

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

October 24, 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 Strategic Purchasing Conference Room 1, 900 Bagby Street, Houston, Harris County, Texas, on Friday, October 24, 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.

Directors in attendance were:

Curtis Lampley
Vincent Marquéz
Pastor Steve Hall
Nicholas Hall

Jeremy Ratcliff
Faith Jackson
LaTricia Williams

Directors absent were, James Harrison, III, David Collins, Stephan Fairfield, Reshard Alexander, and Antoinette Jackson.

Others in attendance included: Norma Garcia of the City of Houston Housing and Community Development Department; Chris Butler of the Mayor's Office, Greg Erwin and Mark Glanowski (Paralegal) of Winstead PC; Gracie Saenz, attorney for the Authority; Lynn Henson of the City of Houston Planning and Development Department; and A'shunte Cashaw of Linebarger Goggan Blair & Sampson LLP.

I. Call to Order and Roll Call

Acting Chairman Pastor Hall called the meeting to order at 2:02 p.m. A roll call of the Directors in attendance immediately followed.

II. Approval of Minutes of September 26, 2014 (will be reviewed at the Board of Directors meeting)

The first order of business was to approve the minutes of the last Board meeting. Mr. Ratcliff made a motion to approve the minutes of the September 26, 2014 Board meeting, which motion was duly seconded Ms. Williams and carried by the unanimous vote of the Board.

III. Treasurer's Report

(a) LARA Financial Report – September 2014

Mr. Ratcliff stated the Finance Committee met yesterday to discuss the financial statements for September 2014 and the status of the audit. After Mr. Ratcliff summarized the financial statement for the month ending September 2014, Ms. Williams made a motion to approve the financial statements for September 2014, which motion was duly seconded by Mr. Lampley and carried by the unanimous vote of the Board.

He further stated that the Finance Committee discussed aligning the coverage periods of the accounting and bookkeeping contracts in order that such contracts coincide with each other.

(b) The LARA 2014 Financial Audit is pending final review by Doeren Mayhew

Mr. Ratcliff reported that the annual audit is pending final review because of additional information requested by the auditor which is to be furnished by McConnell & Jones, LLP.

(c) Other Updates

1. Discussion regarding the reinstatement and renewal of the LARA Interlocal Agreement

Mr. Butler informed the Board with regard to the status of the Reinstatement of and Third Amendment to Urban Redevelopment Interlocal Agreement ("Third Amendment to Interlocal Agreement") with the local taxing jurisdictions. He stated that after months of negotiation with the Houston Independent School District, the Third Amendment to Interlocal Agreement is now ready to be placed on the agenda of Houston City Council for approval by the City of Houston. Once it is approved by Houston City Council, it will then need to be approved by the Harris County Commissioners Court.

IV. LARA Board/Construction Reports

(a) Executive Committee

Mr. Marqu ez summarized the discussions and recommendations approved by the Executive Committee earlier today.

(b) Builder Selection Committee

Mr. Hall announced that he had been appointed to chair this committee, which will meet next month. At this time, there was no report to submit to the Board.

(c) LARA/Houston Hope Construction Reports

Mr. Butler reported that LARA has now sold 311 lots to builders to construct affordable housing and at this time, two houses are now under construction, and 13 houses are available to be sold to homebuyers.

(d) Marketing Board

Mr. Marquéz reported that at the recent meeting of the Marketing Committee, the employing of a marketing professional was discussed until such time as the marketing plan for LARA is solidified.

(e) Other Updates

Nothing to report.

V. Consideration and possible action to approve Request for Proposals ("RFP") for weed cutting and related maintenance services for LARA-owned lots (tabled 9/26/2014)

Mr. Butler stated that during the meeting of the Finance Committee, it was reported that requests for bids for weed cutting and maintenance of LARA lots were sent to 105 companies; however, only two companies responded, being the same two companies currently under contract with LARA for such services. Mr. Butler requested that the staff contact the vendors who did not submit bids to determine if there were any concerns with the RFP, which caused them not to consider submitting a bid. At this time there are not sufficient responses to the RFP to recommend the award of the contract.

Mr. Marquéz also mentioned that the staff has been requested to investigate why one of the current contractor's submitted an invoice in December for \$15,000 while the other weed maintenance contractor did not submit an invoice for December.

VI. Consideration and possible action authorizing a Garden License Agreement for Edible Earth Resources for ten (10) LARA lots in the Trinity/Houston Gardens area (tabled 9/26/2014):

<u>Lot and Blk #</u>	<u>Subdivision</u>	<u>HCAD #</u>
LT 667 BLK 30	Trinity Gardens	HCAD #0660230000667
LT 673 BLK 1	Trinity Gardens SEC 2	HCAD #0660250010673
LT 699 BLK 2	same as above	HCAD #0660250020699
LT 700 BLK 2	same as above	HCAD #0660250020700
LT 705 BLK 2	same as above	HCAD #0660250020719
LT 771 BLK 7	same as above	HCAD #0660250070771
LT 781 BLK 7	same as above	HCAD #0660250070781
LT 833 BLK 7	same as above	HCAD #0660250070833
LT 835 BLK 7	same as above	HCAD #0660250070835
LT 1272 BLK 1	Trinity Gardens SEC 3	HCAD #0660260010272

Chairman Hall requested the representative of Edible Earth Resources, LLC to address the Board's questions with regard to licensing of ten LARA lots to be utilized for urban farming. Mr. Scott Snodgrass, the Managing Partner of Edible Earth Resources, informed the Board that in addition to urban farming the company actively connects with the residents living in the vicinity of the requested LARA lots. Recently, they conducted interviews with residents in the

Trinity Gardens area concerning the proposed urban farming lots and offering to assist with gardens on their property. Also, the restaurants which purchase produce are encouraged to volunteer in the neighborhoods where the urban farming lots are located.

Mr. Snodgrass stated the first 10% of the harvests will remain in the neighborhoods which may be increased to 25% in future harvests. Also, for each retail subscription sold a matching amount of produce will be donated to a community partner or directly to a family in need.

Ms. Williams asked if Edible Earth Resources, LLC would consider leasing the lots for the farming of produce rather than the requested license agreement. Mr. Hall stated that the Board needed more financial information to determine a fair licensing fee for the ten lots requested.

Mr. Snodgrass responded that with correct land valuations urban farming is not a profitable business model because land prices in urban areas are too high. The subsidation of the lots allows the company to provide produce to the retail enterprises and donate a portion of the harvests to the inner city community which does not have easy access to fresh produce.

Ms. Williams then asked about the "Volunbeering" event mentioned in the company's program. Mr. Snodgrass stated that no alcoholic beverages would be consumed on the LARA lots in connection with the "Volunbeering" event. This event is for people who pay \$50 to volunteer for 2 hours then have a beer social on lots owned or leased privately by the company.

Mr. Lampley expressed concerns about security for the LARA lots to be farmed for produce. Mr. Snodgrass stated that no fences or other security measures will be utilized at the lots as studies have shown that the lack of security does not affect the production of produce on urban farm lots. The height of the plants will not exceed 2-3 feet.

Ms. Williams asked where the company's other farm lots are located and Mr. Snodgrass responded they are located on the eastside of downtown and in Highland Heights.

Mr. Butler explained that the initial mission of LARA was to acquire lots and place them back on the tax roll with affordable housing. This is the first time LARA has entertained a licensing agreement with a for-profit entity and is being cautious before approving such a licensing agreement as it will be a precedent for future agreements.

Pastor Hall advised that this matter will need to be further analyzed by the staff, who will consult with Mr. Snodgrass to prepare a recommendation for the Board to consider at the next Board meeting.

Upon the motion of Mr. Marquéz to table this agenda item until receipt of the staff recommendations at the next Board meeting, which motion was duly seconded by Mr. Lampley, the Board voted unanimously to carry the motion.

VII. Discussion and possible action to modify the LARA By-Laws pertaining to attendance of LARA Board of Directors, Executive and Finance Committee Meetings

The participation of the Board of Directors at the Executive Committee and Board of Directors meetings is a continued concern for LARA. Mr. Butler stated he would request the staff to send each director the current by-laws and ask if the directors remain interested in serving on the Board.

VIII. Discussion and possible action authorizing the reinstatement and the approval of a Third Amendment to the Urban Redevelopment Interlocal Agreement among the Land Assemblage Redevelopment Authority, the City of Houston and other Local Taxing Units

The next order of business was to approve the Third Amendment to Interlocal Agreement. Upon the motion of Mr. Marquéz to approve the Third Amendment to Interlocal Agreement, which motion was duly seconded by Ms. Jackson, the Board voted unanimously to carry such motion. Mr. Butler stated that next Wednesday the Third Amendment to Interlocal Agreement will be on the agenda of the City Council of the City of Houston.

IX. Consideration and possible action to extend the McConnell & Jones, LLP accounting services contract which expired on July 1, 2014 (tabled September 26, 2014)

Mr. Ratcliff noted that the McConnell & Jones contract was discussed at the Finance Committee meeting wherein it was recommended that this contract for accounting services be extended from July 1, 2014 to June 30, 2015 and be aligned to run with the period covered by the contract with the bookkeeper.

Mr. Marquéz made a motion to extend the contract of McConnell & Jones from July 1, 2014 to June 30, 2015, which motion was seconded by Mr. Ratcliff and carried by the unanimous vote of the Board.

X. Consideration and possible action to extend the Isaac Cruz, PC bookkeeping services until July 2015 (tabled 9/26/2014)

The next order of business was to approve the contract for bookkeeping services with Isaac Cruz, PC. Mr. Marquéz made a motion to extend the contract of Isaac Cruz, PC from July 1, 2014 to June 30, 2015, which motion was seconded by Mr. Ratcliff and carried by the unanimous vote of the Board.

XI. Consideration and possible action to extend the Right of First Refusal Program until December 2015 (tabled 9/26/2014).

The next order of business was to consider extending the Right of First Refusal Program. Upon motion of Mr. Marquéz to approve the extension of the Right of First Refusal Program until December 2015, duly seconded by Mr. Lampley, the Board voted unanimously to extend the Right of First Refusal Program until December 2015.

XII. Consideration and possible action to authorize the purchase of information technology equipment and software not to exceed \$5,000 (tabled September 26, 2014)

The next order of business was to consider the purchase of information technology equipment and software consisting of the two new iPads and a flat rate data plan. Upon motion of Ms. Williams, duly seconded by Ms. Jackson, the Board voted unanimously to authorize the purchase of the requested information technology equipment and software not to exceed \$5,000.00.

XIII. Auction Update by Linebarger, Goggan, Blair & Sampson, LLP - October 2014

Ms. Cashaw reported that there were 13 properties available to purchase at the September 2014 auction. One lot was purchased by LARA, 8 were purchased by other third parties, and four were strike-offs. To date, LARA has acquired 559 lots by strike-off and purchased 824 lots for a total of 1,383 lots. She stated that there are three properties available at the next auction.

XIV. Chairman's Comments

Pastor Hall thanked the staff for preparing for this meeting in the absence of Mr. Collins.

XV. Board Member Comments

Nothing to report.

XVI. Public Comments

Nothing to report.

XVII. Adjournment

Acting Chairman Hall asked if there were any additional matters to be considered by the Board. Hearing none, the Board meeting adjourned at 2:40 p.m. upon motion by Mr. Lampley, duly seconded by Mr. Marquéz.