

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

January 14, 2021

A regular meeting of the Board of Directors ("Board") of the Houston Land Bank ("HLB"), a Texas non-profit corporation created and organized by the City of Houston as a local government corporation pursuant to the Texas Transportation Code Annotated, Section 431.101, *et seq.*, and the Texas Local Government Code Annotated, Section 394.001 *et seq.*, was held by video conference due to the City of Houston Stay Home Work Safe Order, and Governor Abbott's Executive Order Regarding Public Meetings during the time of the COVID 19 pandemic, in Houston, Texas, on Thursday, January 14, 2021 at 12:00 p.m. Written notice of the regular meeting, which included the date, hour, place and agenda for the regular meeting, was posted in accordance with the Texas Open Meetings Act.

Board members in attendance were:

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

Board members absent were: Pastor Steve Hall and John David Vasquez. Others in attendance included: Anne Haynes, the CEO/President for the Houston Land Bank; Jennifer Allison, Vice President of Operations and Programs; David Benson, Director of Organizational Excellence for HLB; Marye Barba, Administrative Assistant for HLB; Ivan Zapata, Program Manager of Real Estate and Acquisitions for HLB; Mark Glanowski (Paralegal) of Winstead PC, outside legal counsel for the HLB; Gonzalo Gonzalez, Director of Finance and Accounting for HLB; Gracie Saenz, In-house counsel for HLB; Darice Harris, Legal Counsel and Program Director for HLB; Vincent Marquéz, of the HLB Advisory Board; Kellen Zale, of the HLB Advisory Board; Nicholas Foran of the HLB Advisory Board; Elijah Williams of the HLB Advisory Board; Anderson Stoute of the Houston Housing and Community Development Department; and Jeri Brooks, CEO of One World Strategy Group, LLC, and Josh Sanders, One World Strategy Group/Joshua Sanders LLC.

I. Call to Order and Roll Call

Chairman Matt Zeis called the regular meeting to order at 12:02 p.m. A roll call of the Board members in attendance immediately followed. Chairman Zeis noted that a quorum of the Board was present.

II. Public Speakers

Chairman Zeis then requested Ms. Haynes to introduce any persons who registered to address the Board today. Ms. Haynes announced that no public speakers registered to attend today's meeting.

III. Consideration and Adoption of Meeting Minutes

a. December 10, 2020 Board Meeting

Chairman Zeis noted that the minutes for the 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 on this Agenda item.

Director Mondragon made a motion to adopt the minutes, as written, of the December 10, 2020 regular Board meeting, which motion was then duly seconded by Director Collins 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 meeting. Chairman Zeis then announced that HLB closed the acquisition for two of the tracts located in the Near Northside which comprised a portion of the former Yellow Cab site on December 31, 2020. Also, he stated that the HLB is still under an option agreement to purchase the remaining tract of the Yellow Cab site upon successful completion of the remediation of the environmental conditions.

Chairman Zeis then stated that he felt compelled to address the events that happened last week at the U.S. Capitol since it was deplorable and embarrassing. He noted the different response by law enforcement between the riots at the U.S. Capitol and the protests last Summer by Black Lives Matter. He hopes that a peaceful transition of power can continue without any more violence.

V. Committee Reports:

a. Finance Committee: Laurie Vignaud, Chair

Chairman Zeis requested Ms. Vignaud to report on the recent meeting of the Finance Committee. Ms. Vignaud asked Gonzalo Gonzalez to report on the status of the financial status of the HLB and the Fiscal Year 2022 Budget.

Mr. Gonzalez addressed the Board and stated that at the meeting of the Financial Committee the financial position of the HLB was discussed and determined to be in good standing with a strong cash standing and up to date on reimbursements with HCDD. The Financial Committee has finally closed the loop with the Fiscal Year 2021 Budget due to all of the back and forth discussions and negotiations with HCDD. As of this morning HCDD will be signing the final memorandum to close out the HLB Fiscal Year 2021 Budget.

Mr. Gonzalez then informed the Board of the key dates with regard to the HLB Fiscal Year 2022 Budget. The first date will be on the March 11, 2021 regular Board meeting wherein the Board will be requested to approve the preliminary numbers for the Fiscal Year 2022 Budget as part of the agreement between HLB and the City of Houston. The next key date is April 30, 2021 wherein the Finance Committee will deliver an itemized budget to the Finance Committee and then to the Board. Then at the May 13, 2021 regular Board meeting the Fiscal Year 2022 Budget will be placed on the Agenda for discussion. Lastly, at the June 10, 2021 Board regular meeting the HLB Fiscal Year 2022 Budget will be on the Agenda as an action item to approve and adopt for Fiscal Year 2022 which commences July 1, 2021.

b. Program Committee: Curtis Lampley, Chair

1. Update and Recommendations for Round 3 Lot Sales

Director Lampley reported that the Program Committee met on January 5, 2021 to discuss its recommendations for the Round 3 Lot Sales, creation of the Limited Alternative Land Use Program which was previously operated as the Right of First Refusal Program, and a builder submission for a multi-generational duplex in the Fifth Ward Community.

Director Lampley mentioned that there were 16/17 lots in the HLB inventory that were assigned out to the CHDO program with HCDD (Community Housing Development Organization) and now the closing documents for these lots are with the title company for closing.

2. Update Regarding Community Housing Development Organization Program

Director Lampley then stated that the Program Committee also has been working with HLB staff to create a revised program in order that lots in the old Right of First Refusal Program can be sold pursuant to the new revised guidelines.

3. Update Regarding HLB Builders Grant/Subsidy Program

Lastly, Director Lampley mentioned that the Program Committee discussed review of builder subsidies concerning the requests that have been submitted by certain home builders. He stated that invitations were mailed out to all the home builders during the latter part of December 2020. The staff will review each request and brief the Program Committee on all submissions during the next month.

c. Oversight Committee: Mario Castillo, Chair

1. Procurements Update

Director Castillo reported that the Oversight Committee met on January 7, 2021 to discuss the status of the Lot Maintenance Program Contract. However, the look back for the Board to review has been moved to the February meeting to give staff time to compile all of the relevant data.

Director Castillo stated that the Oversight Committee is examining the Lot Maintenance Program Contract and the current expenditures for lot maintenance against the budget. He hopes to have the recommendations of the Oversight Committee with regard to the Lot Maintenance Program Contract available for the Board's review and discussion at the February 2021 Board meeting.

Lastly, he mentioned that the Oversight Committee is also reviewing the upcoming schedule of procurements as this Committee will transition to the Oversight and Procurement Committee.

d. Partnerships Committee: Courtney Johnson Rose, Chair

Chairman Zeis requested Director Johnson Rose to report on the recent activities being pursued by the Partnerships Committee. Director Johnson Rose deferred to Ms. Haynes to discuss with the Board the grant opportunity with JPMorgan Chase Foundation. Ms. Haynes, as mentioned at prior Board meetings, that the grantor is JPMorgan Chase Foundation which does nationwide investing in urban revitalization including affordable housing. JP Morgan Chase Foundation approached HLB through contacts and networks related to preservation of affordable housing. She also spoke with a community partner, My Connect Community, in Gulfton which is focused on, in part, preservation of affordable housing and creating new affordable housing stock which is lacking in the Gulfton area. JPMorgan Chase Foundation awarded the grant to My Connect Community and HLB would receive a sub-grant to help develop a housing strategy for Gulfton. She stated it will be pretty exciting because it will look at the multi-family stock and the role of HLB, if any, or other partners in the neighborhood to ensure affordability long term and production of new single family houses. Further, she mentioned that this would be a good opportunity to connect the numerous apartment renters in Gulfton to HLB's network of affordable housing being developed throughout the City. She noted that Gulfton is one of the Complete Communities in the Mayor's Strategic Initiative and this grant will begin the feasibility of affordable housing in Gulfton. New production of 300 housing units is identified as needed in the short term in the Complete Communities Report.

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

Ms. Haynes initiated her report with a video tour of an HLB standard purchase house sold to Mr. Walker located on Randolph Street in Acres Homes. Ms. Jen Allison shot the video during the Christmas season and mentioned that Mr. Walker is employed as a counselor by the HCC. He purchased the house in July 2020 for \$175,460. Mr. Walker is 72 years old and this was the first house he was able to purchase and was very thankful for the opportunity to own his first home.

Ms. Haynes mentioned that this video may be added to the HLB website. Director Jackson stated that before the video is uploaded onto the HLB website, a signed release from Mr. Walker will need to be obtained for the HLB records.

a. Affordability Research and Price Cap Analysis

Ms. Haynes announced that HLB had a consultant help look at the range of prices for houses at the 120% of AMI but also determine what is the median income in the neighborhoods

in which HLB works. This will help tailor house pricing and select builders' proposals to meet the income ranges which are lower in these neighborhoods than the City as a whole. This work will be ongoing in the Committees in the next month to complete a preliminary report.

b. Updates on Property Acquisition

Ms. Haynes next confirmed the recent acquisition of 3.5 acres in the Near Northside Neighborhood which is also one of the Mayor's designated Completed Communities. The process of procuring a developer for this site has been initiated by Houston Community Development Department to take on the role of developing the former site of the Yellow Cab business. She stated that HLB was successful in negotiating an extension of an option for the middle parcel of the Yellow Cab site until the final review work is completed. Another acquisition will be on the agenda for the February 2021 regular Board meeting and HLB is working with the Housing and Community Development Department to assure funding is in place to purchase such property.

c. Year-End Summary

Ms. Haynes and HLB staff prepared the 2020 Year End Summary which will be distributed to the Board after today's meeting.

VII. Mayor's Office/Complete Communities Report: Ex Officio Director Christa Stoneham

Director Stoneham invited the Board to attend the "Designing for Impact: Building Hubs and Corridors in the Complete Communities" presented by AIA Houston and the National Organization of Minority Architects in partnership with the City of Houston's Complete Communities Initiative. Director Galloway asked who is coordinating the community design workshop and why is Settegast not included in this workshop. Director Stoneham indicated that she will bring Settegast to the team for possible inclusion in this report. She also noted that AIA Houston is conducting this workshop on a volunteer basis.

Director Stoneham then stated that yesterday, City Council approved the lease agreement for an urban solar farm to be constructed in Sunnyside on an old landfill site. This important step will repurpose this blighted land into a 240 acre solar energy development to produce and sell electricity. The property is located on Bellfort Avenue, east of Highway 288 and south of Loop 610. Construction of the \$70 million solar farm project will begin in 2022. In addition to the solar project the lessee will also rehabilitate the property.

VIII. Board Action Items

- a. Consideration and Possible Action to Accept Program Committee and Staff Builder Lot Selection Recommendations for Round 3 Lot Sales Under the HLB Home Building Initiative [Address – HCAD# – Proposed Price (Builder) Listed Below]**

1. **3420 Russell - 0701060030008 - \$21,924 (Fifth Ward Community Redevelopment Corp.)**

Ms. Harris announced that the Program Committee recommends that approved home builder Fifth Ward Community Redevelopment Corp. be awarded a contract for an 8400 square foot lot located in Fifth Ward to build a 1,501 square foot multi-generational duplex. This single family structure is designed to allow families who may have elderly or disabled relatives assemble in a cohesive unit, while still having their own separate interior space and outside entrances. Although there is an adjoining wall inside of the duplex, there is also an adjoining door which provides interior access to each unit within the house. There are no plans to have any portion of the duplex rented or leased, as all of the residents will be in the same family.

Ms. Harris indicated that this award was held back from the other builder applications approved at the December meeting to allow the Program Committee and HLB staff time to conduct more due diligence because it was designated as a duplex rather than a single-family house. She informed the Board that HLB will sell the lot for \$21,924 which is located at 3420 Russell Street. The home builder submitted a pro forma which indicates the sales price for this house will be \$211,688. She noted that this home builder is experienced in the Fifth Ward for construction of a 1,501 square foot multi-generational duplex house.

Director Galloway questioned the size of this duplex which must have small rooms since the total square footage is only 1,501 square feet. Director Galloway asked if the duplex will have separate addresses for each of the living quarters. Ms. Harris stated that there would be no separate address for the additional interior living space. Director Jackson then stated that this is not really a duplex since there will be only one address for this housing unit. Therefore, the classification as a duplex is incorrect.

Director Galloway requested additional information as to what will be built because the owner could lease the separate living quarters to someone who is not a family member.

Director Lampley clarified that the duplex section is all contained within the living quarters of the structure itself. What separates the two living areas is an entryway with a door including a lock. The separate space includes a bedroom with some living quarters but is not a separate structure.

Director Collins made a motion to approve the sale of the lot at 3420 Russell to the Fifth Ward Community Redevelopment Corp. for construction of a single-family residence, which was duly seconded by Director Galloway and passed with the unanimous vote of the Board.

b. **Consideration and Possible Action to Adopt the FY 2021-22 HLB Strategic Plan**

Ms. Haynes stated that this agenda item covers the goals and strategies for the HLB as more particularly outlined in the package previously delivered to the Board for review.

She noted that the Strategic Plan was introduced in April/May 2020, and a facilitator, Rhetta Dietrich, was engaged for a scope of work to help the HLB frame its strategic goals. Due to initial delays related to Covid-19 and Board Appointments/Orientation, the activity launched

in August with initial Board surveys. The input has been assembled into a simple strategy, which reflects and integrates input from Board, the Mayor's Office, the HCDD, and HLB Staff, and reflects the focus on two HLB core programs and additional expansions of such programs to further support Houstonians. This plan supports the focus for the strategic use of program funds (lot sales), the ability to efficiently prepare a Fiscal Year 2022 budget, and streamline the structure and process for more efficient use of Board time.

The Overreaching Goals – Program Themes are:

- Increase affordability options to support more Houstonians.
- Build Inventory to provide more affordable housing in rapidly changing neighborhoods.
- Demonstrate comprehensive approach to neighborhood development.
- Organizational excellence.

The Goal Strategies – How HLB Achieves Impact:

- With Strategic Geographic Focus.
- Implement Program Refinements.
- Strengthen community engagement to ensure work on behalf of community.
- Identifying new partners and new resources to do the work more impactfully and strategically.

Director Lampley stated that he could not approve the Strategic Plan in this form because the Board has not met with the private developer which owns numerous lots in the Settegast subdivision. The Board has not seen a presentation from the developer regarding any proposed development of the lots it owns in Settegast. He recommended that the Board meet with the private developer to clearly understand the type of development scheme intended for Settegast. He stated that the Board has not been completely briefed on this major component of the Strategic Plan. Ms. Haynes stated that the plan for the Settegast forested lots is well past two years covered by the Strategic Plan.

Chairman Zeis stated that the Strategic Plan covers all of the Mayor's Complete Communities and the organization of HLB as its focal point.

Director Lampley made a motion to approve the Strategic Plan except for matters relating to the development of the lots in Settegast until the Board has consulted with the private developer and are brought to the Board for final approval, which motion was duly seconded by Director Galloway and passed with the unanimous vote of the Board.

- c. **Consideration and Possible Action to Accept Proposed Pre-Qualified Vendors for Urban Planning and Market Analysis Services, and to Establish**

a Not-To-Exceed Amount to be Paid for Services from Each Vendor for FY 2021 and FY 2022

1. **James Lima Planning and Development**
2. **HR&A Advisors**
3. **Torti, Gallas & Partners**
4. **Gensler**
5. **APO Urban Planning & Management**
6. **Community Lattice**
7. **Utile**
8. **Asakura Robinson**

Director Castillo made a motion to accept the pre-qualified vendors listed above to conduct urban planning and market analysis services, and to establish a not-to-exceed amount to be paid such services from each vendor for Fiscal Year 2021 and Fiscal Year 2022, which motion was duly seconded by Director Vignaud. Director Lampley requested that the motions for Agenda items 8c and 8d be amended to reflect the same amendment for Agenda item 8b in order to provide that the Board has final approval for any matters related to the development of the lots in Settegast.

Director Castillo noted that not all of the planning services for these vendors are related to Settegast. Director Lampley further amended his amendment to the motion to only cover those planning services related to Settegast and not executed on until the Board has met with the private developer and brought back to the Board for final approval.

Director Collins stated that he could not vote on the vendors listed as C4, C5 and C8 because he has working relationships with each of those vendors. Ms. Haynes stated that she wants each of these vendors to be pre-qualified for the planning and analysis services. Director Collins interjected that he thought these vendors had already been pre-qualified. Ms. Haynes noted that they were only used for small scopes of work and each was independently contracted. This Agenda item will finalize them as pre-qualified contractors going forward.

Directors Castillo and Vignaud accepted the amendments to the motion made by Director Lampley.

Director Galloway asked if the Board is voting on each of these vendors separately or together. Ms. Haynes stated that this is a very specific process of procurement for special services by a slate of pre-qualified vendors. Chairman Zeis stated that the motion, as amended, will cover all of these vendors together rather than separately.

The motion, as amended, was approved by the majority vote of the Board. Directors Collins and Galloway voted against the motion, as amended.

d. **Consideration and Possible Action to Authorize the CEO/President to Execute a Contract with APO Urban Planning & Management in an Amount Not to Exceed \$83,918 for Urban Planning Services Related to Settegast Community Development Opportunity**

Chairman Zeis read Agenda item 8d aloud and requested a motion from the Board. Director Galloway made a motion to approve the contract with APO Urban Planning & Management for an amount not to exceed \$83,918. Ms. Haynes stated that the scope of work identified is \$83,000 but the motion is up to \$85,000 because it was better to round up in the event of any printing cost for the report as part of the package.

Director Mondragón seconded the motion. Director Lampley requested that the motion be amended to include that the Board has final approval after consulting with the private developer of lots in Settegast. Directors Galloway and Mondragón accepted the amended motion made by Director Lampley.

Director Galloway then stated that the City should provide for the cost of planning related to Settegast and HLB could use the \$83,000 elsewhere to benefit the community. Ms. Haynes noted that the work by the AIA would not cover infrastructure and public financing. Director Collins stated that HLB owns a lot more lots in Settegast than are shown in the HLB lot inventory. Chairman Zeis mentioned that this contract will provide the staff and the consultants necessary to answer that question.

Chairman Zeis then called for a vote on Agenda item 8d. The motion, as amended, passed with the majority vote of the Board. Directors Collins and Galloway voted against the motion, as amended.

e. **Consideration and Possible Action to Approve an Agreement with One World Strategy Group for Legislative Affairs Services in an Amount Not to Exceed \$50,020**

Director Castillo made a motion to approve the Agreement with One World Strategy Group for legislative services in an amount not to exceed \$50,020.00 which motion was duly seconded by Director Johnson Rose and passed with the majority vote of the Board. Director Collins abstained from voting on this motion.

f. **Consideration and Possible Action to Approve a Subgrant Agreement in the Amount of \$64,000 with My Connect Community for Feasibility Study Related to Preserving Housing Affordability**

Director Johnson Rose made a motion for approval of this item which will direct and authorize HLB staff to sign a sub-grant agreement with My Connect Community, a community development corporation located in Gulfton, which received a grant from JP Morgan Chase Foundation for a one year term. Director Lampley duly seconded the motion.

Director Johnson Rose noted that Gulfton, as a Complete Community under the Mayor's Strategic Initiative, is one neighborhood that has unique housing conditions and land use patterns, requiring a unique strategy as outlined in the 2018 Complete Community report and

various other planning documents. My Connect Community has worked closely with the community to support social services, education, jobs, as well as initiating projects that will support affordable housing needs. The Mayor's Complete Communities report provides that a key goal in this neighborhood is to provide additional affordable housing, and preserve the existing affordable housing.

As the physical conditions are different in the Gulfton community, from the traditional single-family neighborhoods, this project will help identify how the Houston Land Bank can assist this community to achieve the Mayor's affordable housing goals. When presented with an opportunity to address 'Preserving Affordability,' as presented by JP Morgan Chase, My Connect Community and HLB recently collaborated on a grant application that would address the particular needs of the Gulfton community. Gulfton is an area where My Connect Community has been involved, and where HLB has not yet built any affordable houses. The grant budget total is \$150,000, of which HLB would receive \$64,000 to support staff time and project management expertise for this unique feasibility project. JP Morgan Chase Foundation is a national philanthropy which provides significant funding nationwide to support urban redevelopment projects.

Director Johnson Rose stated that the goals of this project are:

1. Develop a multi-modal, including renter-and owner occupied, housing strategy to advance affordable housing goals in Gulfton and adjacent/related neighborhoods, strengthening the ecosystem of community partners around affordable housing.
2. Identify ways to preserve affordability in housing units that are at risk with adaptive reuse of existing structures.
3. Identify sites that may provide new affordable housing, specifically homeownership opportunities, to support adaptive reuse projects and additional housing typologies.
4. Through education and relationship building, develop direct opportunities between renters and homeownership opportunities in adjacent/related neighborhoods and community partners around affordable housing.

She noted that the HLB currently does not own any land in the Gulfton area, therefore it will be necessary to identify available sites for affordable housing. Also, Director Johnson Rose highlighted that \$64,000 of the grant will be placed in the HLB budget to manage the project with in-house staff.

Chairman Zeis stated that he was excited that HLB will be participating in this new project for another community which is also in need of affordable housing.

Chairman Zeis then called for a vote on the motion to approve the Subgrant Agreement for the feasibility study for preserving housing affordability in Gulfton. The Board voted unanimously to pass the motion to approve the Subgrant Agreement with My Connect Community in the amount of \$64,000.

Director Lampley complimented staff for identifying additional and new resources to support the work of the organization.

IX. Executive Session

The Board did not meet in Executive Session during this meeting.

X. Action Items from Executive Session.

Nothing to report.

XI. Board Member Comments

Director Johnson Rose made comments regarding RFPs for Settegast, specifically around the support and consideration for small minority-owned businesses who have been selected to do the work .

Director Galloway stated that her appointment to the Board ended and asked if HLB has received information from the Houston Independent School District (HISD) with regard to new or re-appointment of directors to the Board. Ms. Haynes mentioned that HLB has not received any information on new or re-appointment of directors from HISD or Harris County since last Summer. HLB will follow up with HISD and Harris County with regard to the appointments of directors to the Board.

XII. Adjournment

Chairman Zeis asked if there were any additional matters to be considered by the Board. Hearing none, the regular Board meeting adjourned at 1:42 p.m. upon the motion of Director Galloway, which was duly seconded by Director Mondragón.

Minutes Prepared By:

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

Signed on the ____ day of _____, 2021.

Jesus A. DeAnda

03 / 17 / 2021

Secretary

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