

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

January 5, 2007

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, January 5, 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:

Reginald Adams, President
Tyrone Dorian
Craig Presley
Jeremy Ratcliff
James Harrison, III
Reverend James Nash
Antoinette Jackson

Board Members absent were:

David Collins, Chairman of the Board
Ray Fisher
Yolanda Black-Navarro
Teresa Morales
Jolanda Jones

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 Monique Saulter of Winstead Sechrest & Minick, P.C., LARA's General Counsel; Leah Stolar of Linebarger, Goggan, Blair and Sampson, L.L.P.; Chris Butler, special assistant to the Mayor of Houston in the area of property construction; and Allen Parker and Lynn Henson of the City of Houston's Planning and Development Department.

I. Call to Order

Mr. Adams, President, called the Board Meeting to order at 3:47 p.m.

II. Review and Approval of Minutes from the December 1, 2006 Board Meeting

The Board did not formally approve the Minutes of December 1, 2006, because of time constraints.

III. Old Business

The Board did not discuss Old Business items because of time constraints.

IV. Committee Reports

No Committee Reports were presented.

V. New Business – Approval of Lot Purchase and Development Contracts

Given that a quorum could only be present for a limited time, Mr. Adams opened the Board Meeting with a discussion regarding authorization for LARA to enter into lot purchase and development contracts (as referred to herein, each individually, a "Contract" and collectively, the "Contracts") with the five building companies that responded to the Request for Proposals issued by LARA in June, 2006 (the "RFP"). The builders are: 1. Senee Homes, 2. Pedraza Construction, 3. Mayberry Homes, 4. Burghli Homes, and 5. Greater Houston Development Corporation ("GHDC").

Mr. Tinnermon stated that the NHD had previously mailed copies of the proposed Contracts to all Board Members and explained that the main body of the contract will be standard for all Contracts but the Schedules attached to the Contract are unique for each builder. Mr. Tinnermon then turned the floor over to Mr. Butler.

Mr. Butler directed the Board's attention to the various proposed Contracts. He explained that Exhibit A in each Contract lists development costs for each lot.

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a. Senee Homes

Mr. Butler reported that Senee Homes has agreed to concurrently develop ten lots.

b. Pedraza Construction

Mr. Butler then stated that the second builder, Pedraza Construction, has also agreed to concurrently develop ten lots. He stated that there would be a correction to Item R-1260-A set forth in the attachments to the Contract because the builder

