

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

November 8, 2018

A special 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 in the 4th Floor Conference Room of the City of Houston Permitting Center, 1002 Washington Street, Houston, Texas, on Thursday, November 8, 2018 at 12:00 p.m. Written notice of the special meeting, which included the date, hour, place and agenda for the special meeting, was posted in accordance with the Texas Open Meetings Act.

Board members in attendance were:

Nicholas Hall	Stephan Fairfield
Pastor Steve Hall	Matt Zeis
David Collins	Vincent Marquéz
Carol Galloway	Michael Lactson
Curtis Lampley	John Vasquez

Board members absent were: Antoinette Jackson, Pastor Isaac Matthews and Dallas Jones.

Others in attendance included: Anne Haynes, the CEO/President for the Houston Land Bank; Yvonne Cantu of the City of Houston Housing and Community Development Department; Greg Erwin and Mark Glanowski (Paralegal) of Winstead PC, outside legal counsel for the HLB; Gracie Saenz, attorney for the HLB; Laurie Vignaud, Assistant Director-Single Family and Economic Development of the Houston Housing and Community Development Department; Sam Dike, Chief of Staff, Office of the Vice Mayor Pro-Tempore, Jerry Davis, District B; Robert Gallegos of the City of Houston City Council; Chris Butler of the City of Houston Permit Department, Ty Anderson, and Mario Castillo.

I. Call to Order and Roll Call

Chairman Nicholas Hall called the meeting to order at 12:16 p.m. A roll call of the Board members in attendance immediately followed. Chairman Nicholas Hall noted that a quorum of the Board was present. Mr. Fairfield arrived at 12:20 p.m.

II. Adopt Minutes of Previous Meeting – August 27, 2018

Chairman Nicholas Hall noted that the minutes for the Board of Directors special meeting held on August 27, 2018 were previously circulated for review and comment. He asked if there were any discussion and/or comments to the minutes from the Board members in attendance. Hearing none, he then requested a motion to approve the subject minutes. Ms. Galloway made a

motion to approve the minutes of the special Board meeting held on August 27, 2018, which motion was duly seconded by Pastor Hall and passed by the unanimous vote of the Board.

III. Swearing-In-Ceremony of John D. Vasquez to Position of the Houston Land Bank Board of Directors

Councilman Gallegos conducted the swearing-in-ceremony of John D. Vasquez to Position 7 of the Houston Land Bank Board of Directors for a term to expire September 19, 2020. Mr. Vasquez stated that his professional work experience includes multi-family developments since 2010 and residential real estate with Re/Max. The Board welcomed Mr. Vasquez to the HLB.

IV. Chairman Comments

Chairman Hall stated that he was happy to see more Latino representation on the Board with the arrival of John Vasquez. He then informed the Board regarding recent meetings with Tom McCasland, Director of Houston Housing and Community Development, and with Frank Alexander of the Center for Community Progress regarding drafting bills to be considered by the Texas Legislature in 2019. He also noted that he attended a meeting with Mayor Turner, Tom McCasland, and the Houston Housing Authority to discuss working very closely together with limited resources to develop much needed affordable housing and complete community neighborhoods in Houston. Lastly, he stated that a poll would be circulated to the Board to request optional days to schedule the regular Board meetings in the future.

V. Presentation by Houston Land Bank CEO/President

Ms. Haynes stated that she is an architect by training; however, during the last 10 years, she has had three roles in leading functional land banks in the Northeast. Her goal for the Houston Land Bank is to create an alignment with the City of Houston, the Harris County Flood Control District, and the strategic neighborhoods to develop the "complete" communities mandated by Mayor Turner. She stated that cities use land banks to ensure long term housing affordability. During the early years of the program, the HLB acquired 1,400 lots from tax foreclosure sales or direct purchases. To date, approximately 670 lots have been sold to home builders for construction of affordable housing. Approximately 120 lots of the remaining inventory have been reserved for the New Home Development Program ("NHDP").

Ms. Haynes then stated that she is interested in committing the HLB to values such as being a good neighbor in the communities, collaborating with partners for neighborhood revitalization, and making HLB a helpful connector for other improvements in the complete communities program, such as grocery stores and community gardens. HLB will need to demonstrate the broader impact associated with redeveloping the tax lots.

Ms. Haynes informed the Board that HLB has leased office space at 1919 Decatur Street for its operations and hired two (2) new employees. Sam Dike will be Vice President of Community and Partnerships, and Ty Anderson will be the Acquisitions Program Manager. She noted that HLB has initiated a RFP for real estate brokers to help market the NHDP Properties. She then informed the Board that she sent a letter to the builders to update them on the status of the transition of operations to the Houston Land Bank and that the "hold" on the sale of lots will

continue until the transition is complete. She noted that there are approximately 200 lots that have not been fully accounted for in terms of where each is in the process of closing, title and construction. She suggested that a strategic retreat be considered and scheduled for a date after the holidays which would be suitable for a majority of the Board.

VI. Update from City of Houston Housing and Community Development–New Home Development Program

Ms. Vignaud then addressed the Board and reported that the New Homes Development Program should have the first eight (8) homes completed in December 2018 in Acres Home. She stated that eleven (11) more houses will be constructed with the goal to build 20 houses each month. There are currently 127 lots in its portfolio. She noted that Mayor Turner will soon announce 5 new communities to be revitalized. She noted that an employee within the City of Houston Permit Department is now dedicated to working on and processing the permits for the HLB houses. This has reduced the timeframe for obtaining the necessary permits to about 5 days. Ms. Vignaud then stated that Brandy Sullivan in her department is certifying the income of the homebuyers to confirm they meet the eligibility requirements for the HLB and NHDP programs. In response to a question from the Board, she stated that the cost to construct the houses is approximately \$176,000.00 for a 3-bedroom, 2-bathroom structure. The houses are being built by Thompson Construction Company, which was the low bidder for the contract. Further, she noted that the down payment assistance has been increased to \$30,000.00, there are 5 floor plans for homebuyers to choose from, and the home designs retain the character of the style of the current houses in the neighborhood as approved by the local community organizations.

VII. Consideration and possible approval of the Revised Budget for Fiscal Year 2019.

The Board then discussed the revised budget based on additional detailed information regarding the operations and expected expenses for activities pursuant to the Acquisitions and Development Agreement executed with the City of Houston in August 2018. The initial budget was passed by the Board in July 2018 based on initial projections for activities and costs for a 2-year operational period. The total amount of the grant agreements were not yet finalized at that time, and additional information is now available based on the first few months of the operation of the New Home Development Program. The initial budget has been reviewed in detail and adjustments were made to include the expected activities of the operations and related costs. The Revised Budget for Fiscal Year 2019 must be approved by the Director of Housing and Community Development as required by the Eighth Amendment Land Assembly Grant Agreement. The revised budget shows a net income loss of \$6,366,097 for the fiscal year ending June 30, 2019.

Mr. Zeis made a motion to approve the Revised Budget for Fiscal Year 2019, which motion was duly seconded by Pastor Hall and passed by the unanimous vote of the Board.

VIII. Consideration and possible approval to host the 2019 Vacant, Abandoned, and Deteriorated Properties Academy for an amount not to exceed \$50,000

Ms. Haynes recommended that the Board approve a proposal for hosting the Center for Community Progress' Vacant, Abandoned and Deteriorated Properties Academy in Houston in the Spring of 2019 for up to \$50,000.00. The HLB will make efforts to find co-sponsors for hosting the academy event to reduce the cost to HLB.

Mr. Fairfield made a motion to approve the amount of \$50,000.00 for costs associated with hosting the 2019 Vacant, Abandoned, and Deteriorated Properties Academy in Houston, which motion was duly seconded by Mr. Zeis and passed by the unanimous vote of the Board.

IX. Public Comments

Nothing to report.

X. Board Member Comments

Ms. Galloway requested the current status of the request by the lot owner for reimbursement to cut and remove trees on the lot line adjacent to an HLB lot. The adjacent lot owner furnished a copy of a survey and a written quote for the price to cut and remove the trees. The written quote is just hand marked on a piece of paper. The adjacent lot owner is requesting HLB to reimburse her for one-half of the cost she paid to cut and remove the trees.

XI. Adjournment

Chairman Nicholas Hall asked if there were any additional matters to be considered by the Board. Hearing none, the Special Board meeting adjourned at 1:22 p.m.

Minutes Prepared By:

Mark Glanowski of Winstead PC and
Graciela Saenz of Law Offices of Graciela Saenz

Signed on the _____ day of _____, 2019.

President