

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

August 24, 2007

A meeting of the Board Of Directors (the "Board") of the Land Assemblage Redevelopment Authority ("LARA" or the "Authority"), 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, August 24, 2007. Written notice of the meeting, which included 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
Yolanda Black-Navarro
Teresa Morales
Tyrone Dorian
Jeremy Ratcliff
James Harrison III
Jolanda Jones

Board Members absent were:

Ray Fisher; Craig Presley; and Reverend John W. Bowie

Others in attendance included: Steve Tinnermon, Pat McFarland, and Agatha Collins of the Neighborhoods and Housing Division of the Mayor's Office (the "NHD"); Jim Lemond and Tonja King of Winstead PC, the Authority's General Counsel; Leah Stolar of Linebarger, Goggan, Blair and Sampson, L.L.P.; Chris Butler, special assistant to the Mayor of Houston for property construction; and Lynn Henson of the City of Houston's Planning and Development Department.

I. Call to Order

Mr. Collins, Chairman, called the Board Meeting to order at 2:05 p.m.

II. Review and Approval of Minutes from the July 28, 2007 Board Meeting

Upon a motion by Ms. Jones, seconded by Mr. Harrison, the Board unanimously approved the Minutes of the July 28, 2007 Board meeting.

III. Treasurer's Report

1. Ms. Morales distributed copies of the Financial Statements for the Twelve-Month Period Ending June 30, 2007. She advised the board that additional funding had been designated for transfer to the LARA operating account, pending final approval from the City Counsel. Mr. Harrison moved to accept the report. Mr. Ratcliff seconded the motion, and the motion carried.

2. Mr. Tinnermon provided an update on the Request For Proposal ("RFP") for Independent Audit Services. He reported that additional time was needed to allow interested firms to respond to the RFP, and that the deadline for submission of Responses would be extended until the end of the month. Mr. Lemond advised the board that several additional firms had been contacted regarding the RFP and that four firms had indicated that they would be submitting Responses. Mr. Adams inquired as to how an extension would affect LARA's compliance with the City of Houston's customary timelines for the submittal of the Annual Audit. Mr. Tinnermon responded that the City Controller had been notified that the Audit Report would likely be received approximately two weeks after the scheduled submission date. He stated that he did not believe this would be problematic.

IV. Auction Update by Linebarger, Goggan, Blair and Sampson, L.L.P.

Ms. Stolar distributed the monthly Auction Report as prepared by her firm and pointed out that 25 properties were acquired by LARA at the August auction. She added that 53 properties are available for the next auction and are identified on the last page of the Property Lot Foreclosure Activity Report.

V. Committee Reports

1. Executive Committee Reports.

Mr. Adams reported that the Executive Committee had met prior to the scheduled Board meeting. The Committee discussed the proposed release of a solicitation for bids from interested vendors for lot weed-cutting and debris removal services on LARA-owned properties. A motion to recommend that the bid solicitation be released was approved by the committee. Additionally, the committee discussed the request for approval of the Fourth Amendment to the LARA Grant from the City of Houston for 2007-2008 operating expenses. The committee voted to recommend that the Amendment be approved. The committee also recommended that the board accept a Marketing Grant from the City of Houston in the amount of \$300,000 to help promote participation in the City's Houston Hope homeownership program. The committee considered a request from Habitat for Humanity to purchase additional LARA-owned lots for the construction of affordable housing in the Settegast area. The committee unanimously recommended approval of the request. The final item considered by the committee was a request from Catholic Charities for the purchase of additional LARA-owned lots for the construction of affordable housing. The committee unanimously recommended approval of the request. Mr. Adams stated that this concluded his committee report.

2. Builder Selection Committee Report.

Mr. Butler advised that there was no report from the Builder Selection Committee.

3. LARA/Houston Hope construction update

Mr. Butler distributed a Houston Hope Study matrix with up-to-date statistics on the status of vacant parcels in certain Houston Hope neighborhoods. He also presented a Production Status Report on Houston Hope lots contracted to builders and of homes currently under construction. Mr. Butler advised the board that the construction report would continue to be updated regularly and presented to the board on a monthly basis.

VI. Consideration and approval to authorize the release of a solicitation for bids from interested vendors for lot weed cutting and debris removal services on LARA-owned properties.

Mr. Collins called for discussion, or for a motion, regarding the item. Upon Motion by Mr. Harrison, seconded by Mr. Ratcliff, the Board unanimously approved the authorization to release the solicitation of bids for weed cutting and debris removal services.

VII. Consideration and approval of Fourth Amendment to LARA Grant from the City of Houston for 2007-2008 operating expenses.

Mr. Collins opened the floor for discussion. Mr. Adams advised the board that this and future requests for funding would be presented on a quarterly, rather than annual basis, and that this Amendment would provide \$200,000 to LARA as additional operating funds. Upon Motion by Mr. Harrison, seconded by Mr. Ratcliff, the Board unanimously approved the Amendment to the LARA Grant.

VIII. Consideration and approval of Marketing Grant from the City of Houston in the amount of \$300,000.00 for Houston Hope Homes.

Upon Motion by Mr. Harrison, seconded by Ms. Jones, the Board unanimously voted to accept the award of a marketing grant from the City of Houston in the amount of \$300,000 to be used to promote home ownership for eligible families under the Houston Hope program.

IX. Consideration and approval of award of additional LARA-owned lots to Habitat for Humanity for construction of affordable housing.

Mr. Harrison moved to approve the request from Habitat for Humanity to purchase additional LARA-owned lots for the construction of affordable housing in the Settegast area. Mr. Ratcliff seconded the motion, and the motion carried.

X. Consideration and approval of award of LARA-owned lots to Catholic Charities for construction of affordable housing.

Upon Motion by Mr. Dorian, seconded by Mr. Harrison, the Board unanimously approved the award of LARA-owned lots to Catholic Charities for the construction of affordable housing.

XI. Executive Session

Mr. Collins noted that there were no matters requiring an Executive Session.

XII. Reconvene in Open Session

XIII. LARA Administrator's Report

Mr. Tinnermon said he had no report to present separate from the posted Agenda Items.

XIV. Chairman's Report

Mr. Collins stated there would be no Chairman's Report.

XV. Board Member Comments

Ms. Jones advised the board that she attended the press conference announcing the first LARA home to be completed and sold to an eligible family.

Mr. Ratcliff inquired as to whether construction deadlines for LARA builders would need to be extended due to the excessive rains in June and July. Mr. Butler responded that the builders were attempting to adhere to the completion deadlines, but it might be necessary to grant extensions on a case-by-case basis.

XVI. Public Comments

Mr. Collins invited public comment or discussion.

Mr. Mike Forenza, on behalf of the Executive Director of Habitat for Humanity, thanked the board for its approval of Habitat's request to purchase additional lots for affordable home construction in the Settegast area.

Ms. Linda Sylvan, of the Rice Design Alliance, advised the board that it was partnering with the Houston chapter of the American Institute of Architecture to sponsor a competition to create an environmentally-friendly residential design prototype, using LARA construction guidelines. The partnership is asking LARA to donate 1-5 lots for the competition. Ms. Sylvan stated that any architect or builder would be eligible to participate in the competition. Mr. Adams advised Ms. Sylvan that the board would take her request under advisement, and would consider the request for approval at the September meeting.

Mr. Jeffrey Pickens introduced himself as a resident of the Independent Heights neighborhood. He inquired as to whether the board was working directly with the residents of the various neighborhoods in selecting the floor plans and specification for the homes that are being constructed. He stated that the appraisal of his home has decreased in the past two years, and he believes that LARA's new construction projects are a contributing factor.

Mr. Butler advised Mr. Pickens of LARA's general pricing parameters for the construction of homes within the LARA project communities and the building specifications for construction.

Mr. Adams commented on how the designs of the homes are selected, and spoke about LARA's participation in design workshops and numerous community meetings where residents provided input which was incorporated into LARA's design criteria for new homes.

Ms. Henson explained that the current RFP requires builders to attempt to mirror the styles of the residences already in the community so as to avoid any adverse effects on the value of the already-existing homes, and to prevent overpricing of the new construction.

Ms. Jones also advised Mr. Pickens that the board made significant efforts to reach community members through various neighborhood meetings, church functions, and bi-lingual informational brochures. She encouraged Mr. Pickens to contact her, or any other board member directly with additional concerns.

Mr. Milton Thomas addressed the board as the owner of C.O.M.B. Construction, LLC. He stated that the company is minority-owned and is currently building homes in Fifth Ward. He stated that the company owns three lots on Sam Wilson street in Fifth Ward and that there are a total of five vacant lots on the block, two of which are owned by LARA. Mr. Thomas said that his company would like to purchase the LARA-owned lots in order to avoid a prospective encroachment issue. Mr. Adams suggested that Mr. Thomas meet with Mr. Tinnermon and Mr. Lemond at the conclusion of the meeting to discuss his proposal for purchase of the lots.

XVII. Adjournment

On a motion by Mr. Harrison, seconded by Mr. Ratcliff, the meeting was adjourned at 3:05 p.m.

Minutes prepared by:

**Jim Lemond and Tonja King
Winstead PC**

Signed on the _____ day of _____, 20__.

Reginald Adams, President

Jolanda Jones, Secretary