

Houston Land Bank

January 13, 2022

Board of Directors Meeting

- I. Presentation and Discussion Regarding Houston
Land Bank FY 2021-22 Strategic Plan

- II. Presentation and Discussion Regarding Harris
County “Our Home Is Here” Report

- III. Presentation and Discussion Regarding FY 2022
Priorities

Go to www.menti.com and use the code **3238 9503**

What word or phrase would you describe for 2021?

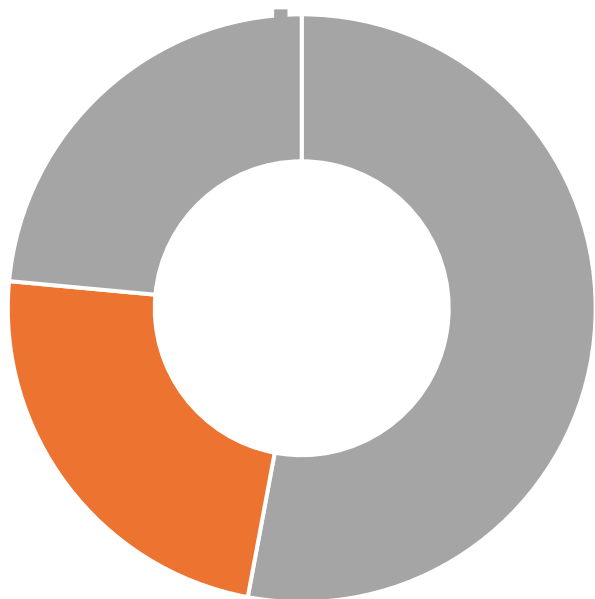
What goal do you have for 2022?

What connected you to the HLB mission?

Overarching Goals – Program Themes

- Increase Affordability Options to Support More Houstonians
- Build Inventory to Provide More Affordable Housing in Rapidly Changing Neighborhoods
- Demonstrate Comprehensive Approach to Neighborhood Development
- Organizational Excellence

HLB Update, 1.13.2022



- Complete
- In-progress
- Not-Started

Increase affordability options	Status
<i>Program Improvement Goals</i>	
*Increase quality and innovate the construction	Not Started
*Increase production	In Progress
*Update affordability reach	Not Started
Increase house types	Not Started
*Increase quality and innovate the construction	Not Started
<i>Community Engagement Goals</i>	
*Increase awareness of the program, homebuyer resources	Not Started
*Develop a pipeline of neighborhood buyers	Not Started
*Increase homebuyer satisfaction	Not Started
<i>Strategic Projects, partners & resources</i>	
*501C3 to increase resources,	Not Started
*Review alternative strategy for cost-benefit to builders	In Progress
*Review role/partners in alt housing types and markets	Not Started
* Innovate Community	Not Started

Board Approved Plan, 6.10.2021

A Strategic Geographic Focus

HLB

NHDP

1 Increase Affordability Options

HLB Inventory Clusters

Complete Communities

B Program Improvements

HLB

NHDP

*Increase production
*Update affordability reach
* Increase house types
*Increase quality and innovate construction

*Construction QA & QC

C Community Engagement

HLB

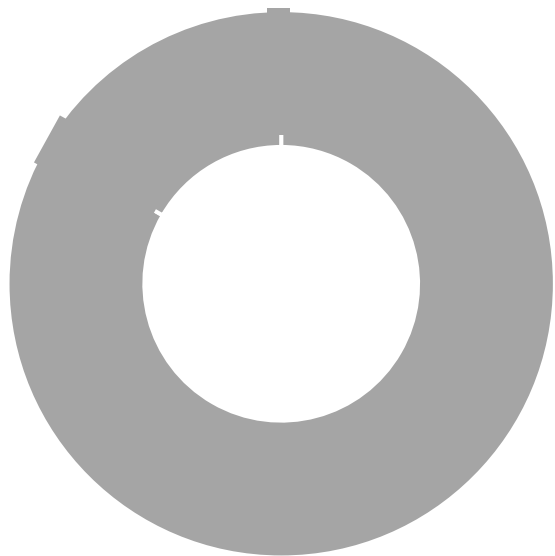
NHDP

*Increase awareness of program, homebuyer resources
*Develop pipeline of neighborhood buyers
*Increase homebuyer satisfaction

D Strategic Projects, Partners & Resources

HLB

*501C3 to increase resources, *Review alternative strategy for cost benefit to builders
*Review role/partners in alt housing types and markets
* Innovate Community



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2 Build Inventory

A Strategic Geographic Focus

HLB

HLB Inventory Clusters

NHDP

Complete Communities

B Program Improvements

HLB

*Increase inventory *Identify pipeline of properties to identify new resources
*Identify new property sources, *Refine processes

NHDP

*Identify pipeline of strategic properties

C Community Engagement

HLB

*Increase messaging of HLB Value Proposition,
*Develop RE Workshops for neighborhoods *Good Neighbor PLUS

NHDP

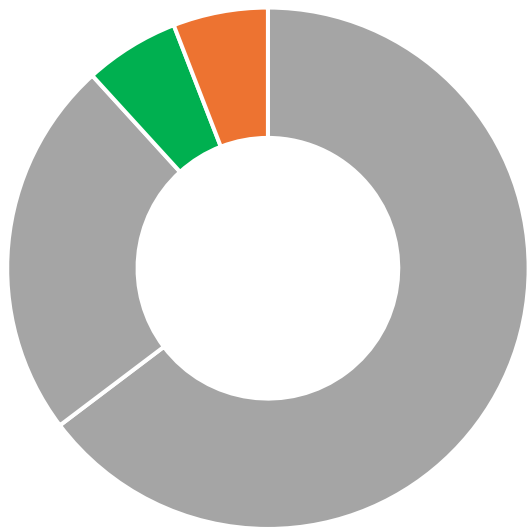
*Increase marketable land

D Strategic Projects, Partners & Resources

HLB

*Interlocal & Legislation
*Develop policies to support homeowners
*Review alternative land types, *Explore strike fund & Financing *Support acq for alternate uses

Build Inventory	Status
<i>Program Improvement Goals</i>	
*Increase inventory	Not Started
*Identify pipeline of properties to identify new resources	Not Started
*Identify pipeline of strategic properties	Not Started
<i>Community Engagement Goals:</i>	
*Increase messaging of HLB Value Proposition,	Not Started
*Develop RE Workshops for neighborhoods	Not Started
*Good Neighbor PLUS	Not Started
*Increase marketable land	Not Started
<i>Strategic Projects, partners & resources</i>	
*Interlocal & Legislation	Not Started
*Develop policies to support homeowners	Not Started
*Review alternative land types,	Not Started
*Explore strike fund & Financing	Not Started
*Support acq for alternate uses	Not Started



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3 Demonstrate Neighborhood Development

A Strategic Geographic Focus

HLB
NHDP

'Settegast' Flagship Demonstration District
Complete Communities Identified Projects

B Program Improvements

HLB
NHDP

* 'Complete a Block' assembly *Pilot quality standards, new housing types, construction innovation, contra-dumping
*Align market to product

C Community Engagement

HLB
NHDP

*Pilot Community Advisory Group, *Pilot unique neighborhood partners, new engagement strategies
*More Yard Socials & new program marketing

D Strategic Projects, Partners & Resources

HLB

*Pilot Public Private Partnership Strategy for planning and infrastructure, *Pilot Master Developer, *Pilot new staff role for increased engagement,

Demonstrate neighborhood development	Status
<i>Program Improvement Goals</i>	
* 'Complete a Block' assembly	Not Started
*Pilot quality standards,	Not Started
new housing types,	Not Started
construction innovation,	Not Started
contra-dumping	Complete
NHDP: *Align market to product	In Progress
<i>Community Engagement Goals:</i>	
*Pilot unique neighborhood partners,	Not Started
new engagement strategies	Not Started
* *Pilot Community Advisory Group,	Not Started
NHDP: More Yard Socials & new program marketing	Not Started
<i>Projects, partners & resources</i>	
*Pilot Public-Private Partnership Strategy for planning and infrastructure,	Not Started
Master Developer	Not Started
New staff role for increased engagement.	Not Started



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Organizational excellence	Status
<i>Program Improvement Goals</i>	
*Refine Committee working structure and processes	In Progress
*Streamlined process for BOD materials & procurement	
*Increase Economic Development activities through our work	Not Started
*Source new resources	Not Started
NHDP: *Work with HCDD on construction pipeline efficiencies	Not Started
<i>Community Engagement Goals:</i>	
*Increase accessibility to program information	Not Started
*Marketing organization broadly & routinely	In Progress
*Better organizational visibility in neighborhoods	Not Started
*Increased stakeholder engagement	Not Started
<i>Projects, partners & resources</i>	
*Legislation advancement, new interlocal agreement	Not Started
*501C3 and other structures to help secure resources	Not Started
*Define/clarify impact measurement	Not Started
*Data-Driven research approach to strategy development	In Progress
*Pilot projects, grants to support new projects and new roles in CC to explore solutions	In Progress

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Strategic Plan Summary Framework FY21-22

4 Organizational Excellence

A Strategic Geographic Focus	HLB	HLB Inventory Clusters
	NHDP	Complete Communities
B Program Improvements	HLB	*Refine Committee working structure and processes *Streamlined process for BOD materials & procurement *Increase Economic Development activities through our work *Source new resources
	NHDP	*Work with HCDD on construction pipeline efficiencies
C Community Engagement	HLB	*Increase accessibility to program information *Marketing organization broadly & routinely *Better organizational visibility in neighborhoods *Increased stakeholder engagement
	NHDP	*Program marketing
D Strategic Planning, Partners & Resources	HLB	*Legislation advancement, new interlocal agreement *501C3 and other structures to help secure resources *Define/clarify impact measurement *Data Driven research approach to strategy development *Pilot projects, grants to support new projects and new roles in CC to explore solutions

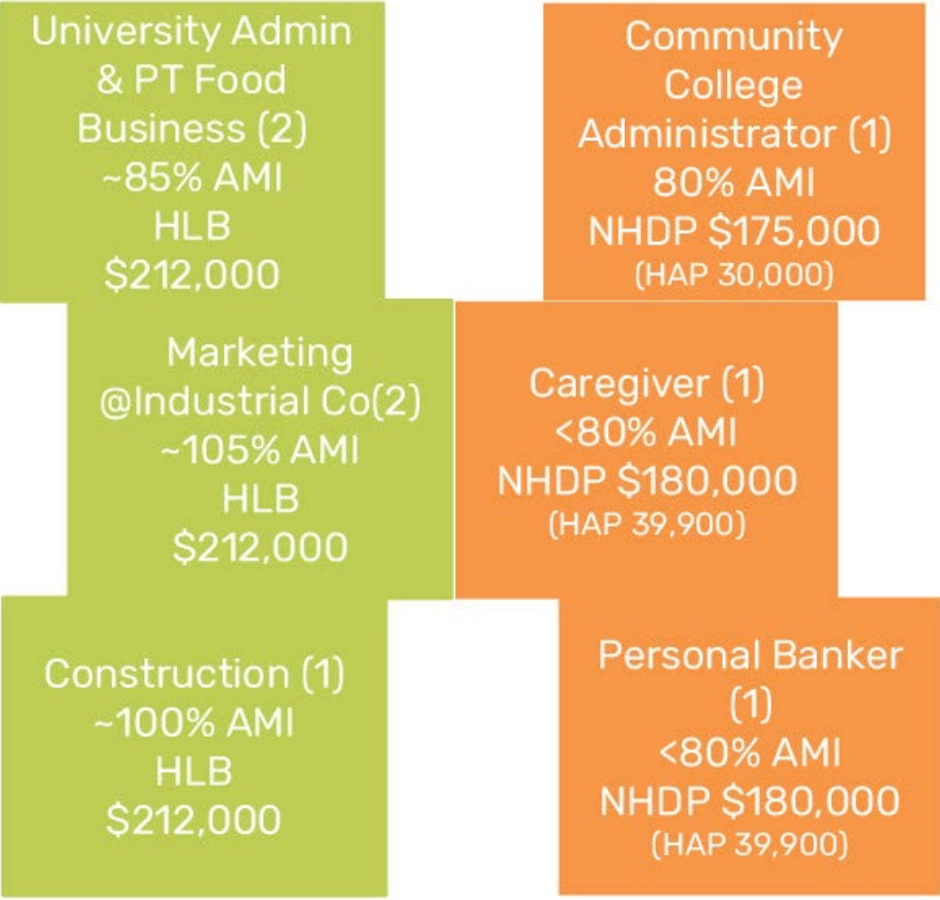
Presented 5.13.21

HLB update:

HLB Traditional Program has predominantly served 80%-120% AMI

New Home Development Program has predominantly served 80% AMI and below

Homebuyers served in programs:



Due to program structure, direct homebuyer data is difficult to attain and inconsistent. Program revisions under consideration

Homebuyer Dynamics:

- Mortgage Eligible: NHDP: 100-150,000 HLB: 160-200,000
- Recent Covid-era income interruptions
- 2 low incomes sometimes exceed 80% thresholds for NHDP

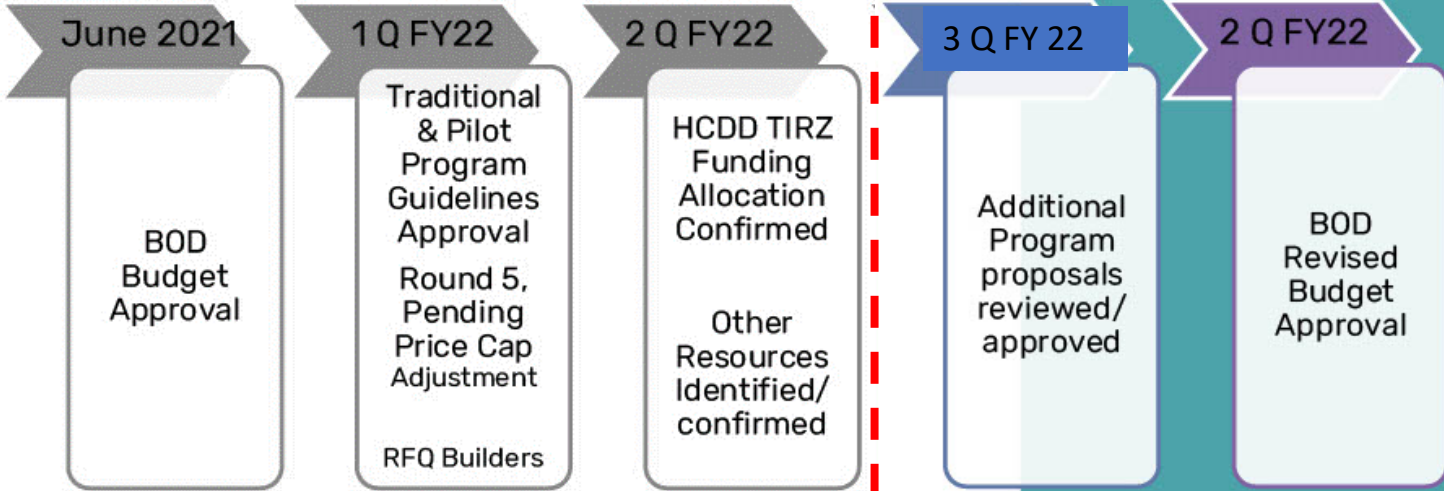
HCDD Homebuyer Assistance is available to 120%, pending 'Harvey' applicability—therefore not available to all homebuyers

HLB update:

- FY2022 1st Budget Amendment is set to come before the board for approval in Q3 FY2022, once HCDD approves.
- Final FY 2023 must be approved by Board of Director's before July 1.
- FY 2023 Budget Draft is due March 1 to City Controller's office.

FY22 Anticipated Timeline

Jan 2022



HLB update: NHDP

- NHDP will procure new builders from March-Sept 2022
- ~200 lots held by NHDP
- 7 homes constructed in 2021, 13 homes in 2020
- Construction Cap was increased to 250,000 12/2021
- No recent construction pipeline has been provided by HCDD staff.

HCDD Proposed Recommendation

Recommendations were provided to HCDD in April, along with a proposed redlined A&D Agreement

1. Allow more NHDP flexibility, and productivity
 1. Alternative development methods (HLB procures builder)
 2. Increased sales channels for houses
 3. Re-inserts revolving acquisition fund concept
 4. Reassign to us properties not yet developed in Acres Homes
2. Propose Multi-Year Operational Funding Agreement
3. Increased staffing support (additional work for HCDD)
4. Pilot Downpayment Assistance funding.
5. Administration Fee Increases

Details:

- Construction pipeline has just been received, this will help clarify HCDD production activities.
- New staff transitions at HCDD will provide additional new challenges

HLB update: Traditional Home Program

- HLB has procured for new builders and ongoing Round 6 Lots sales is set to close January 17, 2022.
- ~ remaining 100 HLB lots expected to be sold by 6/2022
- HLB Impact
 - 100 homes in development
 - 41 homes constructed in 2021
 - 20 homes in 2020

FY22 Programs in Budget

Budget provides 'plan' enabling the activity. All Programs will be approved by the BOD prior to any implementation.

- Acquisitions (single lots & investment in larger)
- Homebuyer Downpayment Assistance Proposal (Pilot 2)*
- Builder Hard Cost Subsidy*
- Pilot development project
- Development of HLB Template Plans
- Seed/Creation of Pilot Acquisition Fund*

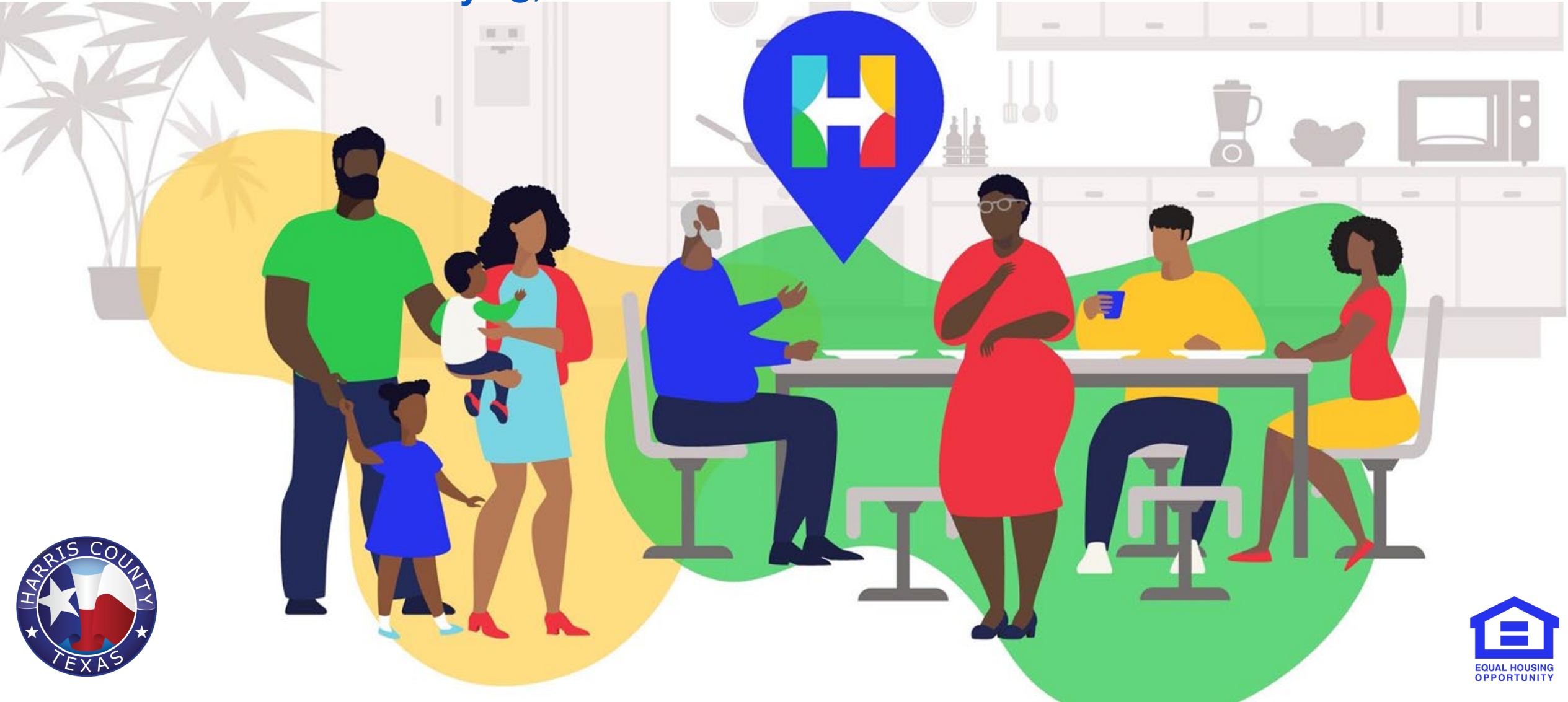
*requires external funding, our funds would only use to seed/match funds

Details:

- Increased procedural data collection and property management tracking.

Harris County's Housing Needs Assessment and 10-Year Strategy

January 13, 2022



Agenda

1. Introduce the study's objectives
2. What we heard
3. Why this matters
4. What is our strategy
5. Q&A and closing

Objectives of the Study

- Analyze the existing housing profile of the County to meet current and future needs
- Engage Harris County residents widely to understand what they desire in their homes and their communities
- Make good investment decisions for affordable housing and community development, based on a clear, data-driven and community-driven approach
- Develop a 10-year direction for the County through policy and program recommendations

What We Heard



The Ways Residents Participated

- Community activities and events
- Bilingual radio and TV ads
- Targeted social media engagement
- Gamification
- Email marketing

What We've Heard

Dignified housing means more than just four walls—residents want resilient and livable neighborhoods.

17,510
RESPONDENTS



63% agree they will need to make changes to their home so they can keep living there as they grow older.



18% of families with children earning less than \$50,000 have moved to lower their housing costs in the last three years.

53% sometimes worry that rising costs will make it difficult to stay in their home, but **86%** like their neighborhood and want to stay.



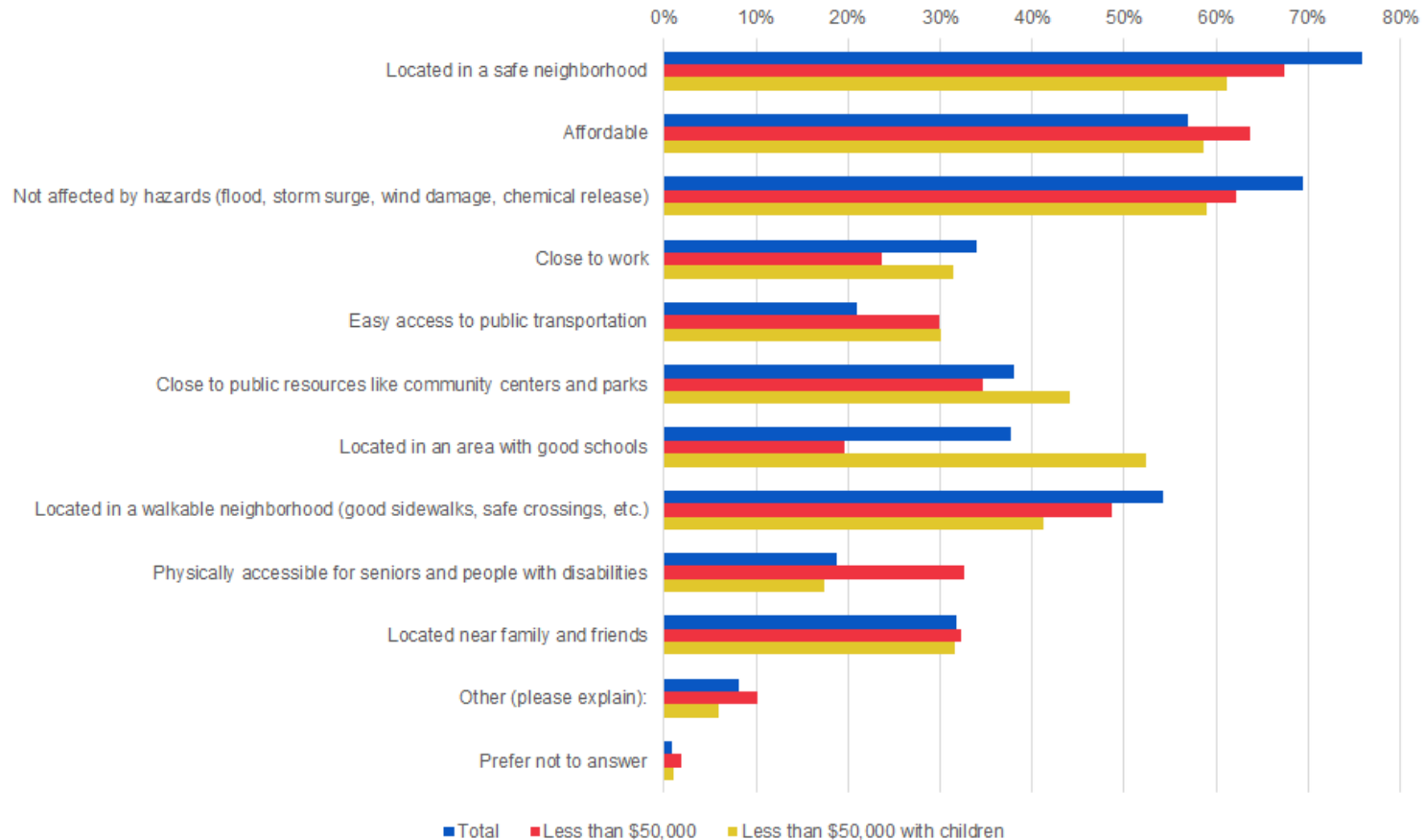
An additional **21%** considered moving, but didn't find a more affordable home that was within their budget.



"I AM CONCERNED THAT IF I WANTED TO MOVE TO A NEWER HOME, I WON'T BE ABLE TO AFFORD IT."

- Harris County Resident

What We've Heard – Survey

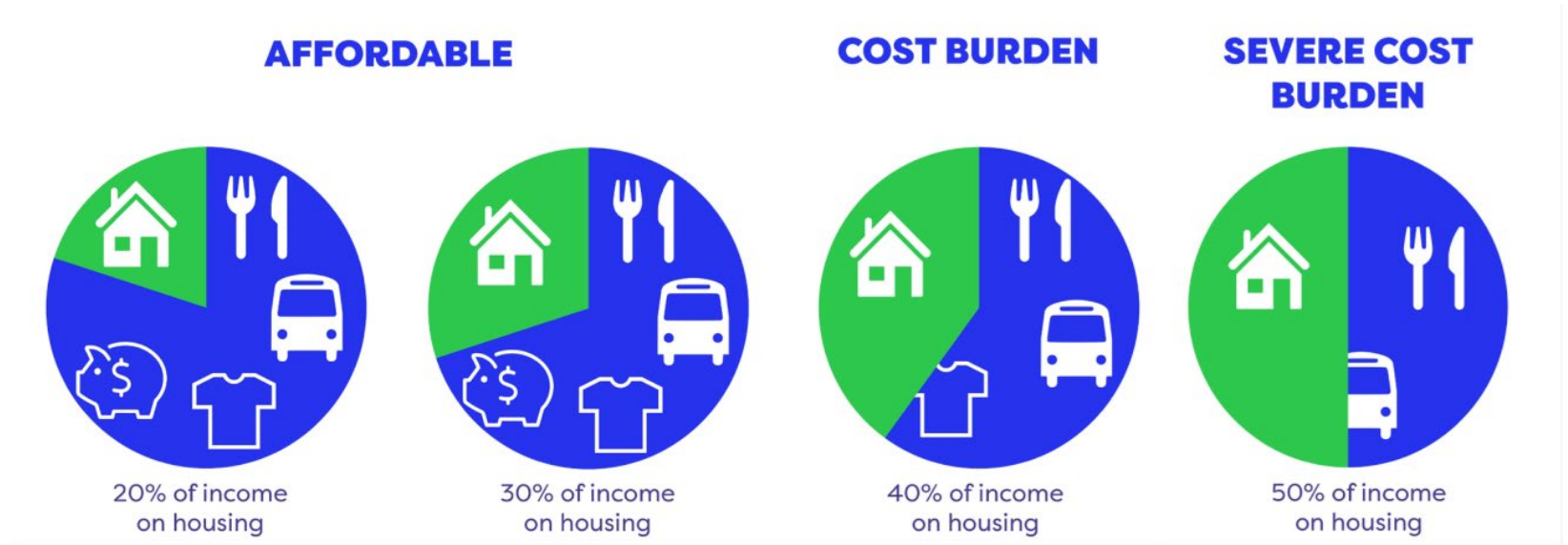


Why this Matters



Why This Study Matters – The Affordability Challenge

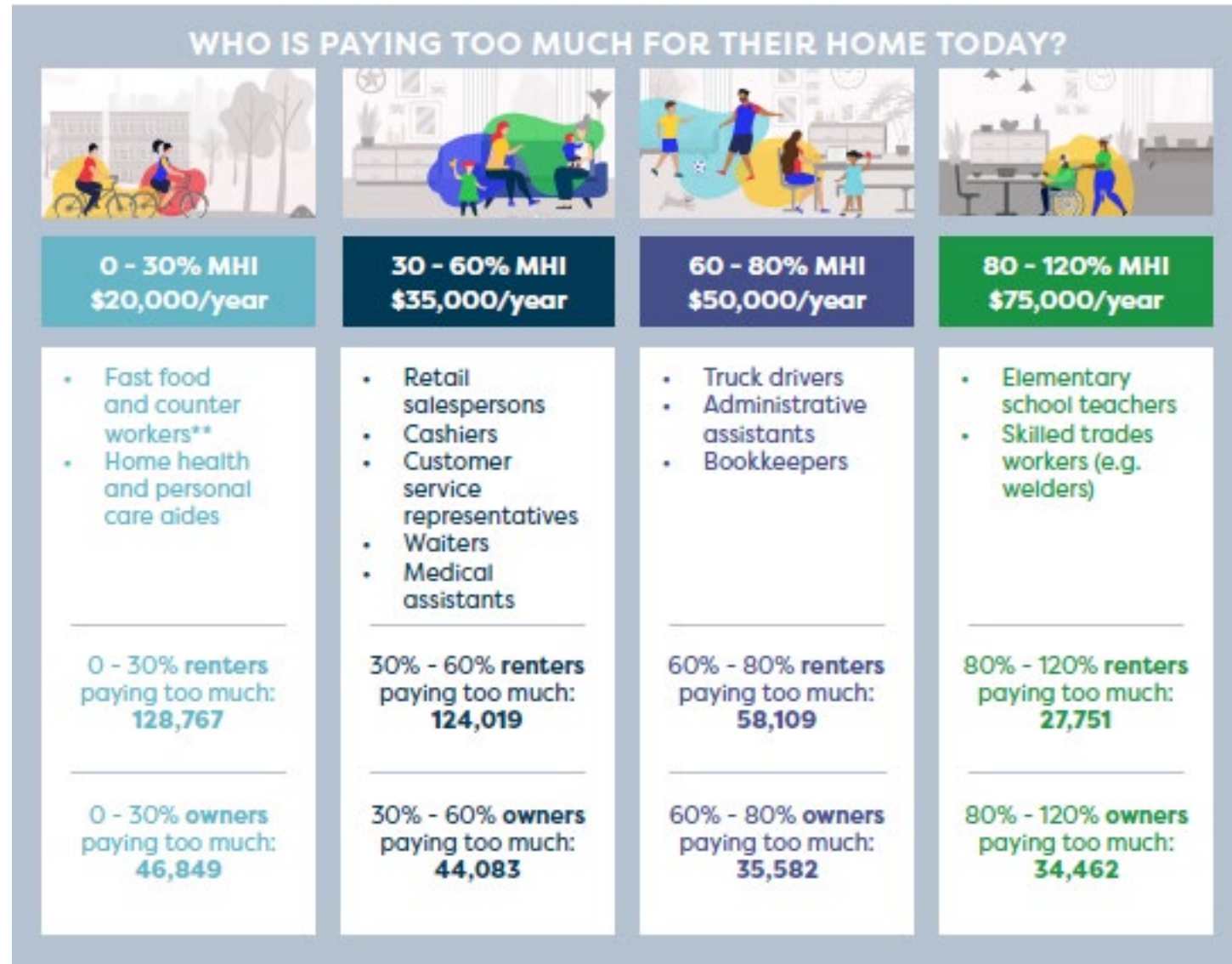
Almost 500,000 households in Harris County have difficulty affording to live in their homes today (pay over 30% income for housing).



*U.S. Department of Housing and Urban Development, "Defining Housing Affordability," 2017.
<https://www.huduser.gov/portal/pdredge/pdr-edge-featd-article-081417.html>

Why This Study Matters – The Affordability Challenge

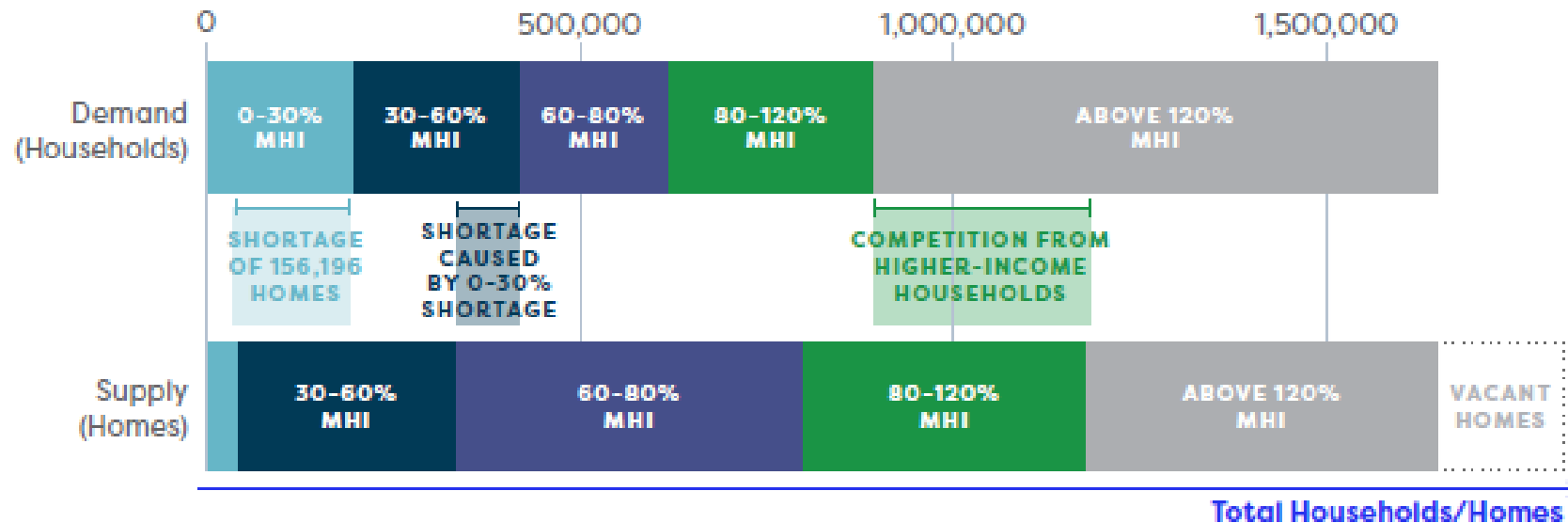
Almost 500,000 households in Harris County have difficulty affording to live in their homes today (pay over 30% income for housing).



Why are so many people cost-burdened?

Lack of homes available to extremely low-income households.

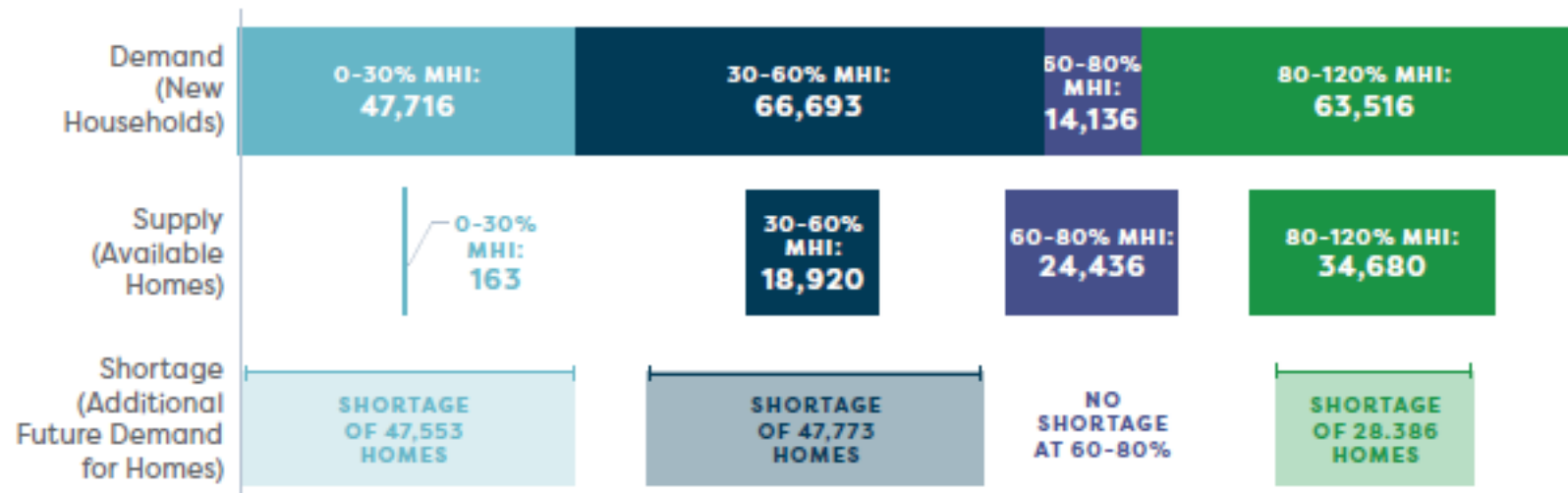
Distribution of Housing Demand and Supply by Income Bracket*



*Demand distribution based on 2019 American Community Survey (ACS) data. Supply based on 2019 ACS data and market study conducted by CDS Community Development Strategies.

Meeting Tomorrow's Housing Needs is also Important

Distribution of 10-Year Housing Demand and Available Supply by Income Bracket*



*Data sources:
H-GAC TAZ-level job projections
Real Estate Center at Texas A&M
Houston Area Realtors MLB and Apartment Data Services
US Census American Community Survey 2019

How many homes are needed to alleviate today's need and plan for new households

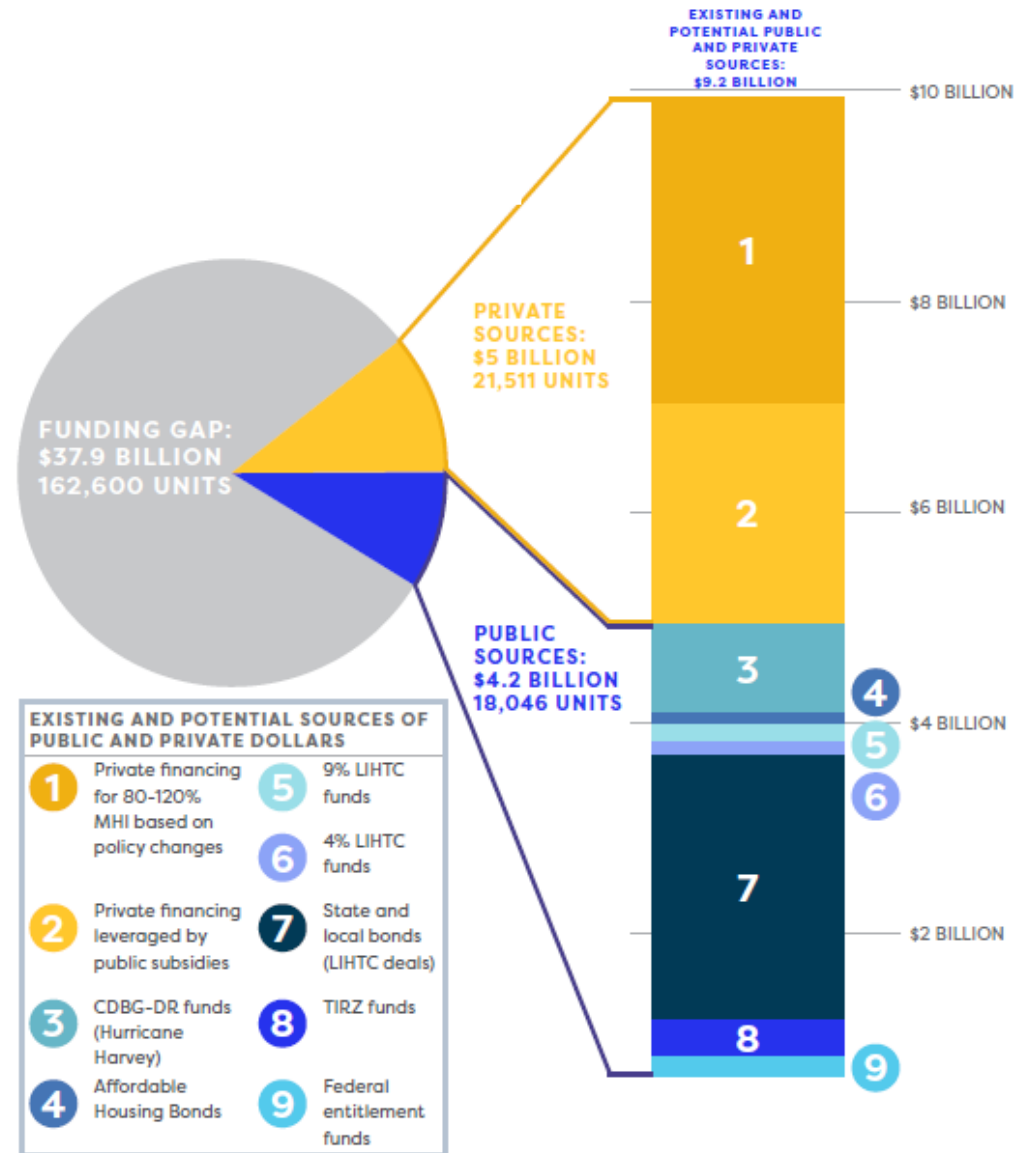
New Housing to Meet the Needs of 20% of Today's Cost-Burdened Residents

	Renter	Owner	Annual Goal through 2031
0-30% MHI (\$20,000/year)	24,465	1,288	2,575 Units
30-60% MHI (\$35,000/year)	23,564	1,240	2,480 Units
60-80% MHI (\$50,000/year)	11,622	7,116	1,874 Units
80-120% MHI (\$75,000/year)	5,550	6,892	1,244 Units
Total	67,729	14,008	8,174 Units Per Year

New Housing for Households Formed In Harris County over the Next 10 Years

	Renter	Owner	Annual Goal through 2031
0-30% MHI (\$20,000/year)	45,175	2,378	4,755 Units
30-60% MHI (\$35,000/year)	45,384	2,389	4,777 Units
60-80% MHI (\$50,000/year)	0	0	0 Units
80-120% MHI (\$75,000/year)	1,680	27,156	2,884 Units
Total	98,160	27,156	12,416 Units Per Year

How can these new homes be funded and built?



What is our Strategy



Four Core Values

INVEST IN HOUSING FOR ALL through preservation, new construction, and infrastructure investments that support communities.

COLLABORATE WITH PARTNERS to foster a comprehensive, affordable housing system.

ADVANCE EQUITY AND RESILIENCE in all County housing efforts.

ADVOCATE FOR HOUSING POLICY REFORMS at all levels of

Value #1

INVEST IN HOUSING FOR ALL through preservation, new construction, and infrastructure investments that support communities.

- **Goal 1:** Increase the supply of safe, high-quality rental and for-sale housing for low-moderate income households.
- **Goal 2:** Incentivize a mixture of housing types.
- **Goal 3:** Preserve and build affordable infill housing options.
- **Goal 4:** Ensure that infrastructure improvements are available to support the production of affordable housing.

Value #2

COLLABORATE WITH PARTNERS to foster a comprehensive, affordable housing system.

- **Goal 5:** Create mixed income housing communities and mixed-use housing developments where there is access to jobs, transportation, services, and amenities.
- **Goal 6:** Attract investment that enhances economic opportunity.
- **Goal 7:** Diversify housing types and expand transportation choices.

Value #3

ADVANCE EQUITY AND RESILIENCE in all County housing efforts.

- **Goal 8:** Aim for inclusion and promote fair housing to undo the legacy of racial and economic segregation.
- **Goal 9:** Adapt to hazards and support sustainable neighborhood development.

Value #4

ADVOCATE FOR HOUSING POLICY REFORMS at all levels of government.

- **Goal 10:** Identify federal and state level reforms.
- **Goal 11:** Identify local reforms with municipalities and special-purpose districts to support the development of affordable housing.

MyHomelsHere.org



 RICE UNIVERSITY
Kinder Institute for Urban Research



HLB FY 2022 Priorities

Month 1-2

- Meet with HLB staff and align the team. Determine and learn SWOT of goals, processes and policies
- Establish a strong bond with the board collectively and nurture individual board relationships
- Connect with HCDD to discuss NHDP challenges and processes

Month 3-4

- Connect externally with existing and priority stakeholders and agencies
 - Builders, Houston ISD, Harris County, Linebarger & Goggan, HCLT, Vendors/Consultants (legal, lot maintenance)

Month 4-6

- Connect, present and meet externally with new partners to spread brand recognition and opportunities
 - Houston Housing Authority, Developer community, Community Stakeholders (pastors, CBOs, etc)