

**LAND ASSEMBLAGE REDEVELOPMENT AUTHORITY
MINUTES OF BOARD MEETING
HOUSTON, TEXAS**

June 23, 2006

A meeting of the Board Of Directors (“the Board”) of the Land Assemblage Redevelopment Authority (“LARA”), 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 Houston City Hall Annex Council Chambers, Public Level, 900 Bagby Street, Houston, Harris County, Texas, on Friday, June 23, 2006. Written notice of the meeting, including the date, hour, place and agenda for the meeting was posted in accordance with the Texas Open Meetings Act.

Board members in attendance were:

David Collins, Chairman of the Board
Reginald Adams, President
Cheryl Armitige
Tyrone Dorian
James Harrison, III
Jolanda Jones
Teresa Morales
Jeremy Ratcliff

Board members absent were:

Ray Fisher
Antoinette Jackson
Reverend James Nash
Yolanda Black-Navarro
Craig Presley

Others in attendance included: Steve Tinnermon and Pat McFarland of the Neighborhoods and Housing Division of the Mayor’s Office; Lynn Henson and Allen Parker of the City of Houston's Planning and Development Department; Randy Naquin of the City of Houston's Housing and Community Development Department; Archana Singh of Winstead Sechrest & Minick P.C., the Authority’s General Counsel; Leah Stolar of Linebarger, Goggan, Blair and Sampson; Charles Rencher of Horizon Southwest Properties; and Tene Thomas of McConnell Jones Lanier and Murphy.

I. Call to Order

The meeting was called to order by Mr. Collins, the Board Chairman, at 2:06 o'clock p.m.

II. Review and Approval of Minutes from the May 26, 2006 Board Meeting

Mr. Collins directed the Board to review the minutes of the May 26, 2006 meeting. Upon a motion by Ms. Jones, duly seconded by Mr. Adams, the minutes of the May 26, 2006 meeting were unanimously approved.

III. Old Business

a. Treasurer's Report

Ms. Morales addressed the Board and distributed copies of the Treasurer's Report to the Board members. She reported the LARA funds designated for property acquisition were nearing a low point. Mr. Collins explained that additional funds have been authorized under the Revolving Loan Agreement between LARA and the Houston Housing Finance Corporation ("HHFC"). He stated that the first transfer of \$400,000, part of the total loan amount of \$2 million, has been made, thereby replenishing the LARA property acquisition fund.

Next, Ms. Morales explained that LARA holds two different categories of monies: one category of funds is dedicated to the purchase of property while the other category consists of administrative funds. She stated that she would like to put into place procedures to keep the two categories distinct. After a motion by Ms. Jones, duly seconded by Mr. Adams, the Treasurer's report was approved.

b. Auction Update by Linebarger, Goggan, Blair and Sampson

Ms. Stolar addressed the Board and reported that LARA acquired sixty-four (64) properties, evenly split between acquisition through strike-off and acquisition through purchase, at the June tax auction. Ms. Stolar further stated that no tax auction would take place in July due to the July 4th holiday. She added that the tax auction would resume in August.

Mr. Adams asked Ms. Stolar how many LARA Pilot Program properties had yet to be acquired. Ms. Stolar replied that seventy-seven (77) such properties remained. Mr. Adams then asked Ms. Stolar if she could offer a projection as to when LARA's acquisition of the LARA Pilot Program properties would be complete. Ms. Stolar estimated that such acquisitions would be complete within six months.

IV. Committee Reports

There were no committee reports presented at this time.

V. New Business

a. Consideration and possible action regarding the approval of the engagement letter for accounting services from McConnell Jones Lanier & Murphy, LLP

Ms. Morales directed the Board's attention to a Letter of Agreement from McConnell Jones Lanier & Murphy, LLP ("McConnell & Jones"), an accounting firm, detailing the accounting services the firm proposes to provide. Mr. Dorian inquired as to whether

