

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

May 12, 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, May 12, 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	Carol Galloway
David Collins	Jesus DeAnda
Antoinette Jackson	Janae Ladet
Courtney Johnson Rose	Matt Zeis
Elaine Morales	

Board directors absent were: Laurie Vignaud, 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

Vice Chairman Collins called this regular meeting to order at 12:17 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

One public speaker registered to address the Board but was not in the room.

III. Swearing in of Board Members

a. Position 13: Elaine Morales (new appointment - Harris County)

Ms. Saenz conducted the swearing in of Elaine Morales to the Board. Ms. Morales was then introduced to the Board who welcomed her as its newest member. Ms. Morales informed the Board that she was born and raised in Puerto Rico and has lived in Texas since 2013 and in Houston since 2017. She mentioned her prior activities with affordable housing.

IV. Consideration and Adoption of Meeting Minutes

a. April 14, 2022 Board Meeting

Vice Chairman Collins noted that the minutes for the April 14, 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 Johnson Rose made a motion to adopt the minutes of the April 14, 2022 Board Meeting as written, which motion was then duly seconded by Director Zeis 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 and informed the Board that he has to attend remotely rather than in person due to his wife having tested positive for COVID. He then welcomed Elaine Morales, who was newly appointed to the Board by Harris County to replace Juan Cardoza-Oquendo.

VI. Committee Reports:

a. Executive Committee: Matt Zeis, Chair

Vice Chairman Collins then announced that the Executive Committee met May 5, 2022 to discuss the items on today's meeting agenda, the numerous requests from homebuilders for price increases, the Round 6 Lot Sales, and the Yellow Cab property development plan. He then mentioned that Chairman Zeis is preparing a report on housing price increases including why most of the increases are occurring in Sunnyside which is not normal.

b. Finance Committee: Laurie Vignaud, Chair

Chairman Zeis noted that Director Vignaud was not in attendance today and stated that the monthly financial report is included in the meeting packet distributed to the Board.

1. Monthly Financial Report

Vice Chairman Collins 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.

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

Director Johnson Rose stated that the Partnership and Program Development Committee meet to discuss the new staff and Board members, the Yellow Cab proforma, an update of the EPA Brownfield grant, and the first community engagement event. The Committee discussed the framework for the logistics of implementing the discount on construction materials with its home builders, including confirming the builder is in compliance and the house is part of the HLB program. Director Rose informed the Board that the first community event will be a virtual meeting to be held on Monday, May 16, 2022.

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

Director Mondragón was not in attendance for today's meeting, therefore, Ms. Stoneham reported that the READ Committee met to discuss numerous requests from builders for house price increases from the prior lot sales and to evaluate the analysis of the price increases, evaluate the updated guidelines, and the Round 7 Lot Sales to occur in the next couple of weeks.

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

1. **Procurements Overview**

Director DeAnda reported that the Procurement and Oversight Committee met May 5, 2022. He stated that only one response was received for title company services which was approved by HLB staff and will proceed to next steps for approval by the Board. He mentioned that HLB staff selected Landtech, Inc. as the qualified land surveying company to prepare the drawings needed for the 30 lots which do not have right-of-way access. Landtech, Inc. completed 30 preliminary surveys and marked the locations of the driveways and finalized the surveys to obtain temporary building permits. He expects the completed survey package to be delivered by the end of this week.

Director DeAnda 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 legal counsel. He then noted that the lot maintenance RFP will close on May 16, 2022 and will be based on competitive bids versus the flat reate pricing under the previous contracts. Also, the RFP prepared for the annual audit services closed April 29, 2022; however, there was no response to this RFP. HLB staff will reach out to three firms to request official bids for preparing the annual audit. The RFP for bookkeeping and accounting services closed on May 6, 2022.

Lastly, Director DeAnda mentioned that HLB has requested proposals for design services with regard to the Yellow Cab property from the two firms which the Board approved in November 2020.

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 46% 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.

She then introduced Jahmeilla Hunter who has been employed as the new Community Relations and Engagement Manager and LaTosha Okoiron who will be the new in-house legal counsel and the Compliance Director for the HLB.

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 being reorganized as a 501(c)3 entity.

She mentioned that the Fiscal Year 2022 Draft Strategic Plan's Guiding Principals was presented in April. The Board supported the acronym T.O.E.S. which stands for Transparency , Ownership, Equity, and Stewardship. The HLB staff will continue to build on the framework for adoption.

Ms. Stoneham then stated that the Neighborhood Advisory Committee will be launching on Monday with additional meet and greets in the upcoming months.

Lastly, she announced that the agenda for the next Board meeting will include approval of the Fiscal Year 2023 budget.

VIII. Board Action Items

a. Consideration and Possible Action to Accept Real Estate Acquisition and Disposition Committee Recommendations of Contract Amendments for Maximum Sales Price Increase Requests under the HLB Traditional Homebuyer Program for the following Homes

1. L.I.Z. Enterprises

- i. 8128 Sunnyhill (Acres Homes, Price Increase of \$12,873; Home Sales Price from \$210,000 to \$222,873)**

Chairman Zeis made a motion to approve the contract amendments to increase the sales price requested by L.I.Z. Enterprises, which motion was duly seconded by Director Johnson Rose

and passed with the majority vote of the Board. Director Morales abstained from voting on this Agenda item.

2. Europa Homes

- i. 7414 Touchstone (Trinity Gardens, Price Increase of \$12,114; Home Sales Price from \$197,617 to \$209,731)
- ii. 7418 Touchstone (Trinity Gardens, Price Increase of \$12,114; Home Sales Price from \$197,617 to \$209,731)
- iii. 7116 Touchstone (Trinity Gardens, Price Increase of \$12,620; Home Sales Price from \$205,867 to \$218,487)
- iv. 7118 Touchstone (Trinity Gardens, Price Increase of \$12,620; Home Sale Price from \$205,867 to \$218,487)

Chairman Zeis made a motion to approve the contract amendments to increase the sales price requested by Europa Homes, which motion was duly seconded by Director DeAnda and passed with the majority vote of the Board. Director Morales abstained from voting on this Agenda item.

3. 5th Ward CRC

- i. 3420 Russell (Fifth Ward, Price Increase of \$12,976; Home Sales Price Increase from \$211,678 to \$224,654)
- ii. 6915 Hoffman (Trinity Gardens, Price Increase of \$29,062; Home Sales Price Increase from \$211,419 to \$240,481)
- iii. 7006 Hoffman (Trinity Gardens, Price Increase of \$29,017; Home Sales Price Increase from \$211,728 to \$240,745)

Chairman Zeis asked why the sale prices for the lots on Hoffman are higher than for other lots. Mr. Zapata explained that these lots were moved to the Tier 1 Category and will be constructed as 4 bedroom/2½ bath houses with a 2-car garage with a \$285,000 cap sale price.

Chairman Zeis then made a motion to approve the contract amendments to increase the sales price requested by 5th Ward CRC, which motion was duly seconded by Director Johnson Rose and passed with the majority vote of the Board. Director Morales abstained from voting on this Agenda item.

4. MHL Properties

- i. 6925 Hoffman (Trinity Gardens, Price Increase of \$13,000; Home Sales Price Increase from \$212,000 to \$225,000)

- ii. 0 Shotwell (Trinity Gardens, Price Increase of \$13,000; Home Sales Price Increase from \$212,000 to \$225,000)
- iii. 0 Shotwell (Trinity Gardens, Price Increase of \$13,000; Home Sales Price Increase from \$212,000 to \$225,000)
- iv. 0 Shotwell (Trinity Gardens, Price Increase of \$13,000; Home Sales Price Increase from \$212,000 to \$225,000)
- v. 7416 Shotwell (Trinity Gardens, Price Increase of \$13,000 Home Sales Price Increase from \$212,000 to \$225,000)

Director Galloway made a motion to approve the contract amendments to increase the sales price requested by MHL Properties, which motion was duly seconded by Director Johnson Rose and passed with the majority vote of the Board. Director Morales abstained from voting on this Agenda item.

b. Consideration and Possible Action to Approve Round 6 Lot Sales

1. SXG Capital, LLC

- i. 8510 Safeguard (HCAD# 0761490010010, Sunnyside, Sales Price \$15,000; Lot Size 7,250 Square Feet)

Chairman Zeis made a motion to approve the sale of the lot requested by SXG Capital, LLC, which motion was duly seconded by Director Johnson Rose and passed with the majority vote of the Board. Director Morales abstained from voting on this Agenda item.

2. Europa Homes

- i. 0 Peachtree (HCAD# 0660260090213, Trinity Gardens, Sales Price \$21,762; Lot Size 12,000 Square Feet)
- ii. 0 Peachtree (HCAD# 0660260100186, Trinity Gardens, Sales Price \$21,330; Lot Size 12,000 Square Feet)
- iii. 0 Shotwell (HCAD# 0660250010673, Trinity Gardens, Sales Price \$18,483; Lot Size 10,260 Square Feet)
- iv. 0 Wileyvale (HCAD# 0660260080062, Trinity Gardens, Sales Price \$21,591; Lot Size 12,000 Square Feet)
- v. 8315 Sandra (HCAD# 0660260160289, Trinity Gardens, Sales Price \$15,202; Lot Size 7,440 Square Feet)
- vi. 8417 Wileyvale (HCAD# 0660260120991, Trinity Gardens, Sales Price \$25,167; Lot Size 12,060 Square Feet)

- vii. 8721 Allwood (HCAD# 0681170010034, Trinity Gardens, Sales Price \$22,910: Lot Size 11,775 Square Feet)
- viii. 0 Bostic (HCAD# 0640190060006, Trinity Gardens, Sales Price \$31,980: Lot Size 17,710 Square Feet)

Director DeAnda made a motion to approve the sales of the lots awarded to Europa Homes, which motion was duly seconded by Director Galloway and passed with the majority vote of the Board. Director Morales abstained from voting on this Agenda item.

c. 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.

Mr. Gonzalez noted that the final version of the Fiscal Year 2023 Budget will need to be approved at the June Board meeting.

IX. Executive Session

Nothing to report.

X. Board Member Comments

Nothing to report.

XI. 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 1:02 p.m. upon the motion of Director Johnson Rose, which was duly seconded by Director Mondragón 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 09 day of June, 2022.

Jesus DeAnda

Secretary

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