

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

February 28, 2014

A meeting of the Board of Directors ("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, February 28, 2014 at 2:00 p.m. 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	Rev. John Bowie
LaTricia Williams	Faith Jackson
Nicholas Hall	Vincent Marquéz
Antoinette Jackson	Jeremy Ratcliff
Stephan Fairfield	

Board members absent were Reshard Alexander, James Harrison, III, and Pastor Steve Hall.

Others in attendance included: Chris Butler, Yvonne Cantu, and Norma Garcia of the City of Houston Housing and Community Development Department; Greg Erwin, Attorney, and Mark Glanowski, Paralegal, of Winstead PC; Jorge Cavazos, Senior Real Estate Analyst of the City of Houston Housing and Community Development Department; Shan Gao of the City of Houston Planning and Development Department; and Leah Stolar of Linebarger Goggan Blair & Sampson, LLP.

I. Call to Order and Roll Call

Chairman Collins called the meeting to order at 2:00 p.m. A roll call of the Board members in attendance immediately followed.

II. Approval of Minutes for the December 12, 2013 Board Meeting

Chairman Collins asked if there are any comments or changes to the written minutes of the Board of Directors meeting held on December 12, 2013 as presented. Ms. Williams stated that her first name was misspelled. Chairman Collins then requested a motion to approve such minutes as amended to correct the spelling of Ms. Williams's first name. Mr. Marquéz made a motion to approve the minutes as amended, which motion was then duly seconded by Mr. Fairfield and carried by a unanimous vote of the Board.

III. Treasurer's Report

Chairman Collins requested Mr. Ratcliff to discuss the LARA financial reports for November and December 2013 and January 2014. Mr. Ratcliff stated that the Finance Committee met yesterday and the financial position of LARA has not changed during these three months. During its meeting the Finance Committee discussed reallocating funds from certain accounts which could be used for marketing purposes and to purchase lots next to current LARA homes. He then invited the new directors of the Board to become members of the Finance Committee. Currently, only Mr. Ratcliff and Pastor Steve Hall are on this committee.

Mr. Ratcliff then made a motion to approve the financial reports for November and December 2013 and January 2014, which motion was duly seconded by Rev. Bowie and carried by the unanimous vote of the Board.

IV. Auction Update by Linebarger Goggan Blair & Sampson, LLP

Chairman Collins then asked Ms. Stolar of Linebarger Goggan Blair & Sampson, LLP to report on the results of the February 2014 foreclosure auction activity. Ms. Stolar stated that there were two (2) LARA lot purchases and one strike off during the February 2014 foreclosure sale.

V. Committee Reports

a) Executive Committee Report

Mr. Marquéz stated that the Executive Committee met just prior to the Board meeting to discuss the award of lot acquisition contracts, the request for a price reduction by the New Light Baptist Church for a lot under the Right of First Refusal Program, lot acquisition contracts under the ROFR program to John Turner and Jorge Ochoa, the possible action to amend the current RFP for Houston Hope homes, and the possible participation in the Houston Opportunity Program with the City of Houston Housing and Community Development Department.

b) Builder Selection Committee Report

Nothing to report.

c) LARA/Houston Hope Construction

Chairman Collins then requested Mr. Cavazos to report on the status of the Houston Hope single-family house construction. Mr. Cavazos stated that there are currently 17 houses under various stages of construction; 25 houses that have been completed but are unsold, and 266 houses which have been sold to homebuyers since inception of the Houston Hope program.

- 1) Ratification and acknowledgement of the swap-out of LARA lot at 5501 Weaver Road for a lot at 7811 Hoffman Road, which was misrepresented in size in the database**

Mr. Cavazos recommended that the Board approve the swap-out of the LARA lot located at 5501 Weaver Road for the LARA lot located at 7811 Hoffman Road because the lot on Weaver Road was unintentionally misrepresented in the database when purchased by Image Builders and is not of sufficient size to construct a house.

Mr. Marqu ez made a motion to approve the swap-out of the LARA lot at 5501 Weaver Road with the lot at 7811 Hoffman Road, which motion was duly seconded by Mr. Ratcliff and carried by a unanimous vote of the Board.

2) Ratification and acknowledgement of award of a LARA lot acquisition contract to Image Builders under contract #021214-01(TG) in Trinity Gardens for construction of new affordable housing under the \$1 Lot Program

Mr. Cavazos recommended that the Board approve the Lot Acquisition Contract to sell a lot in Trinity Gardens to Image Builders. Mr. Marqu ez made a motion to approve the award of the subject lot acquisition contract to Image Builders, which motion was duly seconded by Mr. Ratcliff, and carried by a unanimous vote of the Board.

VI. Consideration and possible action authorizing the sale under the ROFR Program to New Light Baptist Church for LARA lot, HCAD #0511740100004, LT 4 BLK J (Tabled Dec. 2013)

Mr. Butler stated that New Light Baptist Church requested a reduction in the purchase price for the subject lot. It was determined that the original purchase price included a value for improvements on the lot, therefore the Harris County Appraisal District valuation is now used for the sales price.

Mr. Marqu ez made a motion to approve the sale under the Right of First Refusal program of Lot 4, Block J (HCAD #0511740100004) to the New Light Baptist Church, which motion was duly seconded by Ms. Williams and carried by the unanimous vote of the Board.

VII. Consideration and possible action authorizing the sale under the ROFR Program to John and Maxine Turner for LARA lot, HCAD #0300170190037, LT 16 BLK G

Mr. Cavazos next recommended the approval of the Lot Purchase Contract under the Right of First Refusal Program between the Authority and John Turner and Maxine Turner with regard to Lot 16, Block G of Liberty Road Manor, Section 6 for \$5,733.11 for consideration by the Board.

Upon motion by Mr. Fairfield, duly seconded by Ms. Williams, the Board voted unanimously to approve the Lot Purchase Contract between the Authority and John and Maxine Turner under the ROFR Program as presented to the Board.

VIII. Consideration and possible action authorizing the sale under the ROFR Program to Jorge Ochoa for LARA lot, HCAD #0211380750028, LT 28 BLK 75

Mr. Cavazos then recommended the Lot Purchase Contract under the Right of First Refusal Program between the Authority and Jorge Ochoa with regard to Lot 28, Block 75 of Independence Heights Park for \$16,000.00 for consideration by the Board.

Upon motion by Ms. Williams, duly seconded by Mr. Marquéz the Board voted unanimously to approve the Right of First Refusal lot purchase contract with Jorge Ochoa as presented to the Board.

IX. Discussion and possible action to amend the current RFP for Houston Hope Homes

Mr. Cavazos discussed the recommended amendments to the current RFP for Houston Hope homes to reflect the increase in home construction costs. The U.S. Department of Housing and Urban Development (HUD) has a ceiling price of \$195,000 for new home construction for persons receiving assistance. The proposal is to increase the ceiling prices for LARA's standard takedown program and the \$1 lot program by \$25,000.00, and increase the number of lots a builder can acquire at one time from 10 lots to 50 lots. Mr. Cavazos noted that legal counsel for LARA has not yet examined these proposed amendments to the RFP program, therefore such amendments are subject to approval by LARA's legal counsel.

Upon motion by Mr. Hall, duly seconded by Rev. Bowie the Board voted unanimously to approve the amendments to the RFP as recommended by Mr. Cavazos.

X. Consideration and possible action to reinstate as necessary and extend the Land Assemblage Redevelopment Authority (LARA) Interlocal Agreement with local tax jurisdictions until March 12, 2017

Mr. Butler informed the Board that the current Interlocal Agreement will expire on March 14, 2014. The proposed extension will not allow LARA to acquire any additional lots by strikeoff at the foreclosure sales but would allow LARA to retain the lots it already has in inventory. If the extension is approved by the Board, then it will be taken before Houston City Council on March 5, 2014, and then before the Harris County Commissioners Court for approval.

Upon motion by Mr. Ratcliff, duly seconded by Rev. Bowie the Board voted unanimously to reinstate and extend the Interlocal Agreement with the local tax jurisdictions until March 12, 2017.

XI. Discussion and possible action to participate in the HOP Program with Housing and Community Development Department

Mr. Butler explained presentation the purpose of the Houston Opportunity Program (HOP) to the Board for its consideration to participate. He noted that this program is a Disaster Recovery Housing Program through which income-qualified applicants residing in FEMA-designated high risk areas or areas of high minority or poverty concentration may elect to rehabilitate or reconstruct their existing home or relocate to a safer location. He mentioned that

the City of Houston has \$62 Million available for repairing single family homes remaining in the disaster relief funds with regard to Hurricane Ike. In order to qualify for the home repair funds the homeowners must first complete an application to opt-out of their current neighborhood to one of the thirteen surrounding counties. The homeowner would be required to transfer their current house to the City of Houston if they decide to opt-out and move to one of the thirteen surrounding counties. In order to qualify for the HOP Program the homeowner must be either in the 100 year flood plain, be in a minority concentrated area, or high poverty concentration area. LARA would participate by taking title to those properties should a homeowner decide to opt-out of their current home for one in a qualifying area.

Upon motion by Mr. Marquéz, duly seconded by Ms. Jackson the Board voted unanimously to approve LARA's participation in the Houston Opportunity Program to take title to properties of homeowners who opt-out of their homes to relocate to state approved areas.

XII. Chairman's Comments

Chairman Collins thanked Mr. Ratcliff and El Franco Lee for organizing the recent tour of the homes constructed by LARA in selected neighborhoods.

XIII. Board Member Comments

Nothing to report.

XIV. Public Comments

Nothing to report.

XV. Adjournment

Chairman Collins asked if there were any additional matters to be considered by the Board. Hearing none, the Board meeting adjourned at 2:21 p.m. pursuant to the motion by Ms. Jackson and duly seconded by Ms. Williams.

Minutes prepared by:

Mark Glanowski of Winstead PC
and Graciela Saenz of
Saenz & Burkhardt, P.L.L.C.

Signed on the ____ of _____, 2014.

President