He is also a mayoral appointee and chair of the City of Houston's Board of Public Trusts (Houston Foundation). Mr. Zeis is the Director of Finance for a US based international distribution services company with customers ranging from corporations to governments and law enforcement agencies. Mr. Zeis has previous experience in various aspects of crude oil marketing and trading, as well as non-profit finance, fundraising and ethics compliance. He has earned an MBA from Rice University's Jones Graduate School of Business with a concentration in finance and real estate; he also holds a bachelor's degree in history from Stephen F. Austin State University.

BOARD OF DIRECTORS SPOTLIGHT

MEET **DAVID COLLINS**
BOARD VICE CHAIR

David L. Collins, P.E., RPLS, M.ASCE, has served as a board member for the Texas Department of Health, Fort Bend Independent School District, and Houston Area Urban League, and has also served on the City of Houston Planning Commission. He has served as an ASCE officer and committee member at the local, state and national levels and received several awards and honors for his professional and community work. Mr. Collins is a semi-retired consultant to FCM Engineers, PC, a civil engineering, planning and construction management firm. A fellow in the American Society of Civil Engineers (ASCE), he was a principal of PTL, incorporated from 1982 to 2010. After graduating from the University of Houston in 1971 with a bachelor's degree in civil engineering, Mr. Collins went on to design and/or oversee projects around the world, including the University of Riyadh, Internal Security Forces College, Jeddah Maritime Academy, Saudi Arabia; University of Maiduguri, Nigeria; and local work including Toyota Center, the City of Houston's wastewater program, and the restoration of the Lake Houston Dam.



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



The FY 23 Strategic plan will begin in July 2022. The Team is creating goals and measurable benchmarks for the plan to be shared with the Board of Directors.

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.

Engage Strategic Partners & Stakeholders

Non-profits, community leaders, and other community-based organizations play a critical role in improving the quality of life in neighborhoods throughout the city. However, elected officials and aligned partners in the development community also provide support for the diverse needs of our neighborhoods. HLB will:

- Procure in-house floor plans for HLB builders and properties
- Engage and update elected officials
- Align with homebuyer education classes





MEET & GREET



Progress

Action Steps

Identify HLB lead and introduce HLB Team to community

Progress



Update

The HLB Team kicked off the Brownfields Activation Committee in April. Over 15 organizations were invited to learn how to apply and the next steps for the HLB Team.

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 attended Our Legacy Tulsa, a 12-month master plan process to create a vision and framework for redevelopment of 56-acres of publicly owned land in Tulsa, Oklahoma. The CEO presented to a group of 100 attendees





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 launched the Brownsfield Activation Committee (BAC), and Harris County has representatives apart of the BAC.

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



The HLB Compliance and Counsel Director will be researching the proper procedure to be in compliance with the COH ordinances.

RECLAIM BROWNFIELDS with Houston Land Bank

Brownfields: Properties with known or potential environmental contaminant.

Why Brownfields?
The mission of the Houston Land Bank (HLB) is to strategically acquire, dispose, and steward vacant, abandoned, and damaged properties into productive use and to catalyze transformative community and economic development for the City of Houston, including brownfields.

Brownfields can cause many issues in a community and are often difficult to redevelop because of the cost and liability associated with environmental contamination. This is why HLB has formed a coalition with the City of Houston and Avenue CDC. With this coalition, HLB has been awarded a \$600,000 EPA Grant and will use this funding to help communities reclaim brownfields for the purpose of public good and environmental justice.

THE ISSUES
Brownfields contribute to...

- Public & environmental health threats
- Blight & economic distress
- Dangerous buildings
- Increased crime and vandalism
- Loss of cultural assets
- Inability to secure funding
- Difficulty with attracting investments

Environmental issues can be...

- Lead based paint
- Asbestos in buildings
- Petroleum storage tanks
- Heavy metals in soil
- Groundwater contamination

AVENUE

How to reclaim brownfields with the Houston Land Bank



THE OPPORTUNITIES

Brownfields redevelopment can...

- Build healthy communities
- Develop equitable housing
- Preserve cultural assets
- Create jobs
- Expand parks and green space
- Increase Houston's tax base
- Eliminate exposure to chemicals
- Promote climate action
- Build resilience
- And more...



With EPA funding, HLB can...

- Identify Brownfields in your community!**
Inventory properties to plan revitalization.
- Perform Phase I Environmental Site Assessment**
To research potential issues prior to purchase.
- Conduct Phase II Environmental Assessment**
To collect samples to find evidence of contamination.
- Facilitate Reuse Planning**
To understand reuse options based on cleanup goals.

About EPA Funding

Priorities, eligibility, and geographic focus

- Applications accepted from nonprofits, government agencies, and small businesses
- Grant open city-wide, but priority areas are **East End, Near Northside, Kashmere Gardens, and Gulfton**
- Project selection will be based on alignment with community need, public good, and HLB's mission
- Community comments and inquiries are encouraged!



houstonlandbank.org

Our Next Steps

Timeline for the upcoming quarter

Tasks	May	June
● HLB Team to host at least 2 community events and meetings		
● Launch HLB website relaunch and social media rebranding		
● HLB Inventory Assessment for Brownfields program		
● HLB Neighborhood Advisory Committee (NAC) kick-off meeting		

REQUEST FOR BOARD ACTION

Meeting Date: May 12, 2022

Agenda Item VIII.a.: Consideration and Possible Action to Accept Real Estate Acquisition and Development (READ) Committee Recommendations of Contract Amendments for Maximum Sales Price Increase Requests under the Houston Land Bank Builder Traditional Program for the following Homes

ACTION SUMMARY

Approval of this item will authorize staff to amend existing contracts to reflect the recommended sales prices. These new sales prices have been reviewed, analyzed, and recommended by READ and Executive Committees. The table below denotes the details of each request and the new recommended sale price.

BACKGROUND/OVERVIEW

Given the continued increase in both land and construction costs in Houston, several HLB-approved builders have requested sales price increases based on the newly approved sales price framework. As both material and labor costs remain volatile and have recently skyrocketed, builders have requested to increase the sales prices of homes in construction. All requests were measured against the newly approved sales price frameworks of Low, Med, and High pricing. Based on the size and specifications of the house, applications were categorized into 1 of the three tiers and pricing ranges. Requests and their supporting documentation were reviewed by staff and assessed against both current construction costs per square foot and the recently approved pricing ranges. The READ Committee met on 4/27/2022 to discuss the price increase requests, and recommendations were made to the Executive Committee, which met on 5/5/2022 and conducted its analysis which made the final recommendations below:

No.	Builder	HCAD	Address	Area	Initial Price	Revised Price	Home Size (SF)	Approve
1	LIZ Enterprise	0361190 070034	8128 Sunnyhill	Acres Homes	\$210,000	\$222,873	1,641	Yes
2	Europa Homes	0731320 000453	7414 Touchstone	Trinity Gardens	\$197,617	\$209,731	1,386	Yes
3	Europa Homes	0731320 000453	7418 Touchstone	Trinity Gardens	\$197,617	\$209,731	1,386	Yes
4	Europa Homes	0731310 000082	7116 Touchstone	Trinity Gardens	\$205,867	\$218,487	1,386	Yes
5	Europa Homes	0731310 000081	7118 Touchstone	Trinity Gardens	\$205,867	\$218,487	1,386	Yes
6	5th Ward CRC	0701060 030008	3420 Russell	5th Ward	\$211,678	\$224,654	1,501	Yes Duplex for two families
7	5th Ward CRC	0660250 070829	6915 Hoffman	Trinity Gardens	\$211,419	\$240,481	1,448	Yes 4 bedroom home/2.5 bath
8	5th Ward CRC	0660250 100923	7006 Hoffman	Trinity Gardens	\$211,728	\$240,481	1,448	Yes 4 bedroom home/2.5 bath
9	MHL Properties	0660250 070828	6925 Hoffman	Trinity Gardens	\$212,000	\$225,000	1,550	Yes
10	MHL Properties	0660250 010676	0 Shotwell	Trinity Gardens	\$212,000	\$225,000	1,550	Yes
11	MHL Properties	0660250 010680	0 Shotwell	Trinity Gardens	\$212,000	\$225,000	1,550	Yes
12	MHL Properties	0660250 030711	0 Shotwell	Trinity Gardens	\$212,000	\$225,000	1,550	Yes
13	MHL Properties	0660250 080803	7416 Shotwell	Trinity Gardens	\$212,000	\$225,000	1,550	Yes

REQUEST FOR BOARD ACTION

Meeting Date: May 12, 2022

Agenda Item VIII.b.: 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—Sales Price Revisions. Approval of this item will 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, but requests for Sales Price Increases from builders were made prior to closing those lot sales. These Sales Price Increase requests were made by several builders expressing the hardship that previous sales price caps placed on current or newly commencing projects. These requests were measured against the recently approved sales price framework, based on the size and specifications of the home. The below prices were reviewed, analyzed, and recommended by both the READ and Executive Committees. The recommendations are as follows:

No.	Builder	HCAD	Address	Area	Initial Price	Revised Price	Lot Cost	Home Size (SF)	Approve
1	SXG Capital	0761490010010	8510 Safeguard	Sunnyside	N/A	\$262,200	\$15,000	1,712	Yes 4 bedroom home/.5 bath
2	Europa Homes	0660260090213	0 Peachtree	Trinity Gardens	\$212,000	\$224,597	\$21,762	1,364	Yes
3	Europa Homes	0660260100186	0 Peachtree	Trinity Gardens	\$212,000	\$224,116	\$21,330	1,364	Yes
4	Europa Homes	0660250010673	0 Shotwell	Trinity Gardens	\$212,000	\$224,050	\$18,483	1,364	Yes
5	Europa Homes	0660260080062	0 Wileyvale	Trinity Gardens	\$212,000	\$224,406	\$21,591	1,364	Yes
6	Europa Homes	0660260160289	8315 Sandra	Trinity Gardens	\$212,000	\$224,325	\$15,202	1,364	Yes
7	Europa Homes	0660260120991	8417 Wileyvale	Trinity Gardens	\$212,000	\$224,667	\$25,167	1,364	Yes
8	Europa Homes	0681170010034	8721 Allwood	Trinity Gardens	\$212,000	\$224,815	\$22,910	1,364	Yes
9	Europa Homes	0640190060006	0 Bostic	Trinity Gardens	\$212,000	\$223,845	\$10,660	1,364	Yes
10	Europa Homes	0640190060006	0 Bostic	Trinity Gardens	\$212,000	\$224,845	\$10,660	1,364	Yes
11	Europa Homes	0640190060006	0 Bostic	Trinity Gardens	\$212,000	\$224,845	\$10,660	1,364	Yes



Board of Director's Meeting

May 12, 2022

HLB BOD Meeting May 12, 2022
Page 30

FY 2023 Proposed Budget Recap

1. Projecting 110 lot dispositions under HLB Traditional Program and 15 house dispositions under the NHDP program.
2. Still expect funding from HCDD's TIRZ allocation under the Operations Agreement.
3. Anticipate operating newly created 501(c)3 entity with additional funding sources.
4. Headcount to remain the same versus prior fiscal year at a total of 9 staff members.
5. Legal fees to remain the same versus the prior fiscal year for administrative or real estate services.
6. Professional services to remain the same for planning activities, annual external audit, IT support, legislation implementation support, and grant writing services.
7. Lot maintenance reduced significantly as a result of aggressive lot dispositions and change in operational procedure for ROW won't be cost-burdened to HLB.
8. With the 501(c)3 fundraising activities intend on using those funds for additional builder subsidies, down payment assistance program for potential homebuyers, and expansion of staff.

Note:

This is not the final budget for FY2023 therefore still can modify until the next vote for final ratification on June 9, 2022 Board of Directors meeting.

Changes are still ongoing and can be amended if need be after BOD ratifies the budget on June 9, 2022.

Fiscal Year Comparison

HOUSTON LAND BANK			
Proposed Preliminary Budget FY2023			
Account	FY2022 Actuals 1.31.22	FY2022 BOD Amended Approved Budget	FY2023 BOD Preliminary Budget Approval
HLB Traditional Disp Proceeds	227,390	937,500	937,500
A&D Disposition Proceeds	995,864	703,988	422,385
Operational Reimbursement	757,471	1,782,214	1,783,097
Administrative Fees	61,724	93,750	56,250
Interest Income	1,816	3,000	2,500
Outside Sources Other (Grants & 501c3)	9,950	189,000	1,410,000
Total Revenues	\$ 2,054,215	\$ 3,709,452	\$ 4,611,732
Salaries & Fringe	459,230	983,212	1,080,399
Legal Fees	45,373	100,000	100,000
Professional Services	215,436	197,800	192,900
Lot Maintenance	216,985	502,666	324,007
Software & Subscriptions	40,088	57,740	49,514
Office Rent	26,325	47,700	48,000
Other (Insurance, Car Lease, and Supplies)	46,670	50,937	50,000
Grant & 501c3 Expenditures	9,950	189,000	1,410,000
HLB Traditional Acquisitions	-	725,000	500,000
HLB Traditional Disposition Cost	26,788	515,625	515,625
NHDP Disposition Cost	56,183	328,988	197,385
A&D Acquisitions	-	-	-
Total Expenditures	\$ 1,143,027	\$ 3,698,668	\$ 4,467,831
Excess (Deficit)	\$ 911,188	\$ 10,784	\$ 143,901
Change in Fund Balance			
Estimated Beginning of Year	12,680,663	13,591,851	13,602,635
Estimated End of Year	\$ 13,591,851	\$ 13,602,635	\$ 13,746,536

HLB BOD Meeting May 12, 2022

Board of Directors
Fiscal Year 2023
Preliminary Approved
Budget in March 2022
meeting.

Fiscal Year Comparison

HOUSTON LAND BANK
Proposed Preliminary Budget FY2023

Account	FY2022 BOD Amended Approved Budget	FY2023 BOD March Budget Approval	FY2023 To Date Preliminary Budget
HLB Traditional Disp Proceeds	937,500	937,500	1,100,000
A&D Disposition Proceeds	703,988	422,385	422,385
Operational Reimbursement	1,782,214	1,783,097	1,788,242
Administrative Fees	93,750	56,250	56,250
Interest Income	3,000	2,500	2,500
Outside Sources Other (Grants & 501c3)	189,000	1,410,000	1,410,000
Total Revenues	\$ 3,709,452	\$ 4,611,732	\$ 4,779,377
Salaries & Fringe	983,212	1,080,399	1,045,030
Legal Fees	100,000	100,000	100,000
Professional Services	197,800	192,900	232,900
Lot Maintenance	502,666	324,007	324,007
Software & Subscriptions	57,740	49,514	51,229
Office Rent	47,700	48,000	46,800
Other (Insurance, Car Lease, and Supplies)	50,937	50,000	50,000
Grant & 501c3 Expenditures	189,000	1,410,000	1,410,000
HLB Traditional Acquisitions	725,000	500,000	500,000
HLB Traditional Disposition Cost	515,625	515,625	515,625
NHDP Disposition Cost	328,988	197,385	197,385
A&D Acquisitions	-	-	-
Total Expenditures	\$ 3,698,668	\$ 4,467,830	\$ 4,472,976
Excess (Deficit)	\$ 10,784	\$ 143,902	\$ 306,401
Change in Fund Balance			
Estimated Beginning of Year	13,591,851	13,591,851	13,602,635
Estimated End of Year	\$ 13,602,635	\$ 13,735,753	\$ 13,909,036

FY2023 Budget to date versus approved budget back in March 2022.

Questions?