

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

**July 13, 2023**

A regular meeting of the Board of Directors ("Board") of the Houston Land Bank ("HLB"), a Texas non-profit corporation created and organized by the City of Houston as a local government corporation pursuant to the Texas Transportation Code Annotated, Section 431.101, *et seq.*, and the Texas Local Government Code Annotated, Section 394.001 *et seq.*, was held at 50 Waugh Drive, Houston, Texas, on Thursday, July 13, 2023 at 12:00 p.m. Written notice of the regular meeting, which included the date, hour, place and agenda for the regular meeting, was posted in accordance with the Texas Open Meetings Act.

Board members in attendance were:

Tonzaino Bailey	Janae Ladet
David Collins	Victor A. Mondragón
Chrishelle Palay	Marilyn Muguerra
Dwantrina Russell	Matt Zeis

Board directors absent were: Jesus DeAnda. Antoinette Jackson, Danielle Keys Bess, Elaine Morales, and Laurie Vignaud. Others in attendance included: Christa Stoneham, Chief Executive Officer/President of the HLB; Donald Hughes, Acquisition and Development Director for the HLB; LaTosha Okoiron, In-house Legal Counsel and Compliance Director for the HLB; Isai Mendez, Finance Director; Mark Glanowski (Paralegal) of Winstead PC, outside legal counsel for the HLB; Lindsey Williams, Director of Community Development for the HLB; Donesha Albrow, Administrative Manager for the HLB; Jen Allison, Chief Operations Officer for the HLB; Gracie Saenz, outside legal counsel for the 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 12:07 p.m. A roll call of the Board members attending in person immediately followed. Chairman Zeis then announced that an in-person quorum of the Board was present for this meeting.

**II. Public Speakers**

Nothing to report.

**III. Consideration and Adoption of Meeting Minutes**

**a. June 8, 2023 Board Meeting**

Chairman Zeis noted that the minutes for the June 8, 2023 regular meeting of the Board were previously circulated for review and comment. He asked if there were any comments for discussion to such minutes. Hearing none he asked for a motion on the minutes.

Director Muguerza made a motion to approve the minutes of the Board meeting held on June 8, 2023, as written, which motion was duly seconded by Director Ladet and passed with the unanimous vote of the Board.

#### **IV. Chairman's Greeting: Matt Zeis**

Chairman Zeis thanked the HLB staff for its work organizing, promoting and hosting the Bankers Fair at the Federal Reserve Bank building which he noted was well attended by homebuilders, developers, and financial representatives. He stated that he is looking forward to next year's event.

#### **V. Committee Reports:**

##### **a. Executive Committee: Matt Zeis, Chair**

Chairman Zeis reported that the Executive Committee met last week to discuss operational matters and builder compliance matters.

##### **b. Finance Committee: Laurie Vignaud, Chair**

Mr. Mendez reported that the Finance Committee met on June 30, 2023 to discuss a reduction in the Fiscal Year 2024 Budget, updates on various projects, spending associated with the EPA grant, and the new account opened with Amegy Bank.

##### **c. Partnership and Program Development Committee: Janae Ladet, Chair**

Director Ladet reported that the Partnership Committee did not meet, however the Committee reviewed the grant process for The Jacob and Terese Hershey Foundation.

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

Director Mondragón reported that the READ Committee met on June 28, 2023 to discuss the status of development of the Yellow Cab site, the data related to builder compliance, and the repurchase of lots from builders who are out of compliance under their construction contracts.

Mr. Hughes reported on the analysis conducted of the median household income by neighborhood in order to develop a new data driven tool to align sales prices for houses to be constructed in each neighborhood. The proposed square footage tool would assist to calculate the recapture cost and determine the house sales price. Director Mondragón said he was excited for any data driven and forward looking type of tool to assess sales prices properties before construction of the houses proceeds. Mr. Hughes stated that he is also developing an acquisition plan so that the HLB staff will not have to wait for Board approval to purchase lots.

Lastly, the READ Committee discussed creating a framework for staff to acquire lots on the open market without needing approval by the Board at its monthly meeting.

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

Chairman Zeis reported that the Procurement and Oversight Committee met last week to discuss the audit procurement and the builder RFQ.

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

Ms. Stoneham announced that the new RFQ for builders and developers to participate in the Traditional Homebuyer Program was amended to include different types of builders being Master Community Builders, Established Builders, Startup Builders, Non-Traditional Builders, Rehab/Reconstruction Builders, and Neighborhood Commercial Builders and was posted on July 3, 2023. She then reported that the Audit Procurement has also opened.

Ms. Stoneham announced that the builders' forum held on June 30<sup>th</sup> in conjunction with the Houston Housing Collaborative at the Federal Reserve Bank building in Houston had over 200 people registered for the event including District D Council Member Tiffany Thomas. The Houston Housing Collaborative assisted with funding for this inaugural event. Ms. Stoneham stated that the HLB will need to procure more sponsors for next year's event.

Ms. Stoneham then discussed the status of the development data and the need to add more builders to the program. She noted that there are 65 houses in development, however 54 builders are out of compliance with regard to the progress to completion status. She reported that seven builders will be conveying their lots back to the HLB, as some of these builders have been out of compliance for several years now. The legal ramifications will need to be assessed for other builders who are out of compliance depending on the type of contract entered into and the date the builder went out of compliance. Some of the deeds to the builders included a reverter, however others do not. Ms. Stoneham stated that she would be working to revise the current construction contracts to include improved requirements to strengthen controls with regard to compliance. Lastly, Ms. Stoneham mentioned that the HLB recently organized its second Juice and Justice event which was held on June 2, 2023. During this event the HLB introduced its Hidden Gems program to promote the untapped potential of neglected spaces within the city.

**VII. Board Action Items**

a. **Consideration and Possible Action to Approve Houston Land Bank to submit application and proposal for the 2023 Jacob & Terese Hershey Foundation.**

Ms. Williams announced that the HLB wished to submit an application for a grant in the amount of \$150,000 to The Jacob and Terese Hershey Foundation ("Foundation") for operations support to expand its Brownfields Program to perform comprehensive environmental testing before acquiring new lots for the HLB lot inventory. This Foundation invests in efforts to mitigate climate change and reduce harmful emissions.

Ms. Williams reported that this Foundation is a private philanthropic grant foundation dedicated to environmental justice; the health of the public, climate, air, water, and nature; reproductive justice; and the interdependent relationship between humans, public parks and open spaces, nature, and the environment. The Foundation supports work in and around the Houston and Austin regions, and across Texas on statewide issues.

She then noted that HLB staff thoroughly examined the Foundation's mission and funding guidelines and agreed that the HLB's work and proposed project is in line with the criteria and objectives of the Foundation. HLB will request a grant of \$150,000 for general operations support to expand its Brownfields Program and perform comprehensive environmental testing on potential lots before acquiring such lots for the HLB lot inventory.

This grant proposal will also highlight Houston's considerable number of potential Brownfield sites along with abandoned properties with real or perceived environmental contamination within most of the underserved communities. It highlights HLB's innovative approach to reclaim and revitalize abandoned and contaminated properties and turn them into productive and sustainable assets for the community.

HLB believes this grant is necessary to rehabilitate contaminated properties and foster sustainable development practices allowing the HLB to play a role in transforming blighted lots into thriving community assets.

Director Mondragón asked how the amount of \$150,000 was arrived at. Ms. Williams said she reviewed prior grants awarded by the Foundation and the prior costs for Phase I and Phase II environmental testing on HLB properties. Director Mondragón then asked why grants are brought to the Board for approval. Chairman Zeis responded to this question to inform that the Board wished to conduct due diligence on providers of the grants to insure that no negative publicity would result that harms the HLB.

Director Mondragón then made a motion to approve submitting an application for a grant to The Jacob and Terese Hershey Foundation in the amount of \$150,000 which motion was duly seconded by Director Bailey and passed with the unanimous vote of the Board.

**b. Consideration and Possible Action to create a Community Purpose Lot Program.**

Ms. Williams then announced that the HLB staff is working to create a Community Purpose Program to focus on community led activation for HLB's undersized, inaccessible, and flood plain lots. She informed that a number of community members have expressed an interest in such lots during various events hosted by the HLB. She noted that HLB's overall maintenance costs will be reduced because any lots leased for community uses would then be required to be maintained by the lessee rather than HLB. Ms. Williams stated that there are approximately 25 lots which are either 2,000 square feet or less in size, are inaccessible due to no access to a roadway, or are located in the 100-year flood plain. The subject lots are scattered all over the various neighborhoods and are not contiguous to each other except for a few lots.

The Community Purpose Lot Program will be designed to activate small, underutilized lots in certain neighborhoods for community purposes and organizations. This program will help bring together community members and organizations to revitalize these small or flood prone lots into vibrant spaces that serve the needs and interests of the local community.

The program will select HLB lots for community use by organizations, individuals, or nonprofits. The process will be public to welcome proposals from interested organizations, individuals, or nonprofits. Those submitting proposals will complete applications for identified

available inventory and submit proposals for activating these lots. In addition to internal review, the neighborhood activation committee will review applications and evaluate the proposals based on their community-oriented focus. The chosen community proposals will then enter a 2-year lease with the HLB and take on the responsibility of property maintenance during the lease term. Permanent infrastructure additions will not be allowed during the 2-year lease term to ensure the program remains flexible and adaptable to changing community needs. Temporary enhancements and improvements are encouraged to maximize the lot's potential. A quarterly update requirement will be required for all participants within the program to allow the Houston Land Bank to stay informed about the progress and impact of the community-purpose lots and ensure accountability and transparency. Program participants will undergo a review process at the end of each lease term to determine the possibility of renewing the lease, expanding the partnership, or ending enrollment in the program.

An essential requirement for participation in the program is that all proposed uses must include a community-oriented focus element to ensure Community Purpose Lot activation benefits and enhances the local community. Chairman Zeis asked if insurance will be required for any lots to be leased for community projects. Ms. Williams confirmed that the lease agreements will include insurance provisions benefitting the interests of the HLB. She also mentioned that there would be a roll out event to the community when the selected lots become available.

Director Russell made a motion to create a Community Purpose Lot Program which motion was duly seconded by Director Palay and passed with the unanimous vote of the Board.

**VIII. Executive Session**

Nothing to report.

**IX. Board Member Comments**

Nothing to report.

**X. Adjournment**

Chairman Zeis asked if there were any additional matters to be discussed or considered by the Board. Hearing none, this regular Board meeting then adjourned at 12:40 p.m. with the motion of Director Bailey which was duly seconded by Director Russell and passed with the unanimous vote of the Board.

Minutes Prepared By:

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

Signed on the \_\_\_\_\_ day of 10 / 06 / 2023, 2023.

*Jesus DeAnda*

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Secretary