

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

June 9, 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, June 9, 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	Jesus DeAnda
David Collins	Janae Ladet
Laurie Vignaud	Matt Zeis
Elaine Morales	

Board directors absent were: Antoinette Jackson, Courtney Johnson Rose, Carol Galloway, Victor A. Mondragón, Pastor Steve Hall and John David Vasquez. 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, Genesis Larin, 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; Nick Foran of the HLB Advisory Board; Kellen Zale of the HLB Advisory Board; LaTosha Okoiron, In-house Legal Counsel and Compliance Director; and Jahmeilla Hunter, Community Relations and Engagement Manager.

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 in attendance immediately followed. Chairman Zeis announced that a quorum of the Board was present.

II. Public Speakers

No public speaker registered to address the Board.

III. Swearing in of Board Members

- a. **Position One: David L. Collins, Sr. (reappointment – Mayor's Office)**
- b. **Position Two: Victor A. Mondragón (reappointment – Mayor's Office)**

- c. **Position Three: Matt Zeis – Chair (reappointment – Mayor's Office)**
- d. **Position Four: Jesus DeAnda (reappointment – Mayor's Office)**
- e. **Position Five: Laurie Vignaud (reappointment – Mayor's Office)**
- f. **Non-Voting Advisory Member: Nicholas J. Foran (reappointment – Mayor's Office)**
- g. **Non-Voting Advisory Member: Elijah J. Williams (reappointment – Mayor's Office)**
- h. **Non-Voting Advisory Member: Kellen Zale (reappointment – Mayor's Office)**
- i. **Non-Voting Advisory Member: Vincent A. Marquéz (reappointment – Mayor's Office)**

Ms. Saenz conducted the swearing in of each of the above-named individuals to the Board and/or the Advisory Board, respectively.

IV. Consideration and Adoption of Meeting Minutes

- a. **May 12, 2022 Board Meeting**

Chairman Zeis noted that the minutes for the May 12, 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 Collins made a motion to adopt the minutes of the May 12, 2022 Board Meeting as written, which motion was then duly seconded by Director Vignaud and passed with the unanimous vote of the Board.

V. Chairman's Greeting: Matt Zeis

Chairman Zeis thanked the Board members in attendance for volunteering and being available for this regular meeting. He then extended his thanks to the veterans for their sacrifices on the just-passed Memorial Day and a happy Juneteenth Day to all.

VI. Committee Reports:

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

Chairman Zeis then announced that the Executive Committee did not meet this month.

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

Chairman Zeis requested Director Vignaud to report on the financial status of the HLB, including, but not limited to the monthly financial report which is included in the meeting packet

distributed to the Board. Director Vignaud stated that the financial wellbeing of the HLB is really good.

1. **Monthly Financial Report**

Director Vignaud then requested Gonzalo Gonzalez to give the report. Mr. Gonzalez stated that the Finance Committee met yesterday to examine the cash balances and the key performance indicators, the proposed Fiscal Year 2023 Budget, and fundraising work. He then stated that HLB is awaiting confirmation from its attorney with regard to the filing of the 501(c)3 non-profit corporation certification for the HLB Fund.

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

Director Johnson Rose was not in attendance, therefore Ms. Stoneham stated that the Partnership and Program Development Committee met to discuss the draft of the Strategic Plan, which will be placed on the Agenda for the July 2022 meeting for approval.

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

Director Mondragón was not in attendance for today's meeting, therefore, Mr. Zapata reported that the READ Committee met to discuss Amanda Lane, being an abandoned right of way which the Houston Housing Department requested HLB's participation with to develop into affordable housing and a pocket park. He then mentioned the CHDO Program is to be revived after being suspended during the COVID years. The Houston Housing Department wishes to reignite a revised escrow grant. Mr. Zapata reported that the Lowe's discount program will begin with three homebuilders in the pilot program to provide a discount on building materials at the point of purchase.

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

1. **Procurements Overview**

Director DeAnda reported that the Procurement and Oversight Committee met last week to discuss the status of the procurements.

He then 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 contracts have either been signed, or are being reviewed by their respective legal counsel. He then noted that the Lot Maintenance RFP closed on May 16, 2022 with seven responses being received. He noted that these contracts will be based on competitive bids versus the flat rate pricing under the previous contracts. Also, the RFP prepared for the annual audit services closed May 29, 2022; however, there was no response to this RFP. HLB staff then reached out to three auditing firms to request official bids to prepare the annual audit, however only Doreen Mayhew submitted a bid, which the staff recommended. The RFP for bookkeeping and accounting services closed on May 6, 2022 and four responses were received.

Lastly, Director DeAnda mentioned that there are currently no open procurements.

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

a. Progress Report

Ms. Stoneham stated that April, May and June complete the fiscal year of the HLB, which progressed on the strategic plan by 65% since January 2022 with regard to affordability options, lot inventory, and organizational excellence. She noted that acquisitions of tax delinquent properties have been deficient in recent years as there has been no dedicated staff to work on this program.

Ms. Stoneham stated that the Fiscal Year 2023 Strategic Plan will begin in July 2022. The HLB staff is preparing goals and measurable benchmarks for the Strategic Plan to be delivered to the Board. Such goals include the creation and marketing of the HLB Fund to accelerate investments in housing, community development, down payment assistance, and applications for federal grants.

She then discussed "The Cycle of Vacancy" in neighborhoods with systemic racism and intergenerational poverty along with historical in-equitable land use and lending practices. These neighborhoods often have vacant, abandoned and deteriorated properties. These conditions cause neighborhoods to become entrenched in a negative cycle where vacant, abandoned, deteriorated properties intensify poor living conditions and increasing the levels of vacancy and abandonment.

Ms. Stoneham noted that Resilient Houston provides a framework for collective action for every Houstonian, and the HLB will adopt and implement the most critical of these goals and strategies relevant to its mission.

She then reiterated that the HLB's mission is to strategically acquire, dispose, and steward vacant, abandoned, and damaged properties and convert them into productive use and transform community development for the city of Houston. The HLB serves as a convener and implementer to promote and provide community development in Houston's low-to-moderate income communities. HLB creates policies and programs to stimulate the development of affordable housing, workforce housing, grocery stores and retail space.

Ms. Stoneham then reported that the HLB will be accelerating investments in housing and neighborhood development, and mitigating and recovering from environmental injustice in the community. She noted that the city of Houston has no objection to the HLB Fund being reorganized as a 501(c)3 entity.

VIII. Board Action Items

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

Mr. Gonzalez presented the proposed HLB Fiscal Year 2023 Budget to the Board and noted the following highlights for consideration:

1. Estimating 110 lot dispositions under HLB Traditional Program and 15 house dispositions under the NHDP program.
2. Continued funding from HCDD's TIRZ allocation under the Operations Agreement.
3. Anticipate operating newly created 501(c)3 entity with additional funding sources.
4. Employee 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 and 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 costs were reduced significantly as a result of aggressive lot dispositions and change in operational procedure for ROW won't be cost-burdened to HLB.
8. Intent on using 501(c)3 fundraising funds for additional builder subsidies, down payment assistance program for potential homebuyers, and expansion of staff.

He then noted that after the Board of Directors passes the budget, the budget will then be submitted to HCDD for approval as required by the agreement between HLB and the City regarding Operational Agreement funding. If it becomes necessary to make adjustments based upon input from the City, or in response to unanticipated circumstances during the fiscal year, the budget can be amended by the Board.

Mr. Gonzalez then summarized the Fiscal Year 2023 Proposed Budget as shown on the tables in the PowerPoint presentation shared with the Board. Highlights include:

- Total projected revenues are \$4,768,127.
- Total projected expenditures are \$4,472,976.

Mr. Gonzalez noted that the final version of the Fiscal Year 2023 Budget will need to be approved at this meeting to comply with City of Houston requirements. Director Vignaud made a motion to adopt the proposed Fiscal Year 2023 Budget, which motion was then duly seconded by Director DeAnda and passed with the unanimous vote of the Board.

IX. Executive Session

Nothing to report.

X. Board Member Comments

Nothing to report.

XI. Adjournment

Chairman Zeis asked if there were any additional matters to be considered by the Board. Hearing none, the regular Board meeting adjourned at 12:46 p.m. upon the motion of Director Collins, which was duly seconded by Director Ladet 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 14 day of July, 2022.

Jesus DeAnda

Secretary

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