

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

May 13, 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, May 13, 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:

David Collins	Christa Stoneham
Laurie Vignaud	Janae Ladet
Victor A. Mondragón	Pastor Steve Hall
John David Vasquez	Tonzaino Bailey

Board members absent were: Matt Zeis, Carol Galloway, Jesus DeAnda, Courtney Johnson Rose, Antoinette Jackson, and Juan Cardoza-Oquendo. Others in attendance included: Anne Haynes, the CEO/President for the Houston Land Bank; Jennifer Allison, Vice President of Operations and Programs for HLB; David Benson, Director of Organizational Excellence for HLB; Marye Barba, Manager–Inventory and Administration for HLB; Ivan Zapata, Manager of Real Estate and Acquisitions for HLB; Greg Erwin and Mark Glanowski (Paralegal) of Winstead PC, outside legal counsel for the HLB; Gonzalo Gonzalez, Vice President of Finance and Accounting for HLB; Gracie Saenz, In-house counsel for HLB; Darice Harris, Vice President, Legal Counsel and Program Director for HLB; 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; Ron Butler, Manager–Property Maintenance for HLB; Jeri Brooks of One World Strategy Group; Rupa Sen of the Real Estate Department of the City of Houston; James Rodriguez; Maria Montes; Bill B; and Zion Ohana.

I. Call to Order and Roll Call

Vice Chairman David Collins called the regular meeting to order at 12:18 p.m. A roll call of the Board members in attendance immediately followed. Vice Chairman Collins noted that a quorum of the Board was present.

II. Public Speakers

Vice Chairman Collins then requested Ms. Haynes to introduce any persons who registered to address the Board today. Ms. Haynes announced that Zion Ohana registered to attend today's meeting.

Mr. Ohana informed the Board that he purchased six lots from a builder under the LARA program. He then received a letter from the attorney for the Houston Land Bank explaining that the subject lots reverted to the Houston Land Bank due to non-performance by the prior builder.

Mr. Ohana stated that he has already spent funds over the past four years to make these lots ready for development. Ms. Haynes noted that both Ms. Harris and Mr. Erwin have been communicating with Mr. Ohana concerning the legal title to these lots.

Vice Chairman Collins then requested Ms. Haynes to schedule a meeting with Mr. Ohana to resolve this matter.

III. Consideration and Adoption of Meeting Minutes

a. April 8, 2021 Board Meeting

Vice Chairman Collins noted that the minutes for the April 8, 2021 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 Mondragón made a motion to adopt the minutes, as written, of the April 8, 2021 regular Board of Directors meeting, which motion was then duly seconded by Director Hall. The minutes were then passed with the unanimous vote of the Board.

IV. Chairman's Greeting: Matt Zeis

Vice Chairman Collins thanked the Board members in attendance for volunteering and being available for this meeting. He informed the Board that the land bank legislation passed through the Senate Committee on Tuesday and that additional progress will be discussed under item VIII of the Agenda later in this meeting.

V. Committee Reports:

a. Executive Committee: Matt Zeis, Chair

Ms. Haynes announced that the Executive Committee met on April 4, 2021 to discuss the items on the meeting Agenda for today's meeting.

b. Finance Committee: Laurie Vignaud, Chair

Ms. Vignaud requested Mr. Gonzalez to report on the recent meeting of the Finance Committee.

1. **Monthly Financial Report**

Mr. Gonzalez addressed the Board and stated that the Financial Committee did not meet yesterday, however, the monthly financial position of the HLB is included in the meeting packet.

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

Director Johnson Rose was not in attendance for today's meeting. Director Ladet reported that the Partnership and Program Development Committee completed approval of the builders to receive a portion of the lumber subsidy funds. She noted that approximately \$40,000 out of the \$60,000 allotted for this subsidy has been provided to builders to offset the increased costs of lumber. She also stated that there will be a builder network scheduled for May 19, 2021 and invited the Board members to attend.

Director Ladet also mentioned that the Committee is planning an outdoor event in June for the Board which will include former Board members and others involved with the affordable housing goals of Houston. The details regarding this event will be delivered at a later date.

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

Director Mondragón announced that the Committee met to review the contracts to sell four lots to Nelrod Homes under the Round 4 Lots Sales which are on today's Agenda for consideration by the Board. He stated that the READ Committee is seeking volunteers to assist with the Settegast planning project. Director Bailey stated that he would be available to assist with this planning project.

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

Director DeAnda was not in attendance for this meeting, therefore there is nothing to report for this Agenda item.

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

Ms. Haynes asked that her report be moved to later in the meeting. However, she mentioned that HLB received a national EPA award for its Brownfields projects. She then noted that her President's Report is included in the packet delivered to the Board for this meeting.

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

Director Stoneham reported that there is no formal report for today's meeting.

VIII. Legislative Update: Jeri Brooks and/or Joshua Sanders, Legislative Affairs Consultants

Jeri Brooks addressed the Board to present an update of the land bank legislation in Austin. She noted that the House Bill 4065 did not make it to calendar today and is no longer moving. She will request that Senate Bill 1679 come out of calendar and into the House.

IX. Board Action Items

a. Consideration and Possible Action to increase FY 2021 Annual Expected Contract Amount for Pre-Qualified Planning Firm Asakura Robinson by \$75,000 to \$120,000

Ms. Haynes explained that approval of this item will cover an additional scope of work for Asakura Robinson, on behalf of HCDD, relating to preliminary design on the Hardy Yards site which is under consideration for acquisition by HCDD to support single family housing goals.

The Board approved Asakura Robinson last year as a pre-qualified planning firm with a contract limit of \$45,000 for Fiscal Year 2021. The firm has supported HLB in assessing feasibility on a number of acquisitions (on behalf of HCDD), as well as efforts regarding single family home affordability in the HLB neighborhoods.

HCDD now wishes to pursue additional technical design work as feasibility for its potential Hardy Yards purchase. She noted that Asakura Robinson has familiarity with the Near Northside area, therefore, HLB and HCDD have determined that Asakura Robinson would be the appropriate firm to handle the subject technical design work.

The contract limit will need to be increased to accommodate any other potential efforts on this site, if required, to fully assess the property feasibility. Ms. Haynes stated that Rupa Sen of the City of Houston will manage the work and arrangement with HCDD.

Director Mondragón made a motion to increase the contract amount for Asakura Robinson from \$75,000 to \$120,000, which motion was duly seconded by Director Bailey and passed with the unanimous vote of the Board.

b. Consideration and Possible Action to Accept Real Estate Acquisition and Disposition Committee and Staff Builder Lot Selection Recommendation for Round 4 Lot Sales Under the HLB Traditional Home Building Initiative [Address - Neighborhood - HCAD# - Proposed Price - Builder Listed Below]

1. 8125 Attwater - Settegast - 0300170090019 - \$6,500 - Nelrod Homes
2. 0 Attwater - Settegast - 0300170100006 - \$6,500 - Nelrod Homes
3. 5801 Haight - Settegast - 0300180400011 - \$6,500 - Nelrod Homes
4. 0 Haight - Settegast - 0300180400006 - \$6,500 - Nelrod Homes

Ms. Haynes noted that the Real Estate Acquisition and Disposition Committee recommends Board approval of one additional Round 4 builder, being Nelrod Homes, to purchase four lots for construction of new affordable homes to be sold to income-qualified buyers. All four of these lots are located in the Settegast neighborhood and each as a proposed purchase prices of \$6,500, yielding \$26,000 in gross proceeds to HLB.

Ms. Harris stated that the houses to be constructed on these lots will be 1,391 square feet with a \$179,990 sale price.

Director Vasquez made a motion to approve the READ Committee recommendations for Round 4 Lot Sales to Nelrod Homes, which motion was duly seconded by Director Vignaud and passed with the unanimous vote of the Board.

c. Consideration and Possible Action to Purchase Two Properties [Address - Neighborhood - HCAD# - Proposed Price - Square Footage Listed Below]

1. 0 Hanna - Settegast - 0121820000008 - \$22,500 - 13,500 SF
2. 0 Yarmouth - Settegast - 0122300000013 - \$22,500 -13,500 SF

Ms. Haynes explained the HLB funds will be used to fund this purchase. Director Vignaud made a motion to approve the purchase of four lots in Settegast owned by George Montes for \$45,000, which motion was duly seconded by Director Hall and passed with the unanimous vote of the Board.

d. Presentation and Discussion Regarding FY 2022 Budget

Mr. Gonzalez presented the Board with a preliminary review of the Fiscal Year 2022 Budget. The actual proposed Fiscal Year 2022 Budget will be presented to the Board for consideration and approval at the June 2021 Board meeting. He explained that the preliminary numbers are the result of budget strategy discussions with the City's Housing and Community Development Department and HLB's Finance Committee concerning HLB's goals for the Fiscal Year 2022.

Mr. Gonzalez noted that the Traditional Program dispositions will decrease from the number in Fiscal Year 2021 because fewer lots will be available for sale as the inventory of remaining lots lack infrastructure or require significant clearing to develop.

He then stated that legal fees are projected to increase slightly due to the addition of procurement and organizational development legal needs along with any real property issues that may arise. Also, the line item for professional services has been increased because of the planning and studies requested by HCDD. These costs will be fully funded by the City as HLB will be a pass-through source of payment to the vendors with whom HLB has contracts with.

Mr. Gonzalez noted that lot maintenance expenses are expected to decrease as reduced inventory yields less land to maintain.

Ms. Haynes noted that there is nothing for the Board to approve with regard to this Agenda discussion item. The final HLB Fiscal Year 2022 Budget will be on the Agenda for approval at the June 2021 meeting of the Board.

Director Ladet left the meeting at 1:00 p.m., therefore there is no longer a quorum of the Board present. Ms. Saenz stated that the Board could no longer vote or take action on any matters due to the lack of a quorum.

e. Housing Affordability Presentation

Ms. Haynes gave a brief presentation to the Board concerning housing affordability issues for the HLB affordable home programs. She stated that HLB will need to conduct further research to better understand this segment of the housing market in the neighborhoods it serves. Some of the builders are not able to meet the maximum \$212,000 sale price for HLB houses. She provided a schedule of the affordability ranges and ranges of household incomes in the HLB neighborhoods to help to better understand what the market truly is in these neighborhoods.

X. Executive Session

a. Discussion Regarding the Value or Transfer of Real Property

Nothing to report.

XI. Action Items from Executive Session.

Nothing to report.

XII. Board Member Comments

Nothing to report.

XIII. Adjournment

Vice Chairman Collins asked if there were any additional matters to be considered by the Board. Hearing none, the regular Board meeting adjourned at 1:15 p.m. upon the motion of Director Mondragón, which was duly seconded by Director Vasquez.

Minutes Prepared By:

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

Signed on the ____ day of _____, 2021.



Jesus A. DeAnda

Secretary