

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

April 25, 2008

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, April 25, 2008. 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
Reginald Adams, President
Jeremy Ratcliff
Rev. Steve Hall
Rev. John W. Bowie
Richard Leal
Antoinette Jackson
James Harrison III
Michael Harris

Board Members absent were, Yolanda Black Navarro, Teresa Morales, Curtis Lampley, and Raymond Fisher.

Others in attendance included: Steve Tinnermon, Agatha Collins, and Norma Garcia of the Neighborhoods and Housing Division of the Mayor's Office; Greg Erwin and Danna White of Winstead PC, the Authority's General Counsel; Leah Stolar of Linebarger, Goggan, Blair & Sampson, L.L.P.; Chris Butler, special assistant to the Mayor of Houston for property construction; Lynn Henson of the City of Houston's Planning and Development Department; Andrea Jones of the Mayor's Office and City Councilmember Jolanda Jones.

I. Call to Order

Mr. Collins, Chairman, called the meeting to order at 2:00 o'clock p.m. Mr. Collins noted for the record that a quorum of the board was present.

II. Review and Approval of Minutes from the March 28, 2008 Board Meeting

Mr. Adams requested that the Minutes be revised to correctly reflect that Mr. Harris was present at the March 28, 2008 meeting. Reverend Bowie moved to approve the Minutes from the March 28, 2008 meeting upon correction and Mr. Adams seconded the motion. The Board unanimously voted to approve the Minutes.

III. Treasurer's Report

Mr. Adams, in absence of Ms. Morales, presented the LARA financial report, the accountants' compliance report, and the administrative report for the period ending February 2008. He stated that there LARA would be receiving a refund in the amount of \$1,762.11 from United National Insurance Agency for a policy that was canceled on a prorated basis and that it should be received in the month of May.

Mr. Adams next reported that LARA expects to release a Request For Proposal ("RFP") for bookkeeping services not later than the first week in May. Mr. Harris moved to accept the Treasurer's Report and Mr. Leal seconded the motion. The Board unanimously approved acceptance of the report.

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

Ms. Stolar distributed the monthly Property Lot Foreclosure Activity Report as prepared by her firm and pointed out that there were 20 properties acquired in the month of April, seven (7) by strike off and thirteen (13) by purchase. Ms. Stolar also reported that forty two (42) properties are posted for the May auction and that LARA had to date acquired a total of 894 properties.

Mr. Adams inquired about certain properties where acquisition anticipated by LARA had not yet been completed and whether Ms. Stolar could project a completion date for the acquisition process. Ms. Stolar stated that there are only fifteen (15) properties remaining that fit

into that category and that those properties are involved in complex litigation involving thirty (30) or more defendants. Mr. Adams inquired whether there is a point in the acquisition process where LARA could decide to abandon the acquisition process for certain lots because the process is taking too long. Ms. Stolar responded that she could not predict such a point in time but that her firm would continue to aggressively pursue all such acquisitions until the board advised that it wished to abandon the process.

V. Committee Reports

1. Executive Committee Report

Mr. Adams reported that the Executive Committee had met immediately prior to the scheduled Board of Directors' meeting and discussed the consideration and approval to authorize the LARA Building Selection Committee to authorize payments to participating builders for installation of Energy Star upgrades and approved "Green Improvements"; to approve and authorize the LARA Finance Committee to make payments to the City of Houston Department of Park and Recreation for Sprinkler System installation in the Houston Hope neighborhoods; to award lot acquisition contracts to Burghli Homes for the construction of new affordable housing in Acres Homes and Sunnyside; to consider possible action to award lot acquisition contracts to Catholic Charities for the construction of new affordable housing in Acres Home and Sunnyside; to release a Request for Proposal for weed cutting and debris removal services in connection with maintenance of LARA-owned lots; and to authorize and establish a maximum sales price of \$135,000 on certain affordable houses constructed on LARA lots.

Mr. Adams further reported that the Committee discussed the progress being made on pursuing a renewal of the existing Interlocal Agreement between LARA and the various taxing jurisdictions.

Mr. Adams next reported that Ms. Linda Sylvan, Executive Director of Rice Design Alliance, had attended the Executive Committee Meeting and provided an overview of the 99K House competition. Mr. Adams stated that Ms. Sylvan provided the Board with copies of printed materials depicting an overview of the five (5) selected finalists' home drawings and designs, as well as copies of *CITE*, the architectural magazine which also contained depictions of the five (5)

finalists' drawings and plans. Mr. Adams stated that Ms. Sylvan would provide additional copies of the materials so that each Board Member would have a copy for their review.

Mr. Adams reported that the Executive Board expressed a desire to participate in a Board Retreat to better familiarize the new Board members with the Houston affordable housing real estate market and to reassess the direction of the LARA organization, given the recent changes in the financial and housing markets.

Mr. Adams also reported that the Executive Committee had considered how LARA might seek additional funding sources to ensure that LARA is in a financially stable position and able to continue to provide for the development of affordable housing in the City of Houston into the next mayoral administration.

Mr. Collins then inquired whether Ms. Sylvan had indicated which house design had been selected as the winner in the 99K House competition. Mr. Adams stated that the finalists had not yet been made public but that an announcement would be forthcoming later in the day.

The board unanimously accepted the Executive Committee Report.

2. Builder Selection Committee Report.

Mr. Ratcliff reported that there had been no new Builder proposals presented for consideration this month.

3. LARA/Houston Hope Production Status Report (the "Production Report")

Mr. Butler next stated that there are currently 154 lots that LARA has sold, or is in the process of selling, to builders and that of the 154 lots, 82 are in various stages of construction, 29 have been completed and that 18 new families had moved into their homes. Mr. Butler stated that in Fifth Ward LARA 76 lots had been acquired by builders and 21 are under contract for construction; and in Third Ward LARA had acquired 19 lots, with 15 of those under contract with Lazer Homes. Two (2) homes, he stated, had closed in the latter part of 2007.

Mr. Adams thanked Mr. Butler for the builder summary that was added to the end of the report and that the snapshot overview is beneficial and convenient for the Board's review.

The Board unanimously accepted the Construction update.

VI. Consideration and possible action on authorizing the LARA Finance Committee to make payments to participating Community Development Corporations (CDCs) pursuant to the provisions of the City of Houston Ordinance No. 2008-255

Mr. Collins opened the floor for discussion. No questions or comments were raised. Upon motion by Mr. Leal, seconded by Mr. Hall, the board unanimously approved and authorized LARA's Finance Committee to make payments to participating CDCs pursuant to the provisions of the City of Houston Ordinance No. 2008-255.

VII. Consideration and possible action authorizing the LARA Building Selection Committee to authorize payments to participating builders for installation of Energy Star Upgrades and Approved "Green Improvements", pursuant to the provisions of City of Houston Ordinance No. 2008-255.

Mr. Collins opened the floor for discussion. No questions or comments were raised. Upon motion by Mr. Harris and seconded by Mr. Ratcliff, the Board unanimously approved and authorized the LARA Building Selection Committee to authorize payments to participating builders for installation of Energy Star Upgrades and Approved "Green Improvements", pursuant to the provision of the City of Houston Ordinance No. 2008-255.

VIII. Consideration and possible action authorizing the LARA Finance Committee to make payments to the City of Houston Department of Parks and Recreation for Sprinkler System installation in Houston Hope Neighborhoods, pursuant to the provisions of City of Houston Ordinance No. 2008-255.

Mr. Collins opened the floor for discussion. No questions or comments were raised. Upon motion by Mr. Adams and seconded by Mr. Harris, the Board unanimously approved and authorized the LARA Finance Committee to make payments to the City of Houston Department of Parks and Recreation for Sprinkler System installation in Houston Hope Neighborhoods, pursuant to the provisions of City of Houston Ordinance No. 2008-255.

IX. Consideration and possible action awarding lot acquisition contracts to Burghli Homes for the construction of new affordable housing in Acres Homes and Sunnyside.

Mr. Collins opened the floor for discussion. No questions or comments were raised.

Upon motion by Mr. Harris and seconded by Mr. Bowie, the Board unanimously approved and authorized the award of lot acquisition contracts to Burghli Homes for the construction of new affordable housing in Acres Homes and Sunnyside.

X. Consideration and possible action awarding lot acquisition contracts to Catholic Charities for the construction of new affordable housing in Acres Homes and Independence Heights

Mr. Collins opened the floor for discussion. No questions or comments were raised. Upon motion by Mr. Ratcliff and seconded by Mr. Adams, the Board unanimously approved and authorized the award of lot acquisition contracts to the Catholic Charities for the construction of new affordable housing in Acres Homes and Independence Heights.

XI. Consideration and possible action to release a Request for Proposal (RFP) for weed cutting and debris removal services in connection with maintenance of LARA-owned Lots

Mr. Collins opened the floor for discussion. No questions or comments were raised. Upon motion by Mr. Harris and seconded by Mr. Bowie, the Board unanimously approved and authorized the release of an RFP for weed cutting and debris removal services in connection with maintenance of LARA owned lots.

XII. Consideration and possible action authorizing the establishment of a maximum sales price of \$135,000 on certain affordable houses constructed on LARA-owned lots

Mr. Collins opened the floor for discussion. No questions or comments were raised. Upon motion by Mr. Leal and seconded by Reverend Hall, the Board unanimously approved and authorized the establishment of a maximum sales price of \$135,000 on certain affordable houses constructed on LARA-owned lots.

XIII. Discussion and possible action on a LARA Board Retreat

Mr. Collins opened the floor for discussion. Mr. Adams stated that in consideration of the new Board members the Executive Committee thought a Board Retreat would be beneficial and would serve to better acclimate the new Board Members to LARA's history and mission. It

would also provide an opportunity for the board to address the significant recent changes in the national financial and housing markets. Discussion ensued. Upon motion by Mr. Ratcliff and seconded by Mr. Harrison, the board voted to move forward with plans for a Board Retreat.

XIV. Update on Rice Design Affordable Housing Design Completion

Mr. Collins opened the floor for discussion. Mr. Adams stated that the Executive Committee had concluded that sufficient information had not been provided to LARA and that the Executive Committee had recommended that this item be tabled for discussion at a later date.

XV. Discussion and possible action on approval of gardening leases on LARA lots.

Mr. Collins recommended tabling this item for discussion at a future date.

XVI Swearing-in of newly-appointed LARA Board of Director Members

Mr. Collins invited Ms. Jolanda Jones to conduct the swearing in of the new members of the LARA Board of Directors, namely Mr. Michael Harris, Reverend Steve Hall, Mr. Richard Leal and Reverend John Bowie. Ms. Jones conducted the swearing-in of the newest board members.

XVII. Executive Session

No Executive Session was conducted.

XVIII. Public Comments

No requests were received for the opportunity to make public comments.

XX. Chairman's Comments

The chairman had no additional comments.

XXI. Comments by Board Members

No board members had additional comments.

XXII. Adjournment

On a motion by Mr. Ratcliff, seconded by Mr. Harris, the meeting was adjourned at 2:50 o'clock p.m.

Minutes prepared by:

**Jim Lemond and Danna White
Winstead PC**

Signed on the _____ day of _____, 2008.

Reginald Adams, President

Reverend Steve Hall, Secretary