



BOARD OF DIRECTORS SPECIAL MEETING
AGENDA

Tuesday, April 16, 2024 – Noon Central Time

LISC HOUSTON

Suite 205

602 Sawyer Houston, Texas 77007

This special meeting is being held to facilitate a real estate transaction for the Yellow Cab Development, Middle Tract (Tract 3). This special meeting will cover agenda items as posted below. This meeting will be open to the public via in-person physical appearance but restrictions regarding masks, allowable room capacity, and seating arrangements may be in place.

The public meeting location will be held at LISC HOUSTON Suite 205, 602 Sawyer Houston, Texas 77007. The Board Chair, as presiding officer of the Board, will be physically present, and Board members will also be physically present.

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 & Registered Attendees

Speakers must be registered by 5 p.m. on Monday, April 15, 2024. 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.

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

houstonlandbank.org

III. Chairman's Greeting: Matt Zeis

IV. Board Action Items

- a. Consideration and Possible Action to Approve the Sale or Assignment of the Yellow Cab Development, Middle Tract (Tract 3) to a mission-aligned governmental entity or subsidiary to prevent the loss of the purchase option.

V. 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.

VI. Board Member Comments

VII. Adjournment



REQUEST FOR BOARD ACTION

Meeting Date: April 16th, 2024

Agenda Item IV a: Consideration and Possible Action to Approve the Sale or Assignment of the Yellow Cab Development, Middle Tract (Tract 3) to a mission-aligned governmental entity or subsidiary to prevent the loss of the purchase option.

ACTION SUMMARY

Approval of this agenda item will authorize the HLB Board of Director Chair or Chief Executive Officer to execute a purchase sale or assignment agreement that would allow for the assignment of the purchase contract or the sale of the middle tract of Land (Tract 3) in the Yellow Cab Development project to a mission-aligned governmental entity or subsidiary. This action is necessary to prevent the loss of the right to purchase, and the forfeiter of earnest monies used in consideration of this contract by **the City of Houston's** Housing and Community Development Department (HCDD).

BACKGROUND/OVERVIEW (Background of the Agreement and Summary)

The Yellow Cab Development Contract Amendment was executed on December 21, 2020 memorializing the terms of the agreement for the middle tract of the purchases (Tract 3). In summary the pertinent key factors are described below and can be read in full in the attached Agreement Amendment:

- ✓ Purchase of Middle tract was subject to successful feasibility period as determined by Section 2 of Exhibit A of the Agreement Amendment, which ended April 4, 2024.
- ✓ The trigger event that sets the closing date for the purchase is the expiration of the feasibility period, per Section 3 of the agreement. The current closing date is set for May 6, 2024.
- ✓ **The City of Houston's Housing and Community Development Department (HCDD)** paid \$125,000.00 in earnest money in consideration of this agreement. If we do not close this purchase, only \$50,000.00 is required to be refunded.
- ✓ HLB has assignment rights under the Amendment Agreement, per Section 6 and applicable law.

Should the Board of Directors approve this item, HLB will go forth with either assigning the property to a mission-aligned governmental entity or subsidiary or immediately selling the property to a mission-aligned governmental entity or subsidiary after

closing the sale from the current owners.



AMENDMENT
TO CONTRACT CONCERNING THE PROPERTY AT

**EQUAL HOUSING
OPPORTUNITY**

3201 Hardy, 1406 Hays, 1500 Hays, & others Houston TX 77009
(Street Address and City)

Seller and Buyer amend the contract as follows: (check each applicable box)

- (1) The Sales Price in Paragraph 3 of the contract is:
 - A. Cash portion of Sales Price payable by Buyer at closing \$ _____
 - B. Sum of financing described in the contract \$ _____
 - C. Sales Price (Sum of A and B) \$ _____
- (2) In addition to any repairs and treatments otherwise required by the contract, Seller, at Seller's expense, shall complete the following repairs and treatments:

- (3) The date in Paragraph 9 of the contract is changed to _____, 20_____.
- (4) The amount in Paragraph 12A(1)(b) of the contract is changed to \$ _____.
- (5) The cost of lender required repairs and treatment, as itemized on the attached list, will be paid as follows: \$ _____ by Seller; \$ _____ by Buyer.
- (6) Buyer has paid Seller an additional Option Fee of \$ _____ for an extension of the unrestricted right to terminate the contract on or before 5:00 p.m. on _____, 20_____. This additional Option Fee will will not be credited to the Sales Price.
- (7) Buyer waives the unrestricted right to terminate the contract for which the Option Fee was paid.
- (8) The date for Buyer to give written notice to Seller that Buyer cannot obtain Buyer Approval as set forth in the Third Party Financing Addendum is changed to _____, 20_____.
- (9) **Other Modifications:** (Insert only factual statements and business details applicable to this sale.)
See Exhibit A, attached hereto

EXECUTED the 18 day of December, 2020. (BROKER: FILL IN THE DATE OF FINAL ACCEPTANCE.)

Cherry

Victor Harter

Buyer

Seller

Mat E

Buyer

Seller



This form has been approved by the Texas Real Estate Commission for use with similarly approved or promulgated contract forms. Such approval relates to this form only. TREC forms are intended for use only by trained real estate license holders. No representation is made as to the legal validity or adequacy of any provision in any specific transactions. It is not intended for complex transactions. Texas Real Estate Commission, P.O. Box 12188, Austin, TX 78711-2188, 512-936-3000 (<http://www.trec.texas.gov>) TREC No. 39-8. This form replaces TREC No. 39-7.

TITLE	Yellow Cab 1 of 2
FILE NAME	YLWCB Sites Amend...UYER EXECUTED.pdf
DOCUMENT ID	4e3f664ad0eb06d30075705bf774c49475bac207
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STATUS	● Completed

Document History



SENT

12 / 21 / 2020
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IP: 209.6.114.85



VIEWED

12 / 21 / 2020
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Viewed by Matt Zeis (mzeis@houstonlandbank.org)
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SIGNED

12 / 21 / 2020
21:23:58 UTC

Signed by Matt Zeis (mzeis@houstonlandbank.org)
IP: 174.198.166.40



COMPLETED

12 / 21 / 2020
21:23:58 UTC

The document has been completed.

EXHIBIT "A"

The Contract is hereby amended as follows:

1. The Closing Date with respect to Tracts 2 and 4 shall be December 31, 2020 or such earlier date as may be agreed upon by Seller and Buyer. The Sales Price of Tracts 2 and 4 will be \$4,812,750.00 subject to Paragraph 7 below. The \$100,000.00 initial earnest money shall be applied to the Sales Price for Tracts 2 and 4.

2. The feasibility period with respect to Tract 3 shall expire (A) thirty (30) days after receipt by Buyer of (i) a No Further Action Letter, (ii) a Certificate of Completion of the Municipal Setting Designation, (iii) any other regulatory closure approvals required by the Texas Commission on Environmental Quality for residential use (collectively, the "Acceptance Documents") with respect to the Remediation and Clean-Up Work (as hereinafter defined), and (iv) an acceptable appraisal obtained by Buyer at Buyer's expense (the "Appraisal") reflecting the hereby amended Sales Price for Tract 3 of \$34.00 per square foot, which shall be the maximum amount paid by Buyer, or (B) such earlier date as may be agreed upon by Seller and Buyer in writing.

3. The Closing Date with respect to Tract 3 shall be thirty (30) days after the expiration of the feasibility period or such earlier date as may be agreed upon by Seller and Buyer in writing.

4. On or before January 15, 2021, Buyer shall deposit with the Title Company the sum of \$125,000.00 as additional earnest money (the "Additional Earnest Money") to be held in escrow by the Title Company and applied against the Sales Price for Tract 3 at the closing, less the Maximum Administrative Cost as defined below. If Buyer terminates the Contract for any reason during the feasibility period for Tract 3, the Additional Earnest Money shall be refunded to Buyer, subject to the last sentence in Paragraph 5, below.

5. Seller shall, at its sole cost and expense, perform all underground storage tank removal, any related monitoring and ground water remediation, and all clean-up activities as defined by Buyer's environmental consultant in Schedule 1. In addition, as necessary to obtain the Acceptance Documents for the Property, Seller shall perform any and all work not defined in Schedule 1, but essential to obtain all required Acceptance Documents for the Property (collectively, the "Remediation and Clean-Up Work"). Buyer shall ensure, through management and administration coordination, that Seller's selected environmental consultant, or other designated agent, performs, at a minimum, the full scope of work as defined in Schedule 1, performs all necessary filings with the TCEQ, and successfully obtains and delivers to Buyer all required Acceptance Documents for the Property. Up to \$75,000.00 (the "Maximum Administrative Cost") of the \$125,000.00 in escrow will be available to be drawn down for administrative and managerial costs by the Seller's consultant, as demonstrated in invoices approved by the Buyer. The Maximum Administrative Cost will not be counted towards the Sales Price at Closing. Seller and Seller's consultant shall coordinate with Buyer on the ongoing work. If the Maximum Administrative Cost exceeds \$75,000.00, Seller shall be responsible for any additional expense. Buyer shall cooperate with Seller in Seller's performance of the Remediation and Clean-Up Work as Seller may reasonably request, until the Closing of Tract 3.

If the Buyer terminates the contract and there is no real estate closing with respect to Tract 3, \$50,000.00 of the escrow shall be refunded to the Buyer and any remaining amount in escrow shall be released to the Seller as independent consideration.

6. Buyer shall have the right to assign its rights and obligations under the Contract with respect to Tract 3 to a developer selected by Buyer, subject to the approval by Seller of such developer which approval shall not be unreasonably withheld, conditioned or delayed by Seller; provided, however, any developer approved by the Houston Housing and Community Development Department shall be an eligible assignee of such rights.

7. Notwithstanding the provisions of Section 3.A of the Contract, the Sales Price for Tracts 2 and 4 shall be subject to adjustment such that the Sales Price shall be \$31.00 per square foot, for each square foot of land within the Property as to which the Title Company issues to Buyer an Owners' Policy of Title Insurance insuring fee simple title thereto, subject to only those exceptions to title previously approved by Buyer.

8. Upon notice to Buyer, Seller may elect to lease Tract 2 through March 31, 2021. Seller shall provide Buyer with adequate general liability insurance coverage naming the Buyer as additionally insured and indemnifying Buyer for any and all liability of Seller's use. Seller shall have three (3) options of six (6) months each, at \$1.00 per lease extension, to extend the lease upon thirty (30) day notice to Buyer. Buyer and Seller agree that upon Buyer's notice to Seller of Buyer's intent to terminate the lease, Seller shall have no more than ninety (90) days to vacate the Leased Premises (Tract 2).

9. As to Lots 9 and 10, Block 13, Ryon, being a portion of Tract 4, the parties acknowledge that Seller presently has legal fee title to only the West ninety feet (90') of both lots, and Seller is pursuing legal action to recover a judgment awarding Seller legal fee title to the remaining ten feet (10') of both lots, for a total of one thousand (1,000) additional square feet (the "Additional Land"). Provided that Seller secures a judgment awarding fee title to the Additional Land by December 1, 2021, then, within sixty (60) days of Seller securing a final judgment awarding fee title to the Additional Land, Buyer will purchase the Additional Land from Seller, for the price of \$31.00 per square foot so long as the Additional Land is not subject to any exceptions to title not permitted by Buyer's September 30, 2020 title objection letter.

10. Except as expressly modified in this Exhibit "A," the Contract remains in full force and effect according to all of the terms and provisions thereof.

SELLER:

VICTORIA HARTER PHYLLIS SPISAK
FAMILY EDUCATIONAL TRUST

By: Victor Harter
Name: Victor Harter
Title: _____

Victoria Harter and Phyllis Spisak Family Educational Trust, Trustee

BUYER:

HOUSTON LAND BANK,
a Texas local government corporation

By: 
Anne G. Haynes, President/CEO

By: 
Matt Zeis, Chair, Board of Directors

SCHEDULE 1

See attached "Environmental Regulatory Closure Proposal Yellow Cab Tract II" related to (Middle Parcel approx. 3.21 acres aka 1406 Hays and 1500 Hays St. Houston, TX 77009) dated December 17, 2020 provided by Environmental Science and Engineering Partners, LLC. (ESE).

TITLE	Yellow Cab 2 of 2
FILE NAME	Yellow Cab Amendm...INAL 12.21.20.pdf
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SENT

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Sent for signature to Matt Zeis (mzeis@houstonlandbank.org)
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VIEWED

12 / 21 / 2020
21:24:06 UTC

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SIGNED

12 / 21 / 2020
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Signed by Matt Zeis (mzeis@houstonlandbank.org)
IP: 174.198.166.40



COMPLETED

12 / 21 / 2020
21:24:27 UTC

The document has been completed.