BOARD OF DIRECTORS' MEETING
OCTOBER 19, 2026

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BOARD OF DIRECTORS REGULAR MEETING
AGENDA

October 19th, 2026 – 9am

LISC-Houston

602 Sawyer, Suite 210, Houston, Texas 77007

The meeting will be in person and open to the public but restrictions regarding masks, allowable room capacity, and seating arrangements may be in place.

The public meeting location will be at LISC-Houston located at 602 Sawyer, Suite 210 Houston, Texas 77007. The Board Chair, as presiding officer of the Board, will be physically present; Board members will also be physically present.

Please contact info@houstonlandbank.org or call us at 281-655-4600 with any questions.

AGENDA

I. Call to Order and Roll Call

II. Public Speakers & Registered Attendees

Speakers must be registered by 9 a.m. on Friday, October 16th, 2026. To register, please use the online form at www.houstonlandbank.org/resources, e-mail info@houstonlandbank.org or call 281-655-4600. The Chair will call on speakers and allow three minutes per speaker.

III. Consideration and Adoption of Meeting Minutes
   a. October 5th, 2026, Board Meeting

IV. Chairman's Greeting: Matt Zeis

V. Committee Reports:
   a. Executive Committee: Matt Zeis, Chair
   b. Finance Committee: Rickie Bradshaw III, Chair
   c. Partnership and Program Development: Chrishelle Palay, Chair
   d. Real Estate Acquisition and Disposition: Francisco Castillo, Chair
   e. Procurement and Oversight: Elaine Morales-Diaz, Chair

VI. Board Action Items

a. Consideration and Possible Action to Approve and Authorize the Ratification of the Disposition of 8000 Beckley, Houston, Texas 77088 (HCAD 0162540050002).

b. Consideration and Possible Action to Approve the Houston Land Bank (HLB) to dispose of Nine (9) lots under the Round Eleven (11) Lot Sale to SXG Capital Group, Empower CDC, and Kay Davis Associates/Kay Davis Konstruction, under the Houston Land Bank Builder Traditional Program.

c. Consideration and Possible Action to Authorize to Approve CliftonLarsonAllen, LLP; NCTP CPAS, PLLC: and Mauldin & Jenkins, LLC under the HLB RFP for Financial Services: Bookkeeping & Accounting and Strategic Financial Consulting Services issued on July 13, 2026.

d. Consideration and Possible Action to Approve and Adopt the FY 2026 financial external audit conducted by A Bricks Coggin CPAs.

e. Consideration and Possible Action to Approve HLB Board Chair to negotiate and execute the renewal of the HLB CEO and President.

f. Consideration and Possible Action to Approve and Authorize the execution of the Memorandum of Understanding (MOU) between Houston Land Bank and Independent Heights New Victories CDC regarding the redevelopment and rehabilitation of the property located at 410 E. Whitney Street in Houston, Texas 77022 by HLB's CEO and President.

VII. Executive Session

NOTE: The Houston Land Bank Board may go into executive session, if necessary, pursuant to Chapter 551 of the Texas Government Code, for one or more of the following reasons: (1) consultation with its legal counsel to seek or receive legal advice or consultation regarding

pending or contemplated litigation; (2) discussion about the value or transfer of real property; (3) discussion about a prospective gift or donation; (4) consideration of specific personnel matters; (5) discussion about security personnel or devices; or (6) discussion of certain economic development matters. The Board may announce that it will go into executive session on any item listed on this agenda if the subject matter is permitted for a closed session by provisions of Chapter 551 of the Texas Government Code.

Discussion may occur in executive session as provided by State law, but all Board actions will be taken in public.

VIII. Board Member Comments

IX. Adjournment

HOUSTON LAND BANK
MINUTES OF THE BOARD OF DIRECTORS SPECIAL MEETING
HOUSTON, TEXAS

October 5, 2026

A special meeting of the Board of Directors ("Board") of the Houston Land Bank ("HLB"), 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 at 602 Sawyer, Suite 210, Houston, Texas, on Monday, October 5, 2026 at 12:00 p.m. Written notice of the regular meeting, which included the date, hour, place and agenda for the special meeting, was posted in accordance with the Texas Open Meetings Act.

Board members in attendance were:

Thomas Simpson	Rickie Bradshaw III
David Collins	Dwantrina Russell
Elaine Morales-Diaz	Janae Ladet-Gardner
	Francisco Castillo

Board members not in attendance were Matt Zeis, Ge'Juan Cole, Marilyn Muguerza, and Chrishelle Palay. Others in attendance included: Christa Stoneham, Chief Executive Officer/President of the HLB; LaTosha Okoiron, in-house counsel and Compliance Manager of the HLB; Lindsey Williams, Director of Community Development for the HLB; Isai Mendez, Finance Director for the HLB; Melanie Young, Director of Operations; Donesha Albrow, Program Manager for the HLB; Le'Kendra Drayton, Administrative Assistant for the HLB; Gracie Saenz, Outside Legal Counsel for the HLB; and Mark Glanowski (Paralegal) of Winstead PC; Rev. Dr. Marilyn White the Executive Director of Trinity East Village CDC; and Julie Gonzalez with the NHP Foundation.

I. Call to Order and Roll Call

Acting Chairman Collins called this special meeting to order at 12:08 p.m. A roll call of the Board members attending in person followed at 12:13 p.m. Acting Chairman Collins then announced that an in-person quorum of the Board was now present for this special meeting.

II. Public Speakers & Registered Attendees

Nothing to report due to no public speakers in attendance.

III. Consideration and Adoption of Meeting Minutes

a. August 17, 2026, Board Meeting

Acting Chairman Collins announced that the minutes for August 17, 2026, regular meeting of the Board were previously circulated to the Directors for review and comment. He asked if

there are any changes to be made to the minutes, hearing none he requested a motion to approve the minutes.

Director Russell then made a motion to approve the written minutes for the regular meeting held on August 17, 2026, which motion was duly seconded by Director Bradshaw and approved with the unanimous vote of the Board.

IV. Chairman's Greeting: Matt Zeis

Acting Chairman Collins thanked everyone for attending today's meeting and reminded the Board of the upcoming fundraiser of the HLB that is scheduled for March 2027 to be held at The Junior League of Houston.

V. Committee Reports:

a. Executive Committee: Matt Zeis, Chair

Acting Chairman Collins reported that the Executive Committee met to discuss the items on the Board Agenda for today's meeting.

b. Finance Committee: Ricky Bradshaw III, Chair

Director Bradshaw reported that the Finance Committee met on August 25, 2026, to review the Financial Audit Report which will need to be finalized before submitting to the City of Houston, the outstanding Brownfields projects, and the Land Bank agreements. He noted that there was an increase in the HLB operating reserves pursuant to the recent disposition of NHDP contracts with the City of Houston. Lastly, he mentioned that the Cleanup Grant target completion is behind schedule.

c. Partnership and Program Development Committee: Chrishelle Palay, Chair

Ms. Stoneham reported that the Partnership and Program Development Committee did not meet, however, she updated the Board on the following community engagement matters:

- Development Day to welcome new builders which was held on October 2, 2006.
- The Third Ward Capacity Building Program which opened September 15, 2026 and closes October 15, 2026.

d. Real Estate Acquisition and Disposition Committee: Francisco Castillo, Chair

Director Castillo reported that the Real Estate Acquisition and Disposition Committee met last week to discuss access and encroachment issues with certain legacy properties, creating an affordable rental housing model for sites outside the established Communities, and updates on the status of lot dispositions.

e. Procurement and Oversight Committee: Elaine Morales-Diaz, Chair

Director Morales-Diaz reported that the Procurement and Oversight Committee met on September 8, 2026 to discuss the catalytic community investments fund submission for fundraising and the submissions for the RFP for government relation services. Also, the Committee discussed upcoming procurements for qualifications for builders to be released today and will be due on November 6, 2026, and a proposal for general contractors for the House Finding Initiative for the "demonstration home."

VI. Board Action Items

a. Consideration and Possible Action to Authorize the CEO/President of the Houston Land Bank to execute an extension until December 31, 2027 to the Option Purchase Agreement between Houston Land Bank and the Trinity East Village CDC/NHP Foundation.

Ms. Stoneham announced that approval of this item will authorize the HLB to extend the current Option to Purchase Agreement until December 31, 2027. She noted that Trinity East Village CDC will be responsible for the maintenance costs for the four lots in Third Ward covered by this agreement, and that Dr. Marilyn White and Julia Gonzalez are in attendance if the Board has any questions.

Director Ladet-Gardner made a motion to authorize execution of the extension of the Option Purchase Agreement with Trinity East Village CDC until December 31, 2027, which motion was duly seconded by Director Castillo and approved by the unanimous vote of the Board.

b. Consideration and Possible Action to Authorize the Houston Land Bank to approve the HAUCDC's Sale Price Increase Request – Four Parcels at 2725 & 2729 Webster and 3437 & 3439 Francis Street ($225,000 to $255,000).

Ms. Stoneham announced that approval of this agenda item will authorize staff to amend the existing construction contracts to reflect the recommended sales price increase for the houses constructed by HAUCDC. The request to increase the sales price was reviewed, analyzed, and recommended by HLB Staff and the READ Committee.

The HAUCDC requested sales price increases due to the rising costs of materials and labor resulting from the current economic conditions in the Houston area. The increased expenses have significantly impacted the overall cost of providing house construction services. Ms. Stoneham noted that HAUCDC requested increased sales prices to $262,029 for 3437 Francis and $261,036 for 3439 Francis, as well as $273,350 for 2725 Webster and $273,067 for 2729 Webster. However, the READ Committee only approved a sales price increase up to $255,000. The subject houses are still under construction.

Ms. Stoneham stated that these are HAUCDC's second sales price increase requests, as it previously received an approved increase in sales prices from the HLB in June 2024.

Director Castillo made a motion to approve the sales price increase up to $255,000 in response to the requests from HAUCDC, which motion was duly seconded by Director Simpson and approved by the unanimous vote of the Board.

c. Consideration and Possible Action to Authorize the Houston Land Bank to Approve One World Strategy Group LLC under the RFP for Government Relations Services issued on August 5, 2026.

Ms. Stoneham announced that approval of this item will authorize the HLB to approve the Request for Proposals for Government Relations Services issued on August 5, 2026, which closed on September 2, 2026. The engagement is necessary for assistance with two defined state priorities to be acquired from the 90th Texas Legislature convening in January 2027: (1) securing a minimum of $2 million in annual state allocation to fund blight remediation, legal services for title clearance and heirship resolution, and strategic property acquisition; and (2) enacting a Texas brownfield tax credit, supported by a completed state-by-state policy analysis and a five-part legislative framework. The selected firm will lead strategy to advance both priorities across three tracks: State Appropriations and Funding Strategy (Track A), Brownfield Tax Credit Legislation and Policy Development (Track B), and Governmental Relationships, Advocacy, and Reporting (Track C).

As a result of the RFP, two (2) submissions were received. Each submission was reviewed and evaluated by an HLB procurement panel. The evaluation criteria were based on the posted RFP (see attached) and weighted as follows: Proposed Approach and Strategic Methodology (25%), Relevant Experience and Demonstrated Results (25%), Qualifications and Strength of Proposed Team (20%), Understanding of HLB Objectives (15%), Fee Proposal and Overall Value (10%), and Collaborative Approach, Reporting, and Technology (5%).

After review and evaluation of all submissions, the scoring results based on the highest possible score of 100 points are as follows:

Organization Name	Score
One World Strategy Group, LLC	93.7
Philips Uresti Meachum Partners	82.7

One World Strategy Group, LLC received the highest score of 93.7 out of 100 and was recommended as the successful bidder. The total contract amount shall not exceed $50,000, covering the initial term through June 30, 2027, with options to extend for legislative implementation, special sessions, continued appropriations, or agency work.

HLB staff recommended that the Board authorize the HLB to award a contract for Government Relations Services to One World Strategy Group, LLC as the highest-scoring submission under the RFP for Government Relations Services issued August 5, 2026, for a contract amount not to exceed $50,000 for the initial term through June 30, 2027.

Director Ladet-Gardner made a motion to approve a contract with One World Strategy Group LLC, in an amount not to exceed $50,000 for government relations services, which motion was duly seconded by Director Moralas-Diaz and approved by the unanimous vote of the Board.

VII. Executive Session

No need for any Agenda items to go into Executive Session.

VIII. Board Member Comments

There were no Board member comments.

IX. Adjournment

Acting Chairman Collins asked if there were any additional matters to be discussed or considered by the Board. Hearing none, this special meeting then adjourned at 12:40 p.m. upon the motion of Director Bradshaw, which was duly seconded by Director Russell and passed with the unanimous vote of the Board.

Minutes Prepared By:
Mark Glanowski (Paralegal) of Winstead PC and
Graciela Saenz of Law Offices of Graciela Saenz, PLLC

Signed on the _____ day of _____, 2026.

_____
Secretary

Houston Land Bank
Balance Sheet
As of August 31, 2026

Acct #	Account	Total
	ASSETS	
	Current Assets	
	Bank Accounts	
	Total Bank Accounts	**$ 4,132,646**
	Accounts Receivable	
12100	12100 Accts Receivable	1,036,682
	Total Accounts Receivable	**$ 1,036,682**
	Other Current Assets	
	Prepaid Expenses	
14100	14100 Prepaid Acquisition Costs	259,371
14200	14200 Prepaid Insurance	77,195
14400	14400 Prepaid Security Deposit	9,573
14500	14500 Prepaid Subscription Services	12,289
14300	14300 Prepaid Rent	-
	Total Prepaid Expenses	**$ 358,428**
	Total Other Current Assets	**$ 358,428**
	Total Current Assets	**$ 5,527,756**
	Fixed Assets	
15100	15100 Equipment	21,905
15900	15900 Accum. Depreciation	(17,090)
	Total Fixed Assets	**$ 4,815**
	Other Assets	
16100	16100 Earnest Fee	200
16200	16200 Lease Asset	14,135
17100	Total 17100 Investments Held For Sale	10,229,085
	Total Other Assets	**$ 10,243,420**
	TOTAL ASSETS	**$ 15,775,991**
	LIABILITIES AND EQUITY	
	Liabilities	
	Current Liabilities	
	Accounts Payable	
20100	20100 Accounts Payable	126,546
	Total Accounts Payable	**$ 126,546**
	Other Current Liabilities	
21100	21100 Liabilities Due to HCDD	1,390,741
21302	21302 Medical Liability	(27,535)
21303	21303 Dental Liability	842
21304	21304 Vision Liability	(110)
21305	21305 Disability Liability	(32)
21400	21400 Liabilities Due to HLB Fund	(46,622)
21600	21600 Lease Liability - Current	6,420

21800	21800 Unearned Revenue	315,005
	Total Other Current Liabilities	**$ 1,681,999**
	Total Current Liabilities	**$ 1,808,545**
	Long-Term Liabilities	
22600	22600 Lease Liability - Noncurrent	7,643
	Total Long-Term Liabilities	**$ 7,643**
	Total Liabilities	**$ 1,816,188**
	Equity	
30100	30100 Unrestrict (retained earnings)	13,930,534
	Net Income	29,269
	Total Equity	**$ 13,959,803**
	TOTAL LIABILITIES AND EQUITY	**$ 15,775,991**

Houston Land Bank
Profit and Loss
July 2026 - August 2026

	Total
Income	
Total 40100 Acquisition and Development Agreement	74,233
Total 40300 HLB Program Revenue	258,600
Total 40500 Outside Sources Contributions	182,990
Total Income	**519,573**
Expenses	
Total 60100 Salaries and Fringe	163,146
Total 60200 Legal Fees	10,344
Total 60300 Professional Services	69,211
Total 60400 Property Cost - Lot Maintenance	66,226
Total 60500 Software and Subscriptions	9,055
Total 60600 Rent Expense	7,789
Total 60700 Advertising and Marketing	-
Total 60800 Bank Fees	416
Total 60900 Events and Meetings	-
Total 61000 Depreciation Expense	330
Total 61100 Environmental Services	126,965
Total 61200 Insurance	9,055
Total 61300 Membership and Dues	568
Total 61400 Office Expense	-
Total 61500 Phone and Internet	1,480
Total 61700 Travel Expense	12,364
Total 61800 Other Miscellaneous Expense	890
Total 62100 Acquisition Costs - HLB Traditional	-
Total 62200 Property Cost Disposition - HLB Traditional	23,629
Total 63200 Property Cost Disposition - NHDP	1,615
Total Expenses	**503,084**
Net Operating Income	**16,490**
Other Income	
70100 Interest Income	12,779
Total Other Income	**12,779**
Net Other Income	**12,779**
Net Income	**29,269**

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REQUEST FOR BOARD ACTION

Meeting Date: October 19, 2026

a. **Agenda Item a: Consideration and Possible Action to Authorize the Ratification of the Disposition of 8000 Beckley (HCAD 0162540050002).Consideration and Possible Action to Authorize the Ratification of the Disposition of 8000 Beckley (HCAD 0162540050002).**

ACTION SUMMARY

This action follows a review and recommendation by the Real Estate Acquisition & Disposition (READ) Committee, which identified the lot as suitable for open market disposition based on its physical characteristics and revenue potential. The lots have since been sold, and Board approval is now required to formally ratify the dispositions.

Staff requests that the Board officially approve the disposition of the below-referenced property, which have been sold on the open market. All proceeds applied directly to the Houston Land Bank (HLB) operations budget for Fiscal Year 2027 (FY27).

The disposed properties are as follows:

- **Address:** 8000 Beckley St, Houston, Tx 77088
  - **Parcel ID:** 0162540050002
  - **Size:** Approx 2,750 square feet each (25 x 110 feet)
  - **Area:** Acres Homes
  - **Sales Price:** $27,500
  - **Closed:** October 8, 2026

BACKGROUND/OVERVIEW

As part of HLB lot reconciliation, staff periodically evaluates the organization's land inventory to identify lots that are not well-suited for development or programmatic use and may be more appropriately disposed of through open market sale. This evaluation is conducted in coordination with the READ Committee, which provides oversight and guidance on real estate disposition matters.

Staff presented the READ Committee with a curated list of lots identified as potential candidates for open market sale. Lots were selected for inclusion on this list based on one or more of the following criteria:

- Insufficient size to support housing development or other intended programmatic uses
- Irregular shape or physical constraints that render the lot unsuitable or impractical for construction
- Market conditions indicating the lot would command a favorable sale price, thereby generating meaningful revenue for the organization.

Following staff's presentation, the READ Committee reviewed each lot on the list and evaluated the rationale for open market disposition. The subject lots was among those approved by the READ Committee as appropriate for open market sale based on the criteria above. After READ Committee approval, staff proceeded with preparing the lot for listing and soliciting offers through the open market.

Recommendation:
Staff recommends that the Board officially approve the disposition of 8000 Beckley (HCAD 0162540050002) following the sale on the open market.

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REQUEST FOR BOARD ACTION

Meeting Date: October 19, 2026

Agenda Item VI B: Consideration and Possible Action to Approve the Houston Land Bank (HLB) to dispose of Nine (9) lots under the Round Eleven (11) Lot Sale to SXG Capital Group, Empower CDC, and Kay Davis Associates/Kay Davis Konstruction, under the Houston Land Bank Builder Traditional Program.

ACTION SUMMARY

Approval of this item will accept READ Committee recommendations for builder lot selections resulting from the Traditional Program's Round 11 Lot Sales. Approval of this item will authorize staff to initiate the execution of contracts for the sale of lots to builders as described below.

BACKGROUND/OVERVIEW

Under the HLB Traditional Homebuyer Program, Approved Builders may acquire properties from HLB to construct quality affordable homes, with price and design approved by HLB during our lot sale process. The Round 11 Lot Sale included a selection of lots paired with pre-approved plans through our Land + Plan Strategy, designed to streamline permitting, support resilient construction, and maintain high-quality standards across all HLB homes.

The Round 11 Lot Sale opened August 21, 2026, and closed on September 16, 2026. There were 21 builders invited to participate in the lot sale, and of those, 4 builders participated by submitting for their desired lots. There were 15 lots listed for sale, and of those, 9 lots received submissions, and 9 of those lots were recommended for contract execution.

Round 11 lots will be awarded by the builders as follows:

- SXG Capital Group- 7 lots awarded
- Empower CDC- 1 lot awarded
- Kay Davis Associates/Kay Davis Konstruction- 1 lot awarded

Additionally, Round 11 awards are broken down by neighborhood as follows:

- Acres Homes - 3 lots
- Fifth Ward - 1 lot
- Settegast – 3 lots
- Sunnyside – 2 lots

The lot sale awards were determined based on established evaluation criteria, including a review of the proposed home design and confirmation that the plan appropriately fit the site, the builder's purchase bid price, neighborhood appropriateness as scored by the NAC Committee, the use of the designated Finding Home plan options for the site, and submission of a pro forma outlining estimated construction costs and the proposed home sales price.

The proposed lot sales are further detailed in the Attachment 1 as follows:

P.O. Box 2549, Houston, Texas 77252
281.655.4600
houstonlandbank.org

ATTACHMENT 1

HCAD	Lot Address	Lot Size	Bid Price	Builder	Home Size	Bed/Bath/Garage	Tier	Home Sales Price
0162750160008	0 Arabelle (Acres Homes)	3000	$6,500	SXG Capital Group	1,024	2/2/0	Finding Home	$190,000
0260990000010	1410 Worms St (Fifth Ward)	5000	$13,500	SXG Capital Group	2,285	4/2/2	III	$269,900
0162740120025	0 Tuskegee (Acres Homes)	3000	$3,500	SXG Capital Group	1,024	2/2/0	Finding Home	$190,000
0162770270018	6519 Radcliffe St (Acres Homes)	3000	$6,500	SXG Capital Group	1,024	2/2/0	Finding Home	$190,000
0300180010029	0 Hanna (Settegast)	4000	$8,000	Empower CDC	1,364	3/2/0	Finding Home	$188,572
0511740180034	8123 Canyon St (Sunnyside)	2756	$3,500	SXG Capital Group	1,296	2/2.5/0	II	$190,000
0511740180035	8129 Canyon St (Sunnyside)	2756	$3,500	Kay Davis Associates/Kay Davis Konstruction	1,331	2/2/1	II	$254,979
0862340000048	7976 Booker (Settegast)	5000	$13,500	SXG Capital Group	2,285	4/2/2	III	$269,000
0862340000049	8984 Booker (Settegast)	5000	$10,000	SXG Capital Group	2,285	4/2/2	III	$269,000

Upon board approval, Houston Land Bank (HLB) will proceed with disposing of nine (9) lots to SXG Capital Group, Empower CDC, and Kay Davis Associates/Kay Davis Konstruction under the Round 11 lot sales.

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REQUEST FOR BOARD ACTION

Meeting Date: October 19, 2026

Agenda Item VI c: Consideration and Possible Action to Authorize to approve CliftonLarsonAllen, LLP; NCTP CPAS, PLLC; and Mauldin & Jenkins, LLC under the HLB RFP for Financial Services: Bookkeeping & Accounting and Strategic Financial Consulting Services issued on July 13, 2026.

ACTION SUMMARY

Approval of this agenda item will authorize HLB to contract with the three highest-scoring respondents **CliftonLarsonAllen, LLP; NCTP CPAS, PLLC; and Mauldin & Jenkins, LLC** — as successful bidders under the Houston Land Bank **Request for Proposals for Financial Services: Bookkeeping & Accounting and Strategic Financial Consulting Services** issued July 13, 2026. This action is necessary to secure bookkeeping, accounting, and strategic financial advisory services, including fractional Chief Financial Officer (CFO) support, to strengthen HLB's financial infrastructure, support the launch of its investment platform, and advance long-term organizational sustainability.

BACKGROUND/OVERVIEW (Background of the Agreement and Summary)

Houston Land Bank (HLB) adopts a holistic approach that considers the community's and other stakeholders' needs and aspirations, achieving success through innovative practices that expand the organization's capacity to serve our community. HLB seeks to create an ecosystem of resilient neighborhoods and districts where all individuals can thrive. Our community partners supplement our community-focused approach, which requires empathy and understanding of disinvested neighborhoods' unique challenges and opportunities.

In furtherance of these goals and objectives, HLB issued a **Request for Proposals for Financial Services: Bookkeeping & Accounting and Strategic Financial Consulting Services** on **July 13, 2026**, that closed on **August 14, 2026**. The engagement spans two defined service tracks for an initial two-year term beginning with fiscal year 2027, with options to extend for up to two additional one-year terms: Track A (Strategic Financial Advisory / Fractional CFO), which encompasses multi-year financial modeling, investment platform financial architecture, fund accounting system design, earned revenue strategy, CDFI-adjacent compliance readiness, and CEO-level financial advisory support; and Track B (Operational Accounting & Compliance), which encompasses bookkeeping, monthly reconciliations, payroll processing, grant invoicing, vendor payables, and year-end audit support. The engagement will support the financial operations of both HLB and its 501(c)(3) affiliate, HLB Fund, as HLB scales its community development investment platform.

As a result of the RFP, **six (6) submissions were received**. Each submission was reviewed and evaluated by an HLB procurement panel. The evaluation criteria were based on the posted RFP (see attached) and scored as follows: Strategic Financial Advisory Experience — nonprofit, CDFI, or community development fund management (30 points); Technical Accounting Experience with governmental

entities and nonprofits (30 points); Investment Fund, Lending Program, or CDFI Financial Management Experience (15 points); Partnership Approach and Fit with CEO-Level Strategic Advisory Role (15 points); and Pricing (10 points).

After review and evaluation of all submissions, the scoring results — based on the highest possible score of one hundred (100) points — are as follows:

Organization Name	Score
Jenny Tax Service LLC	31.0
MUHAMMAD ENDEAVORS LLC	58.3
Elle Kay Properties LLC	62.7
Mauldin & Jenkins, LLC	71.0
NCTP CPAS, PLLC	72.0
CliftonLarsonAllen, LLP	74.3

The three highest-scoring respondents are recommended as successful bidders: **CliftonLarsonAllen, LLP (74.3); NCTP CPAS, PLLC (72.0); and Mauldin & Jenkins, LLC (71.0)**. Each firm will be authorized to move forward with contracting for an initial two-year term beginning with fiscal year 2027, with options to extend for up to two (2) additional one-year terms. Should the Board of Directors approve this item, HLB will move forward with contracting with all three recommended firms.

STAFF RECOMMENDATION

Staff recommends that the Board of Directors authorize HLB to award contracts for Financial Services — Bookkeeping & Accounting and Strategic Financial Consulting Services — to the three highest-scoring respondents: **CliftonLarsonAllen, LLP (74.3 points); NCTP CPAS, PLLC (72.0 points); and Mauldin & Jenkins, LLC (71.0 points)**, under the RFP for Financial Services issued July 13, 2026, each for an initial two-year term beginning with fiscal year 2027, with options to extend for up to two (2) additional one-year terms.

ATTACHMENTS

1. RFP for Financial Services: Bookkeeping & Accounting and Strategic Financial Consulting Services (issued July 13, 2026)

REQUEST FOR PROPOSALS FOR FINANCIAL SERVICES:

Bookkeeping & Accounting and Strategic Financial Consulting Services: Fractional CFO | Financial Strategy, Fund Management & Organizational Sustainability

Issued July 13, 2026

Introduction

The Houston Land Bank (HLB) is seeking proposals to provide financial services to include bookkeeping, accounting, strategic financial consulting, including fractional Chief Financial Officer (CFO) support, for HLB for an initial two (2) year term beginning with fiscal year 2027, with the option to extend for up to two (2) additional one-year terms.

About Houston Land Bank

HLB is a not-for-profit local government corporation incorporated in Texas and is a component unit of the City of Houston. HLB is committed to being a robust and innovative partner in the equitable redevelopment of Houston neighborhoods and a good neighbor to the communities in which we work to provide affordable homes for low- and moderate-income Houstonians.

HLB promotes the development of affordable homes primarily through the sale of vacant properties to builders with the requirement that the property is used for construction of an affordable home for income-qualified buyers (properties may be sold for less than appraised value to incentivize construction) and through the sale of developed properties on which the City of Houston's New Home Development Program has commissioned the construction of affordable homes for income-qualified Houstonians.

Additional Context:

HLB is the only public land bank in Texas and the largest in the United States by property value. HLB has secured $8.7M in EPA grants and congressional earmarks, reactivated $100M in property value, and supported 385+ affordable homes. In 2025, a Harris County interlocal agreement doubled HLB jurisdiction to encompass all of unincorporated Harris County. HLB is actively exploring potential funding vehicles targeting capital from philanthropic, bank, and institutional investors. These funds would be redeployed into projects and organizations throughout the HLB footprint. HLB Fund the organization's 501(c)(3) affiliate, serves as the fundraising and grant-receiving vehicle and will serve as the fund management entity for lending programs and investment capital deployment. HLB federal congressional earmarks are being considered for the development of a revolving loan fund.

Scope of Work

HLB seeks a financial service firm with bookkeeping, accounting, strategic financial advisory, and accounting experience serving organizations operating in community development finance, government-affiliated nonprofits, and/or local governments and non-profit community development organizations, emphasizing investment fund management, multi-year financial

planning, and real estate transactions. The selected firm must be prepared to support the financial architecture of a complex, growing organization operating at the intersection of public authority, community development finance, and emerging investment capital markets. The scope of work includes two tracks:

TRACK A — STRATEGIC FINANCIAL ADVISORY (CFO-LEVEL)

The following services represent the strategic core of this engagement and require executive-level financial expertise.

- Serve as fractional CFO, attending Board of Directors meetings as the organization senior financial advisor and presenting financial reports, forecasts, and capital recommendations directly to the Board and Finance Committee on a quarterly basis.
- Develop and maintain a multi-year financial model for HLB and HLB Fund, including annual operating budget projections, cash flow forecasting, and scenario planning tied to land disposition activity, grant cycles, congressional earmark deployment, and earned revenue development.
- Support the financial architecture and capital structure design for the Gulf Coast Community Development Investment Platform, including fund accounting system setup, investor reporting templates, capital deployment tracking, and financial compliance frameworks for philanthropic, PRI, and bank investment capital.
- Design and maintain financial systems for HLB Fund lending programs, including loan loss reserve accounting, revolving loan fund financial management, and investor-grade reporting for partners participating in the platform.
- Develop and implement a multi-year earned revenue and financial sustainability strategy to reduce HLB's dependence on operating grants, modeling the financial impact of land disposition activity, fund management fees, investment returns, and program revenue.
- Advise on CDFI-adjacent financial compliance readiness, including financial systems, capital management practices, and reporting standards that position HLB and HLB Fund for potential future CDFI certification or comparable federal designations.
- Support the CEO with financial narratives, data, and projections for major grant applications, funder due diligence requests, and investor presentations.
- Provide strategic input on investment decisions, capital deployment timing, and organizational growth projections as the investment platform moves from development to launch.
- Provide coaching and support to the Director of Finance.
- Provide guidance on revenue-generating opportunities and systems design to support said opportunities.

TRACK B — OPERATIONAL ACCOUNTING & COMPLIANCE

The following services represent the ongoing operational accounting functions of the organization, retained from the prior scope with minor modifications and are expected to run during the partial or entirety of fiscal 2027, depending upon the needs of the organization.

- Review the general ledger accounting system (QuickBooks Online) to ensure the financial reporting needs of the organization are met,
- Perform monthly reconciliations of the bank account(s) and all balance sheet accounts, including HLB Fund accounts and any new fund accounts established for lending programs, and route them for final approval

- Assist with the end-of-month close process, including the preparation of monthly financial reports and supporting schedules
- Process vendor payables (Bill.com), including routing invoices through the appropriate approval workflow for sign-off by the designated signers
- Enter and reconcile purchase requisitions and purchase orders
- Process invoices in a timely manner (30-day timeframe) and file accordingly
- Assist with processing and documenting payroll and related retirement plan contributions
- Prepare year-end 1099s for applicable vendors
- Record transactions for property sales, including the sale of HLB-owned lots to builders and community development corporations, and record loan originations, repayments, and capital deployments associated with HLB Fund lending programs, and prepare documents for incoming money transfers from the City or other sources
- Process grant invoicing and reimbursements, ensuring invoices are processed and supporting backup is tagged with its invoice identification number on the cadence each grant requires; this includes federal congressional earmarks, EPA brownfield grants, and any new grants received during the contract term
- Support and actively participate in the year-end external audit, including preparing and providing requested documentation, schedules, and reconciliations, and responding to auditor inquiries in a timely manner.

The scope of work is estimated to require a variable engagement across both tracks. Track A (Strategic Advisory) is estimated at 10-15 hours per month. Track B (Operational Accounting) is estimated at 15-20 hours per week during active periods, with peaks during audit preparation, board cycles, and investment platform development phases. Certain Track B tasks will be performed at HLB offices. The consultant(s) will report directly to the President & CEO for Track A functions and will coordinate with the Director of Finance for Track B operational functions.

Evaluation of Proposals

Proposals will be evaluated by a team of HLB staff and possibly other subject matter experts as determined by HLB. Scoring will be as follows:

Revised scoring criteria:

Criterion	Points
Strategic financial advisory experience (nonprofit, CDFI, or community development fund management)	30
Technical accounting experience with governmental entities and nonprofits	30
Investment fund, lending program, or CDFI financial management experience	15
Partnership approach and fit with CEO-level strategic advisory role	15
Pricing	10

Proposal Requirements

Proposals are limited to 20 pages using standard font sizes and margins. Required materials described in items 5 and 6 below (insurance and financials) will not count toward the maximum page count. HLB is not responsible for any costs incurred in developing responses to this RFP. At a minimum, proposals should include:

1. Detail of your firm's experience in providing strategic financial advisory and/or fractional CFO services to bookkeeping & accounting services to governmental entities, as well as other entities comparable to HLB, with emphasis on organizations managing lending programs, revolving loan funds, investment capital, or CDFI operations.
2. Description of the qualification of principal staff to be assigned to the consulting services such as resumes of the individuals directly related for this contract and references or letters of recommendation. Info with respect to the education, position with the firm, years and type of experience.
3. Description of the procedures to be performed, including the approaches and methods to use, for tasks to be accomplished in a timely manner. Also include sample financial reports and reconciliation schedules previously provided for a former client/firm. Sample multi-year financial models, cash flow forecasts, or earned revenue analyses are strongly encouraged (anonymized if necessary).
4. Evidence of professional licensing and any similar certifications issued by the City of Houston or another public entity in Texas.
5. Evidence of at least $1 million in general liability insurance and professional liability insurance, as well as required worker's compensation coverage or ability to secure such coverage, should the firm's services be retained by HLB.
6. Individual/Corporate tax returns or audited financial statements for the past three years.
7. Proposed fee structure for both Track A (Strategic Advisory) and Track B (Operational Accounting). Respondents may propose an hourly rate for each track, a blended rate, or a monthly retainer structure. Please indicate your approach and any assumptions regarding minimum monthly engagement. Billing and payment will be disbursed on a monthly basis in the subsequent month once services are fully rendered.
8. Computer equipment will not be provided for operational work; consultants should be equipped with their own hardware. HLB will provide an organizational email address and access to QuickBooks Online and Bill.com. For Track A strategic advisory functions, HLB will discuss access to financial modeling tools, budgeting platforms, or reporting software with the selected consultant at the time of engagement.

REQUIRED WRITTEN SCENARIO RESPONSE (not counted in page limit):

HLB is preparing to launch an investment platform. The platform will deploy capital through three product lines: (1) land acquisition and predevelopment loans; (2) developer growth capital; and (3) brownfield remediation. A 501(c)(3) affiliate will serve as the fund management entity. Describe your approach to: (a) designing the fund accounting and financial management infrastructure; (b) building an investor-grade financial reporting framework for philanthropic and bank capital partners; and (c) advising the CEO on financial sustainability as the platform scales.

Questions Regarding This Procurement

Questions regarding this procurement should be sent to procurements@houstonlandbank.org no later than 5 p.m. Central time on August 14, 2026. HLB will post responses to all questions received; responses will be posted under the Procurements section at www.houstonlandbank.org/resources.

Process & Schedule

Action Item	Date
Request for Proposals issued	July 13, 2026
Questions due regarding RFP	July 27, 2026 by 5 p.m. CST
Proposals due	August 14, 2026 by 5 p.m. CST
Evaluation of proposals	August, 2026
Submission for Board Approval	September, 2026

Submittal Instructions

Proposals should be submitted via **Submittable** no later than 5 p.m. Central time on Friday, August 14, 2026. Late submissions will not be considered. Respondents must pay the $100 nonrefundable application fee via PayPal for consideration.

The RFP proposal MUST be signed by an individual authorized to contractually bind the firm submitting the Proposal. Failure to sign the Proposal will result in rejection as NON-RESPONSIVE. The Proposal must give the full firm name and address of the Proposer. The person signing the Proposal should show title or authority to bind his/her firm in a contract.

Information Provided by HLB

The information included with this RFP is provided solely for the convenience of the proposers. WHILE THIS INFORMATION IS BELIEVED TO BE ACCURATE, NO REPRESENTATION OR WARRANTY OF ANY KIND IS MADE BY HLB AS TO ACCURACY OR COMPLETENESS. Respondents are solely responsible for conducting such independent due diligence investigations as necessary for the preparation of responses.

Independent Contractor

It is understood that in the performance of any services herein provided, the Provider shall be, and is an independent contractor, and is not an agent or employee of HLB and shall furnish

such services in its manner and method, except as required by this Agreement. Provider shall be solely responsible for all matters relating to the payment of its employees, including compliance with Social Security, withholding, and all other wages, salaries, benefits, taxes, exactions, and regulations of any nature whatsoever.

houston landbank

REQUEST FOR BOARD ACTION

Meeting Date: October 19th, 2026

Agenda Item d: Consideration and Possible Action to Approve and Adopt the FY 2026 financial external audit conducted by A BRICKS COGGIN CPA, PLLC.

ACTION SUMMARY

Approval of this agenda item will authorize the HLB Board Chair and Chief Executive Officer to approve and adopt the FY2026 financial external audit as of year-end June 30, 2026, along with the audit management representation letter.

BACKGROUND/OVERVIEW (Background of the Agreement and Summary)

Per HLB organizational documents, the annual FY 2026 Financial Audit was conducted at the fiscal year end (June 30, 2026) by A BRICKS COGGIN CPA, PLLC, and the financial report was submitted on October 2, 2026. In Summary, below are the respective findings of the report:

1. Independent Auditor's Report, Opinion –
    - In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities and major fund of HLB as of June 30, 2026, and the respective change in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.
2. Management Representation Letter, Financial Statements
    - The financial statements referred to above are fairly presented in conformity with U.S. GAAP and include all properly classified funds and other financial information of the primary government and all component units required by generally accepted accounting principles to be included in the financial reporting entity.

3. Management Representation Letter, Government Specific

- Components of net position (net investment in capital assets; restricted; and unrestricted) and classifications of fund balance (nonspendable, restricted, committed, assigned, and unassigned) are properly classified and, if applicable, approved.
- Investments, derivative instruments, and land and other real estate held by endowments are properly valued.
- Provisions for uncollectible receivables have been properly identified and recorded.
- Expenses have been appropriately classified in or allocated to functions and programs in the statement of activities, and allocations have been made on a reasonable basis.
- Revenues are appropriately classified in the statement of activities within program revenues, general revenues, contributions to term or permanent endowments, or contributions to permanent fund principal.
- Interfund, internal, and intra-entity activity and balances have been appropriately classified and reported.
- Special and extraordinary items are appropriately classified and reported.
- Deposits and investment securities and derivative instruments are properly classified as to risk and are properly disclosed.
- Capital assets, including infrastructure and intangible assets, are properly capitalized, reported, and, if applicable, depreciated, or amortized.

Should the Board of Directors approve this item, HLB will adopt the FY2026 financial external audit as of year-end June 30, 2026.

HOUSTON LAND BANK

(A COMPONENT UNIT OF THE CITY OF HOUSTON)

FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION

JUNE 30, 2026

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INDEPENDENT AUDITOR'S REPORT

To Those Charged with Governance and Management of
Houston Land Bank
Houston, Texas

Opinion

We have audited the financial statements of the governmental activities and each major fund of Houston Land Bank ("HLB"), a component unit of the City of Houston, Texas, as of and for the year ended June 30, 2026, and the related notes to the financial statements, which collectively comprise HLB's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities and major fund of HLB as of June 30, 2026, and the respective change in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States (Government Auditing Standards). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of HLB and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about HLB's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and Government Auditing Standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of HLB's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about HLB's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require management's discussion and analysis on pages 3 through 5 to be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, which considers it an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context.

We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America. These consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses, the basic financial statements, and other knowledge obtained during the audit. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide sufficient evidence to do so.

A Bricks Coggin CPA, PLLC
Southlake, Texas
October 2, 2026

REQUIRED SUPPLEMENTARY INFORMATION

This section presents management's analysis of Houston Land Bank's financial results for the year ended June 30, 2026. Read it with the financial statements, including HLB's blended component unit, which begin on page 6.

Financial Highlights

- Net position increased by $653,411 during FY2026. Revenue, including interest, was $3,336,534 and expenses were $2,683,123. Ending net position was $14,352,183.
- Cash and cash equivalents totaled $4,774,432, an increase of $746,009 from the prior-year source balances. Of this amount, $1,881,022 is held for remittance to HCDD following NHDP property sales.
- The year-end HCDD liability was $1,881,022. Acquisition and disposition revenues were $1,176,103, and grant revenue presented separately in the activity statement was $1,355,481.

Overview of the Financial Statements

This annual report consists of two parts: management's discussion and analysis (this section) and the basic financial statements. The basic financial statements present a combined government-wide and governmental fund financial statement. The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the basic financial statements.

Government-wide financial statements reflect an economic resources measurement focus and are prepared using the accrual basis of accounting. The government-wide financial statements are designed to provide readers with a broad overview of HLB's finances, in a manner similar to a private-sector business.

The statement of net position shows the financial position of HLB at year-end by presenting HLB's assets and liabilities, with net position representing the difference between assets and liabilities. The statement of activities presents information showing changes in HLB's net position during the year. Changes in net position are reported when an underlying event giving rise to a change occurs, regardless of the timing of related cash flows. Therefore, revenue and expenses are reported in this statement for some items that will not result in cash flows until future fiscal periods.

Governmental fund financial statements reflect a current financial resources measurement focus and are prepared using the modified accrual basis of accounting. Unlike the government-wide financial statements, the governmental fund financial statements present information showing the near-term inflows and outflows of spendable resources and the balances of spendable resources at year-end.

Condensed Government-wide Financial Information

Condensed Statements of Net Position

	Governmental Activities			
	FY2026	FY2025	Amount change	% Change
ASSETS				
Total assets	$ 16,707,182	$ 14,809,629	$ 1,897,553	13%
LIABILITIES				
Current liabilities	2,347,355	1,100,464	1,246,891	113%
Long-term liabilities	7,643	10,395	(2,752)	(26%)
Total liabilities	2,354,999	1,110,859	1,244,140	112%
NET POSITION				
Unrestricted	14,346,967	13,679,332	667,635	5%
Invested in capital assets, net of related debt	5,217	19,438	(14,221)	(73%)
Total net position	$ 14,352,183	$ 13,698,770	$ 653,413	5%

Total assets increased by $1,897,553. Assets primarily comprise cash, receivables and investment properties. Total liabilities increased by $1,244,140; the HCDD liability and unearned revenue are distinct obligations and are shown separately in the statements and notes.

Condensed Statement of Activities

	Governmental Activities			
	FY2026	FY2025	Amount change	% Change
EXPENDITURES AND EXPENSES				
Programs expenses	$ 1,378,032	$ 515,907	$ 862,125	167%
Management and general	1,305,091	1,622,963	(317,872)	(20%)
Total expenditures and expenses	2,683,123	2,138,870	544,253	25%
REVENUES				
Acquisition and disposition revenues	1,176,103	375,574	800,529	213%
Other fees and contributions	555,761	106,064	449,697	424%
Revenues from traditional program	169,256	154,305	14,951	10%
Grants	1,355,481	544,538	810,943	149%
Total revenues	3,256,601	1,180,481	2,076,120	176%
Changes in net position before other income	573,478	(958,389)	1,531,867	160%
OTHER INCOME				
Interest income	79,933	89,860	(9,927)	(11%)
Change in net position	653,411	(868,529)	1,521,940	175%
Net position, beginning of year	13,698,772	14,567,299	(868,527)	(6%)
Net position, end of year	$ 14,352,183	$ 13,698,770	$ 653,413	5%

Compared with the published FY2025 amounts, acquisition and disposition revenues increased by $800,529, grants increased by $810,943, and other fees and contributions increased by $449,697. Total expenses increased by $544,253. These comparisons describe reported account movements rather than unverified changes in transaction volume.

The current-year source opening net position is $13,698,772 compared with $13,698,770 in the issued FY2025 report. The $2 difference is retained as a source-to-published rounding reconciliation; no additional current-year journal entry has been introduced.

Capital Assets and Lease Liabilities

Computer equipment and lease assets had a combined net carrying amount of $19,280 at year-end. The corresponding recorded lease liability was $14,063. Notes 7 and 8 present the recorded balances separately.

Economic Conditions and Planning

Management's stated planning concerns include economic uncertainty, federal and local funding levels, and conditions in the housing market. These factors are considered when planning HLB's programs and subsequent budgets.

Contacting HLB's Financial Management

This financial report is designed to provide our citizens, taxpayers, customers, and creditors with a general overview of HLB's finances and to show HLB's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Houston Land Bank Director of Finance, PO Box 2549, Houston, Texas 77252.

FINANCIAL STATEMENTS

	Governmental Funds	Adjustments	Statement of Net Position
ASSETS			
Current assets			
Cash and cash equivalents	$2,893,411	$ -	$2,893,411
Accounts receivable	60,650	-	60,650
Acquisition and development cost reimbursements (NHDP)	1,217,353	-	1,217,353
Prepaid expenses	400,832	-	400,832
Noncurrent assets			
Computer equipment, net	-	5,145	5,145
Cash subject to restrictions			
NHDP home sales	1,881,022	-	1,881,022
Earnest fee	200	-	200
Right-of-use assets	-	14,135	14,135
Investment properties - held for sale	1,140,973	-	1,140,973
Investment properties - designated to the City of Houston	9,093,462	-	9,093,462
TOTAL ASSETS	**$16,687,902**	**$19,280**	**$16,707,182**
LIABILITIES			
Current liabilities			
Accounts payable	$114,807	$ -	$114,807
Accrued expense	23,744	-	23,744
Due to HCDD (NHDP)	1,881,022	-	1,881,022
Interfund balances, eliminated	-	-	-
Unearned revenue	321,363	-	321,363
Lease liabilities - current portion	-	6,420	6,420
Noncurrent liabilities			
Lease liabilities - long-term	-	7,643	7,643
TOTAL LIABILITIES	**2,340,935**	**14,063**	**2,354,999**
FUND BALANCE			
Nonspendable - prepaid expenses	400,832		
Unassigned	13,946,135		
TOTAL FUND BALANCE	**14,346,967**		
TOTAL LIABILITIES AND FUND BALANCE	**$16,687,902**		
NET POSITION			
Unrestricted		-	14,346,967
Invested in capital assets, net of related debt		5,217	5,217
TOTAL NET POSITION		**$5,217**	**$14,352,183**

	Governmental Funds	Adjustments	Statement of Activities
EXPENDITURES AND EXPENSES			
Programs expenses	$ 1,377,832	$ 200	$ 1,378,032
Management and general	1,304,820	270	1,305,091
Total expenditures and expenses	2,682,652	471	2,683,123
REVENUES			
Acquisition and disposition revenues	1,176,103	-	1,176,103
Other fees and contributions	555,761	-	555,761
Revenues from traditional program	169,256	-	169,256
Grants	1,355,481	-	1,355,481
Total revenues	3,256,601	-	3,256,601
CHANGES IN FUND BALANCE / NET POSITION BEFORE OTHER INCOME	573,949	(471)	573,478
OTHER INCOME:			
Interest income	79,933	-	79,933
CHANGES IN FUND BALANCE / NET POSITION	653,882	(471)	653,411
Fund balance and net position, beginning of year	13,693,085	5,687	13,698,772
Fund balance and net position, end of year	$ 14,346,967	$ 5,217	$ 14,352,183

NOTE 1. DESCRIPTION OF ORGANIZATION

Organization Background

Houston Land Bank (HLB) is a component unit of the City of Houston, Texas. HLB was originally created by the City of Houston in 1999 as the Land Assemblage and Redevelopment Authority. Through an interlocal agreement with Harris County and the Houston Independent School District, the organization acquired lots that either went unsold or were purchased at tax foreclosure auctions and sold them to builders for the development of affordable homes through 2017.

Rising home prices and Hurricane Harvey increased the need for affordable housing options and the impact of development in underserved communities increased the need for community development; as a result, the organization was renamed the Houston Land Bank in 2018 and its articles of incorporation and bylaws were revised to focus its mission on supporting comprehensive community development in line with the City's Complete Communities Initiative. The Houston Land Bank is governed by a thirteen-member board of directors (with a fourteenth ex-officio non-voting member). Board members are appointed by the Mayor of Houston (five appointees who must be confirmed by City Council), Houston City Council (two), Harris County Commissioners Court (three), and the Houston Independent School District Board of Trustees (three).

HLB provides an opportunity for non-profit and for-profit developers to utilize HLB lots to build affordable housing for qualified low and moderate-income households. Certain lots can also be utilized to support other community development activities deemed desirous for neighborhood revitalization purposes.

Under a City of Houston initiative called, "New Home Development Program" ("NHDP") created to provide newly constructed, affordable single-family homes for low and moderate-income homebuyers, the City and the Houston Housing and Community Development Department of the City of Houston ("HCDD") requested under the "Acquisition and Development Agreement" that HLB acquires certain properties at the City's expense and sets aside, at the City's request, certain properties previously acquired. HLB holds said properties for the development of new homes which are constructed by HCDD and sold to eligible homebuyers. HLB holds title for constructed homes and the City of Houston reimburses HLB for all reasonable costs associated with acquisition and maintenance of properties.

From time to time, HLB offers incentives to for-profit and non-profit, neighborhood-based, Community Development Corporations to collaborate with HLB to create affordable housing options under challenging markets. In 2022, HLB created HLB Fund, a 501c3 non-profit subsidiary of HLB, to expand its operations of strategically acquiring properties and stimulating affordable housing development.

Reporting Entity

HLB's financial statements include the accounts of all HLB's and HLB's Fund operations. In conformity with generally accepted accounting principles, HLB is considered a component unit of the City of Houston. Additionally, as required by generally accepted accounting principles, these financial statements have been prepared based on consideration regarding the potential for inclusion of other entities, organizations or functions as part of HLB's financial reporting entity in accordance with Section 2100: Defining the Financial Reporting Entity of the Governmental Accounting Standards Board (GASB) Codification.

Federal Income Tax Status

HLB is exempt from Federal income taxes under section 501(a) as an organization described in Section 501(c)(3) of the Internal Revenue Code. Furthermore, the Internal Revenue Service has ruled that HLB is a publicly supported organization and is not a private foundation. Under the provisions of Internal Revenue Procedure 95-48, HLB is not required to file public information returns on Form 990.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

These financial statements have been prepared in conformity with the accounting principles and reporting guidelines established by the Governmental Accounting Standards Board (GASB).

Measurement Focus and Basis of Accounting

Measurement focus refers to what is being expressed in reporting financial position and performance, that is, which resources are being measured. The financial resources measurement focus measures only financial resources while the economic resources measurement focus measures both financial and capital resources. The measurement focus determines whether a fund balance sheet or statement of net position reports financial or economic resources. Basis of accounting refers to when those resources and commitments and uses of those resources should be recognized. It relates to the timing of the measurements made regardless of the measurement focus applied. The accrual basis of accounting is used for HLB. Under the accrual basis of accounting, revenues are recognized when they are earned, collection is reasonably assured, and expenses are recognized when the liability is incurred. Gains and losses on sales of investment properties are recognized on the date of sale.

Governmental funds in the fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenue is recognized when it is measurable and available. Measurable means the amount of the transaction is known or reasonably estimable. Available refers to amounts collected in the current period or expected to be collected soon enough thereafter to be used to pay liabilities of the current period, generally within 60 days after year end. Expenditures are recognized when the related liability is incurred.

Governmental funds in the government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis of accounting, revenue is recognized when it is earned and becomes measurable, and expenses are recognized in the period incurred.

Cash

Cash consists of demand deposits. Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, HLB will be unable to recover deposits. Amounts on deposits that are in excess of the Federal Deposit Insurance Corporation limit of $250,000 are collateralized by a security agreement with the bank.

Fund Balance

Fund balance is classified based upon the relative strength of spending constraints placed upon the purposes for which resources can be used, as follows:

Nonspendable fund balance includes amounts that are either not in spendable form or are legally or contractually required to be maintained intact.

Restricted fund balance includes amounts constrained to specific purposes by resource providers, through constitutional provisions, or by enabling legislation.

Unassigned fund balance includes amounts that are available for HLB’s future use for any purpose.

Net Position

Net position represents the difference between assets and liabilities. HLB reports categories of net position, as follows:

Net investment in capital assets consists of net capital assets reduced by related outstanding debt.

Restricted is constrained to a particular purpose. Restrictions are imposed by external organizations such as City ordinances or grantors.

Unrestricted is available for general use by HLB.

Capital Assets

Capital assets include lease assets and office equipment. Equipment is recorded at cost less accumulated depreciation. Depreciation expense is computed using the straight-line method over the estimated useful lives of the related assets. Individual items of equipment valued at less than $500 are expensed. Any gain or loss on the retirement of assets is recognized currently.

Lease Assets and Lease Liabilities

Lease assets include right-to-use assets from lease agreements that exceed one year. The right-to-use asset value equals the lease liability, which is the present value of future lease payments expected to be made during the lease term, plus any prepayments made for future periods and direct costs necessary to place the asset into service. Lease liabilities are reported based on the present value of future lease payments expected to be made during the lease term and include fixed payments, variable payments based on rate or index, and other certain payments.

Grants

Under both the modified accrual and the accrual basis of accounting, receivables from grants are recognized, net of uncollectible amounts, when all applicable eligibility requirements are met provided the commitment is verifiable and the resources are measurable and probable of collection. Revenue recognized as receivable in advance of the time period during which eligibility requirements are met or resources are available, is deferred under the modified accrual basis of accounting, but is recognized as revenue under the accrual basis of accounting and reflected as restricted net position when eligibility requirements are met.

Estimates

Management must make estimates and assumptions to prepare financial statements in accordance with generally accepted accounting principles. These estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenue, expenditures and expenses and the allocation of expenses among various functions. Actual results could vary from the estimates that were used.

Contributions

Contributions received are recognized as revenue at fair value when all eligibility requirements are met, and the contributions are considered measurable and collectible.

Investment Properties Held for Sale

Investment properties held for resale are properties in certain targeted Houston neighborhoods, which are purchased at foreclosure auctions by HLB in order to manage, operate, develop and subsequently sell, lease or otherwise convey the properties solely to induce the development of affordable housing. Investment properties held for sale are valued at the lower of cost or net realizable value.

Cost is determined by using the specific identification method. During the year ended June 30, 2026, HLB evaluated these properties for impairment, and no impairment was deemed necessary.

Investment Properties - Designated for the City of Houston

HLB is currently holding plots of land that are purchased through the New Home Development Program. The City and the Houston Housing and Community Development Department of the City of Houston (HCDD) requested under the “Acquisition and Development Agreement” that HLB acquires certain properties at the City’s expense and sets aside, at the City’s request, certain properties previously acquired. HLB holds said properties for the development of new homes which are constructed by HCDD and sold to eligible homebuyers. HLB holds title for constructed homes. As of June 30, 2026, no impairment was deemed necessary.

Revenue Recognition

HLB records earned revenues on an accrual basis. Contributions are recorded as revenues when an unconditional promise to give is received. Contributions received with conditions are recognized as revenue when the conditions have been substantially met. HLB records the following types of contributions at fair value: cash and promises to give.

Revenues from traditional programs:

Revenue from conveyed struck-off property is recognized at foreclosure sales. If no one bids the opening bid, then the designated properties are "struck off" to the HLB in trust for all the taxing entities that participated in the judgment of foreclosure.

Revenue from repossession of lots is earned and recognized when the lots are reverted to HLB by the builder for not meeting the building requirements. Grant revenue is earned and recognized when funds are spent as stipulated by the agreement.

Acquisition and disposition revenues:

Acquisition and development funds are local grants that reimburse pre-development costs expended on lots designated for the City of Houston and owned by HLB. Revenue is earned and recognized as pre-development costs are incurred.

City of Houston support revenues:

Operations funds are reimbursements related to the operation of the New Home Development Program, as well as operations costs that were from the new Operational Grant for the HLB through the City of Houston. This revenue is earned and recognized as operational costs are incurred. The operations funding ended in March 2024. HLB is currently negotiating with HCDD to request additional funding.

Grants:

During the fiscal year 2025, HLB has been awarded cost-reimbursable grants of $500,000 and $5,000,000 by the U.S. Environmental Protection Agency (EPA). In addition, HLB has also been awarded cost-reimbursable grant of $658,122 passed through the Harris County Housing & Community Development.

During fiscal year 2026, HLB expended approximately $335,022 of federal awards, including $335,022 under the U.S. Environmental Protection Agency (EPA) assessment and cleanup grants. Under the Uniform Guidance (2 CFR Part 200, Subpart F), non-federal entities that expend less than $1,000,000 in federal awards during a fiscal year beginning on or after October 1, 2024, are not subject to the Single Audit requirements. Accordingly, a Single Audit was not required for the year ending June 30, 2026. During fiscal year 2026, the accounting records report $335,022 in grant revenue in the EPA assessment and cleanup classes, and $408,384 in the Harris County program class. These are recognized revenue amounts, not representations of the total authorized grant awards.

Receivables

Receivables consist of all revenues earned at year end and not yet received. All receivables are reported at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible.

Impairment of Long-Lived Assets

HLB reviews the recoverability of its long-lived assets, such as property and equipment and investments held for sale, when events or changes in circumstances occur that indicate the carrying value of the asset or asset group may not be recoverable.

The assessment of possible impairment is based on HLB's ability to recover the carrying value of the asset or asset group from the expected future pre-tax cash flows (undiscounted) of the related operations. If these cash flows are less than the carrying value of such asset, an impairment loss is recognized for

the difference between estimated fair value and carrying value. HLB concluded there were no indicators evident or other circumstances present that these assets were not recoverable and accordingly, no impairment losses have been recognized for the year ended June 30, 2026.

Prepaid Expenses

Prepaid expenses are primarily program costs that are not yet expensed and recorded at cost.

New Accounting Pronouncements

GASB Statements 102, 103 and 104

GASB Statement No. 102, Certain Risk Disclosures, addresses vulnerabilities arising from concentrations and constraints. Statement No. 103, Financial Reporting Model Improvements, changes elements of financial-statement presentation and management's discussion and analysis. Statement No. 104, Disclosure of Certain Capital Assets, requires separate information about specified capital assets, including lease assets. The relevant requirements are applicable in FY2026. The report presents computer equipment and net lease assets separately; the remaining lease disclosure information is identified for completion in Notes 7 and 8.

NOTE 3. CASH AND CASH EQUIVALENTS

Credit risk for deposits with financial institutions is the risk that in the event of a bank failure, HLB's deposits may not be returned to it. HLB has collateral for all bank balances in excess of Federal Deposit Insurance Corporation (FDIC) limits to the extent of the fair market value of the amount not insured.

Deposits with financial institutions that are uninsured and uncollateralized are invested overnight in AAA rated U.S. treasury money market funds, which further mitigates the credit risk.

At June 30, 2026, HLB and HLB Fund held combined cash and cash equivalents of $4,774,432. The draft presentation identifies $1,881,022 as NHDP home-sale cash held for remittance to HCDD. Cash and cash equivalents were held in demand deposits and money-market accounts.

NOTE 4. ACCOUNTS RECEIVABLE AND NHDP COST REIMBURSEMENTS

At June 30, 2026, accounts receivable and NHDP cost reimbursements totaled $1,278,003, comprising:

Acquisition and development cost reimbursements (NHDP)	$	1,217,353
Accounts receivable - EPA		52,376
Accounts receivable - LISC		8,274
Total	$	1,278,003

NHDP reimbursements relate to program administration and operating costs under the Acquisition and Development Agreement. HLB is reimbursed for these costs upon property sales. The related balance was $1,217,353 at June 30, 2026.

NOTE 5. DUE TO HCDD

Under the Acquisition and Development Agreement, after HLB is reimbursed for predevelopment costs, remaining property-sale proceeds are remitted to HCDD. At June 30, 2026, the NHDP receivable was $1,217,353 and the separate liability due to HCDD was $1,881,022. Unearned revenue in Note 6 is a different liability.

NOTE 6. UNEARNED REVENUE

Unearned revenue at June 30, 2026, consisted of:

Velasco Grant	$	174,763
Houston Community Land Trust		145,600
FHLB Heirs Property Program Grant		1,000
TOTAL UNEARNED REVENUE	$	321,363

NOTE 7. CAPITAL ASSETS

Computer equipment had a cost of $21,905, accumulated depreciation of $16,760 and a net carrying amount of $5,145 at June 30, 2026. Computer depreciation expense was $1,980. The stated useful life is five years.

A summary of capital asset activity for the year ended June 30, 2026, is as follows:

	July 1, 2025	Net book change	June 30, 2026
Computer equipment, at cost	$ 21,905	$ -	$ 21,905
Accumulated computer depreciation	(14,780)	(1,980)	(16,760)
Computer equipment, net	7,125	(1,980)	5,145
Lease right-to-use assets, net	12,313	1,822	14,135
TOTAL CAPITAL ASSETS, NET	$ 19,438	$ (158)	$ 19,280

The $1,822 net lease-asset increase follows the year-end lease adjusting entry identified for the Kassab office and UBEO printer arrangements. The computer-equipment cost did not change between the supplied opening and closing balances.

NOTE 8. LEASES

HLB's draft lease description identifies an office arrangement that became month-to-month after June 30, 2025 and a printer agreement described as expiring December 1, 2029. The draft specifies a 6% discount rate for the printer. The year-end adjusting entry refers to the Kassab office and UBEO printer lease schedules.

The recorded lease liability at June 30, 2026 is:

Classification		Amount
Current portion	$	6,420
Noncurrent portion		7,643
TOTAL RECORDED LEASE LIABILITY	$	14,063

NOTE 9. CONCENTRATIONS OF RISK

HLB receives local and federal grant funding, acquisition and disposition revenue, program fees, contributions and interest. Funding connected with the City of Houston remains significant to HLB's programs, and future grant resources depend in part on the City's economic conditions and funding decisions.

NOTE 10. RELATED PARTY TRANSACTIONS

HLB is a component unit of the City of Houston, Texas, therefore there are currently related party transactions between HLB and the City of Houston. As described in Note 1, the programs from the City of Houston finance the majority of HLB's day-to-day activities.

NOTE 11. COMMITMENTS, CONTINGENCIES AND RISKS

HLB is subject to various litigation and other claims in the normal course of business. HLB establishes liabilities in connection with legal actions that management deems to be probable and estimable.

HLB's activities are subject to review by Federal, State and Local agencies and income taxing authorities.

NOTE 12. RISK MANAGEMENT

HLB is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets: errors and omissions; personal injuries; and natural disasters. The risk of loss is covered by commercial insurance. There have been no significant reductions in insurance coverage and no settlements.

NOTE 13. GOVERNMENTAL FUND AND GOVERNMENT-WIDE RECONCILIATIONS

Differences between governmental-fund balance and government-wide net position arise from the current-financial-resources versus economic-resources measurement focus.

Balance-sheet reconciliation		
Ending governmental-fund balance	$	14,346,967
Capital assets, net		19,280
Less: lease liabilities		(14,063)
Net adjustment to ending fund balance		**5,217**
Ending government-wide net position		**14,352,183**
Activity reconciliation		
Change in governmental-fund balance		653,882
Computer depreciation		(1,980)
Noncash year-end lease rent adjustment		1,509
Net adjustment to change in fund balance		**(471)**
Change in government-wide net position		**653,411**
Beginning conversion balance		5,687
Ending conversion balance	**$**	**5,217**

The net adjustment to the annual change is $(471). Beginning and ending conversion balances are $5,687 and $5,217, respectively.

SUPPLEMENTARY INFORMATION

	General Fund	HLB Fund	Total	Adjustments	Eliminating Entries	Statement of Activities
EXPENDITURES AND EXPENSES						
Programs expenses	$ 1,248,025	$ 129,807	$ 1,377,832	$ 200	$ -	$ 1,378,032
Management and general	1,304,820	-	1,304,820	270	-	1,305,091
Total expenditures and expenses	2,552,845	129,807	2,682,652	471	-	2,683,123
REVENUES						
Acquisition and disposition revenues	1,176,103	-	1,176,103	-	-	1,176,103
Other fees and contributions	71,761	484,000	555,761	-	-	555,761
Revenues from traditional program	169,256	-	169,256	-	-	169,256
Grants	1,355,481	-	1,355,481	-	-	1,355,481
Total revenues	2,772,601	484,000	3,256,601	-	-	3,256,601
CHANGES IN FUND BALANCE / NET POSITION BEFORE OTHER INCOME	219,756	354,193	573,949	(471)	-	573,478
OTHER INCOME						
Interest income	79,933	-	79,933	-	-	79,933
CHANGES IN FUND BALANCE / NET POSITION	299,689	354,193	653,882	(471)	-	653,411
Fund balance and net position, beginning of year	13,625,628	67,457	13,693,085	5,687	-	13,698,772
Fund balance and net position, end of year	$ 13,925,317	$ 421,649	$ 14,346,967	$ 5,217	$ -	$ 14,352,183

	General Fund	HLB Fund	Total	Adjustments	Eliminating Entries	Statement of Net Position
ASSETS						
Current assets						
Cash and cash equivalents	$2,432,745	$460,665	$2,893,411	$ -	$ -	$2,893,411
Accounts receivable	60,650	-	60,650	-	-	60,650
Due from HLB Fund	39,016	-	39,016	-	(39,016)	-
Acquisition and development cost reimbursements (NHDP)	1,217,353	-	1,217,353	-	-	1,217,353
Prepaid expenses	400,832	-	400,832	-	-	400,832
Noncurrent assets						
Computer equipment, net	-	-	-	5,145	-	5,145
Cash subject to restrictions						
NHDP home sales	1,881,022	-	1,881,022	-	-	1,881,022
Right-of-use assets	-	-	-	14,135	-	14,135
Investment properties - held for sale	1,140,973	-	1,140,973	-	-	1,140,973
Investment properties - designated to the City of Houston	9,093,462	-	9,093,462	-	-	9,093,462
Earnest money deposit	200	-	200	-	-	200
TOTAL ASSETS	**$16,266,253**	**$460,665**	**$16,726,918**	**$19,280**	**($39,016)**	**$16,707,182**
LIABILITIES						
Current liabilities						
Accounts payable	$114,807	$ -	$114,807	$ -	$ -	$114,807
Accrued expense	23,744	-	23,744	-	-	23,744
Due to HCDD (NHDP)	1,881,022	-	1,881,022	-	-	1,881,022
Due to General Fund	-	39,016	39,016	-	(39,016)	-
Unearned revenue	321,363	-	321,363	-	-	321,363
Lease liabilities - current portion	-	-	-	6,420	-	6,420
Noncurrent liabilities						
Lease liabilities - long-term	-	-	-	7,643	-	7,643
TOTAL LIABILITIES	**2,340,935**	**39,016**	**2,379,951**	**14,063**	**(39,016)**	**2,354,999**
FUND BALANCE						
Nonspendable - prepaid expenses	400,832	-	400,832			
Unassigned	13,524,485	421,649	13,946,135			
TOTAL FUND BALANCE	**13,925,317**	**421,649**	**14,346,967**			
TOTAL LIABILITIES AND FUND BALANCE	**$16,266,253**	**$460,665**	**$16,726,918**			
NET POSITION						
Unrestricted				-		14,346,967
Invested in capital assets, net of related debt				5,217		5,217
TOTAL NET POSITION				**$5,217**		**$14,352,183**

houston
landbank

September 29, 2026

A Bricks Coggin CPA, PLLC
Southlake, Texas

This representation letter is provided in connection with your audit of the basic financial statements of the Houston Land Bank, which comprise the governmental fund balance sheet and statement of net position as of June 30, 2026 and 2025, and the related governmental fund statement of revenues, expenditures and changes in fund balance and statement of activities for the years then ended, and the related notes to the financial statements, for the purpose of expressing opinions on whether the basic financial statements present fairly, in all material respects, the financial position, results of operations, and cash flows, where applicable, of the various opinion units of Houston Land Bank in accordance with accounting principles generally accepted for governments in the United States of America (U.S. GAAP).

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement. An omission or misstatement that is monetarily small in amount could be considered material as a result of qualitative factors.

We confirm, to the best of our knowledge and belief, as of September 29, 2026, the following representations made to you (The “Firm”) during your audit.

Financial Statements

1) We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated May 6, 2026, for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP and for preparation of the supplementary information in accordance with the applicable criteria. In addition:
   - Loans to and from all employees and council members have been properly accounted for and disclosed
   - All Bad Debts written off the financial records have been reviewed and approved
   - All Credit Memos adjusting accounts receivable have been reviewed and approved
2) The financial statements referred to above are fairly presented in conformity with U.S. GAAP and include all properly classified funds and other financial information of the primary government and all component units required by generally accepted accounting principles to be included in the financial reporting entity.

3) We acknowledge our responsibility for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

4) We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.

5) The methods, data and significant assumptions used by us in making accounting estimates, and their related disclosures, are appropriate to achieve recognition, measurement, or disclosure that is reasonable in the context of the applicable financial reporting framework.

6) Related party relationships and transactions, including revenues, expenditures/expenses, loans, transfers, leasing arrangements, and guarantees, and amounts receivable from or payable to related parties have been appropriately accounted for and disclosed in accordance with U.S. GAAP.

7) All events subsequent to the date of the financial statements and for which U.S. GAAP requires adjustment or disclosure have been adjusted or disclosed.

8) The effects of uncorrected misstatements aggregated by you during the current engagement are immaterial, both individually and in the aggregate, to the applicable opinion units and to the financial statements as a whole. All audit adjustments have been approved and recorded in Houston Land Bank's books and records.

9) The effects of all known actual or possible litigation, claims, and assessments have been accounted for and disclosed in accordance with U.S. GAAP.

10) Guarantees, whether written or oral, under which Houston Land Bank is contingently liable, if any, have been properly recorded or disclosed. In addition, we represent that, all covenants on loans, both affirmative and negative, are in compliance per the loan/grant documents.

Information Provided

11) We have provided you with:

a) Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements of the various opinion units referred to above, such as records (including information obtained from outside of the general and subsidiary ledgers), documentation, meeting minutes, and other matters. Houston Land Bank represents that all officer, council or employee receivables are recorded on the financial statements and agree to hold the Firm harmless should non recorded receivables be found.

b) Additional information that you have requested from us for the purpose of the audit.

c) Unrestricted access to persons within Houston Land Bank and others from whom you determined it necessary to obtain audit evidence.

d) Minutes of the meetings of Houston Land Bank or summaries of actions of recent meetings for which minutes have not yet been prepared. Completeness and availability of all minutes of the meetings of the governing body or summaries of actions of recent meetings for which minutes were not yet prepared.

e) Communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.

12) All material transactions have been recorded in the accounting records and are reflected in the financial statements. We agree to hold the Firm harmless should material transactions not be reflected in the financial records.

13) We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud. Also, due to the inherent limitations of an audit, combined with the inherent limitations of internal control, and because the Firm will not perform a detailed examination of all transactions, there is a risk that material misstatements may exist and not be detected even though the audit was properly planned and performed in accordance with U.S. generally accepted auditing standards and that management and the council are responsible for designing, implementing, and maintaining internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, including monitoring ongoing activities.

14) We have no knowledge of any fraud or suspected fraud that affects Houston Land Bank and involves—

- Management,
- Employees who have significant roles in internal control, or
- Others where the fraud could have a material effect on the financial statements.

15) We have no knowledge of any allegations of fraud or suspected fraud affecting the Houston Land Bank's financial statements communicated by employees, former employees, regulators, or others.

16) We have no knowledge of instances of noncompliance or suspected noncompliance with provisions of laws, regulations, contracts, or grant agreements, or abuse, whose effects should be considered when preparing financial statements.

17) We have disclosed to you all known actual or possible litigation, claims, and assessments whose effects should be considered when preparing the financial statements.

18) We have disclosed to you the identity of Houston Land Bank's related parties and the nature of all the related party relationships and transactions of which we are aware.

19) Houston Land Bank has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral.

20) We acknowledge our responsibility for presenting the footnote disclosures in accordance with U.S. GAAP, and we believe the footnotes as presented, including its form and content, are fairly presented in accordance with U.S. GAAP. The methods of measurement and presentation of the footnotes have not changed from those used in the prior period, and we have disclosed to you any significant assumptions or interpretations underlying the measurement and presentation of the footnotes.

21) Internal Controls are in place for processing payments to vendors, checks issued are reviewed by independent management, any stamps used for check processing are approved by independent management, Accounting Staff are required and do take all vacation earned, bank statements and credit card statements are reviewed by independent management and accounts receivable credit memos are approved by independent management. The Federal Forms W-3 and 1096, representing payroll changes and worker classification, are approved by Management.

Government-specific

22) There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies, in financial reporting practices.

23) We have taken timely and appropriate steps to remedy the Schedule of Findings that you have reported to us.

24) We have a process to track the status of audit findings and recommendations.

25) We have identified to you any previous audits, attestation engagements, and other studies related to the audit objectives and whether related recommendations have been implemented.

26) We have provided our views on reported findings, conclusions, and recommendations, as well as our planned corrective actions, for the report.

27) Houston Land Bank has no plans or intentions that may materially affect the carrying value or classification of assets, deferred outflows of resources, liabilities, deferred inflows of resources, and fund balance or net position.

28) We are responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to us, including tax or debt limits and debt contracts, and legal and contractual provisions for reporting specific activities in separate funds.

29) We have identified and disclosed to you all instances that have occurred or are likely to have occurred, of fraud and noncompliance with provisions of laws and regulations that we believe have a material effect on the financial statements or other financial data significant to the audit objectives, and any other instances that warrant the attention of those charged with governance.

30) We have identified and disclosed to you all instances that have occurred or are likely to have occurred, of noncompliance with provisions of contracts and grant agreements that we believe have a material effect on the determination of financial statement amounts or other financial data significant to the audit objectives.

31) We have identified and disclosed to you all instances that have occurred or are likely to have occurred, of abuse that could be quantitatively or qualitatively material to the financial statements or other financial data significant to the audit objectives.

32) There are no violations or possible violations of budget ordinances, laws and regulations (including those pertaining to adopting, approving, and amending budgets), provisions of contracts and grant agreements, tax or debt limits, and any related debt covenants whose effects should be considered for disclosure in the financial statements, or as a basis for recording a loss contingency, or for reporting on noncompliance.

33) As part of your audit, you assisted with preparation of the financial statements and related notes. We acknowledge our responsibility as it relates to those nonaudit services, including that we assume all management responsibilities; oversee the services by designating an individual, within senior management, outside contractor/bookkeeper, who possesses suitable skill, knowledge, or experience; evaluate the adequacy and results of the services performed; and accept responsibility for the results of the services. We have reviewed, approved, and accepted responsibility for those financial statements and related notes.

34) Houston Land Bank has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral.

35) Houston Land Bank has complied with all aspects of contractual agreements that would have a material effect on the financial statements in the event of noncompliance.

36) The financial statements include all component units as well as joint ventures with an equity interest and properly disclose all other joint ventures and other related organizations.

37) The financial statements properly classify all funds and activities in accordance with GASBS No. 34 , as amended, and GASBS No. 84 .

38) All funds that meet the quantitative criteria in GASBS Nos. 34 and 37 for presentation as major are identified and presented as such and all other funds that are presented as major are particularly important to financial statement users.

39) Components of net position (net investment in capital assets; restricted; and unrestricted) and classifications of fund balance (nonspendable, restricted, committed, assigned, and unassigned) are properly classified and, if applicable, approved.

40) Investments, derivative instruments, and land and other real estate held by endowments are properly valued.

41) Provisions for uncollectible receivables have been properly identified and recorded.

42) Expenses have been appropriately classified in or allocated to functions and programs in the statement of activities, and allocations have been made on a reasonable basis.

43) Revenues are appropriately classified in the statement of activities within program revenues, general revenues, contributions to term or permanent endowments, or contributions to permanent fund principal.

44) Interfund, internal, and intra-entity activity and balances have been appropriately classified and reported.

45) Special and extraordinary items are appropriately classified and reported.

46) Deposits and investment securities and derivative instruments are properly classified as to risk and are properly disclosed.

47) Capital assets, including infrastructure and intangible assets, are properly capitalized, reported, and, if applicable, depreciated, or amortized.

48) We have appropriately disclosed Houston Land Bank's policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available and have determined that net position is properly recognized under the policy.

49) We are following our established accounting policy regarding which resources (that is, restricted, committed, assigned, or unassigned) are considered to be spent first for expenditures for which more than one resource classification is available. That policy determines the fund balance classifications for financial reporting purposes.

50) Representations have been confirmed relating to transactions for which there is no written supporting documentation (Director's Report Adjustments), Receivables recorded in the financial statements represent valid claims against debtors for transactions arising on or before the balance sheet date and have been reduced to their estimated net realizable value, capital assets, including intangible

assets, have been evaluated for impairment as a result of significant and unexpected decline in service utility as well as impairment loss and insurance recoveries have been properly recorded.

51) No provision has been made for any material loss that is probable from environmental remediation liabilities associated with the Houston Land Bank. We believe that such estimate is reasonable based on available information and that there are no liabilities nor related loss contingencies and accordingly there is no expected outcome of uncertainties which need to be disclosed and described in the financial statements.

52) Tax abatement agreements have been properly disclosed in the notes to the financial statements, including the names of all governments involved, the gross amount and specific taxes abated, and additional commitments.

53) We acknowledge our responsibility for the required supplementary information (RSI). The RSI is measured and presented within prescribed guidelines and the methods of measurement and presentation have not changed from those used in the prior period. We have disclosed to you any significant assumptions and interpretations underlying the measurement and presentation of the RSI.

54) We have appropriately disclosed the Houston Land Bank's policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available and have determined that net position is properly recognized under the policy.

55) We are following our established accounting policy regarding which resources (that is, restricted, committed, assigned, or unassigned) are considered to be spent first for expenditures for which more than one resource classification is available. That policy determines the fund balance classifications for financial reporting purposes.

Signature (Board of Directors):	Signature (Management):
Printed name:	Printed name:
Title:	Title:
Date:	Date:

houston landbank

Meeting Date: October 19, 2026

Agenda Item VI e: Consideration and Possible Action to Approve HLB Board Chair to negotiate and execute the renewal of the HLB CEO and President.

ACTION SUMMARY
Approval of this agenda item will authorize the Houston Land Bank (HLB) Board Chair to negotiate and execute the renewal of the employment agreement of the HLB Chief Executive Officer (CEO) and President on behalf of the Board of Directors. The current agreement expires on December 31, 2026, and the October 19, 2026 meeting is the final regularly scheduled Board meeting of the year. This action allows the renewal to be completed before the current term ends and ensures continuity of executive leadership into 2027.

BACKGROUND/OVERVIEW
The CEO and President serves under an employment agreement approved by the Board of Directors, with a current term that runs through December 31, 2026. The role carries responsibility for the leadership and day to day operation of the Land Bank in carrying out its mission under Chapter 379H of the Texas Local Government Code: the acquisition, holding, maintenance, and disposition of vacant, abandoned, tax delinquent, and underutilized property in the City of Houston for affordable housing and community redevelopment, together with the staff leadership, financial oversight, Board support, partnerships, fundraising, and public and legislative relationships required to carry out that mission.

Because the October 19, 2026 meeting is the final regularly scheduled Board meeting of the year, authorizing the Board Chair to negotiate and execute the renewal allows this work to proceed to completion without convening a special meeting of the Board.

The Board Chair will negotiate the terms of the renewal with the support of HLB's outside legal counsel, which will prepare the renewal agreement for execution.

RECOMMENDATION
It is recommended that the Board of Directors approve and authorize the HLB Board Chair to negotiate and execute the renewal of the employment agreement of the HLB CEO and President.

houston landbank

REQUEST FOR BOARD ACTION

Meeting Date: October 19, 2026

Agenda Item VI f: Consideration and Possible Action to Authorize the Houston Land Bank Chief Executive Officer to Execute a Memorandum of Understanding with Independent Heights New Victories CDC Establishing a Project Advisory Partnership for the Redevelopment of 410 Whitney Street, Houston, TX 77022.

ACTION SUMMARY

Approval of this agenda item will authorize the Houston Land Bank (HLB) Chief Executive Officer to execute a Memorandum of Understanding (MOU) between the Houston Land Bank and Independent Heights New Victories CDC (IHNV CDC) establishing a Project Advisory Partnership for the predevelopment, redevelopment, and rehabilitation of the property located at 410 E. Whitney Street, Houston, Texas 77022. Under the MOU, HLB will serve as a non-financial advisory and advocacy partner to IHNV CDC, providing technical expertise, predevelopment guidance, and support for fundraising efforts. IHNV CDC will retain full ownership and decision-making authority over the property. This action is necessary to formalize HLB's advisory role, define the scope of its commitment, and position both parties for collaborative pursuit of funding and community development goals at this site.

BACKGROUND/OVERVIEW (Summary)

Independent Heights New Victories CDC (IHNV CDC) is a Texas nonprofit corporation whose Certificate of Formation was filed with the Office of the Secretary of State of Texas on March 15, 2019. IHNV CDC was formed by representatives of Greater First Baptist Church (also known as Greater First Missionary Baptist Church). Greater First Baptist Church conveyed the property at 410 E. Whitney Street, Houston, Texas 77022, to IHNV CDC by general warranty deed effective January 1, 2026. IHNV CDC retains full ownership and decision-making authority over the property.

The parties recognize 410 E. Whitney Street as a significant community asset and seek to formalize a collaborative framework to guide its redevelopment. HLB has demonstrated experience in community and housing redevelopment, environmental remediation, public-sector coordination, and project implementation. HLB and IHNV CDC desire to enter into a Memorandum of Understanding that will formalize this advisory relationship and:

1. Establish HLB as Project Advisory Partner
   The MOU will designate HLB as a non-financial advisory and advocacy partner for the predevelopment phase of the project. HLB's support will include technical and development advice, assistance identifying public funding opportunities (including brownfield programs, housing redevelopment programs, and other applicable financing

mechanisms), coordination with technical consultants, advisement on permitting and regulatory review processes, and provision of support letters and advocacy on behalf of the project. Anticipated funding opportunities include programs administered through TxDOT/TSAHC's NHHIP Affordable Housing Revitalization Program. HLB is not responsible for the preparation of grant applications but may be asked to review applications and/or provide letters of support. HLB may be named as a partner in grant applications for future phases of the project.

2. Confirm IHNV CDC Ownership and Decision-Making Authority
   The MOU will affirm that IHNV CDC retains full ownership of the property and sole authority to establish project priorities, approve major milestones and budgets, and make binding commitments regarding the project. IHNV CDC will seek advice from HLB as needed throughout the predevelopment process. Any implementation support beyond the predevelopment phase will be defined in a future MOU, professional services agreement, or other written instrument.
3. Provide for Coordination with Owner's Representative
   The MOU will acknowledge that IHNV CDC may retain an Owner's Representative and Program Manager to support project governance and oversight. HLB agrees to coordinate with any such representatives and to provide information necessary to support project transparency and informed decision-making.
4. Define Term, Non-Binding Intent, and Confidentiality
   The MOU will have an initial term of twenty-four (24) months, subject to extension by mutual written agreement or early termination by either party upon thirty (30) days written notice. The MOU will expressly state that, except as otherwise provided in future written agreements, it does not create legally binding obligations with respect to construction, funding, or development activities. The parties further agree to maintain the confidentiality of all proprietary and project-sensitive information exchanged during the course of the partnership, except where disclosure is required by applicable law or approved in writing by both parties.

Execution of this MOU will formalize HLB's capacity-building role in support of IHNV CDC's redevelopment vision for 410 E. Whitney Street, strengthen the project's competitiveness for public funding, and establish a clear framework for the parties' collaborative work during the predevelopment phase. HLB Staff recommends approval of this action item. Should the formalized MOU contain substantial changes that deviate from the confines of this RBA, it will be returned to the Board for approval before execution.

MEMORANDUM OF UNDERSTANDING

BETWEEN

INDEPENDENT HEIGHTS NEW VICTORIES CDC

AND

HOUSTON LAND BANK

PROJECT ADVISORY PARTNERSHIP AGREEMENT

1.0 Purpose

This Memorandum of Understanding ("MOU") establishes a collaborative partnership between Independent Heights New Victories CDC (“IHNV CDC”) and Houston Land Bank ("HLB") regarding the redevelopment and rehabilitation of the property located at 410 E. Whitney Street in Houston, Texas 77022.

The parties recognize the significance of the property as a community asset and acknowledge the opportunity to transform the site into a project that serves both neighborhood needs and the mission of IHNV CDC. The parties further recognize that successful redevelopment will require partnerships to leverage funding, resources, and technical expertise.

HLB has demonstrated experience in community and housing redevelopment, environmental remediation, public-sector coordination, and project implementation. Through this MOU, HLB will serve as a project advisory partner, providing technical and development advise, support for fundraising efforts, and connections with HLB’s network of resources, as appropriate.

2.0 Relationship of the Parties

The parties acknowledge that IHNV CDC retains ownership of the property and remains responsible for establishing the vision, purpose, and desired outcomes for the project. HLB's role is to support the realization of that vision by providing advice, technical expertise, and advocacy in support of fundraising efforts.

Representatives of Greater First Baptist Church (a.k.a. Greater First Missionary Baptist Church or GFB) formed the nonprofit corporation, IHNV CDC. The Certificate of Formation was filed in the Office of the Secretary of State of Texas on March 15, 2019. Greater First Baptist Church granted the property at 410 E. Whitney Street, Houston, Texas 77022, to IHNV CDC, by general warranty deed effective January 1, 2026.

The parties anticipate that HLB will work closely with IHNV CDC and its designated representatives to develop implementation strategies, coordinate technical consultants, advise on permitting and regulatory review processes, and provide support letters and advocate for funding. HLB's role is intended to build the capacity of IHNV CDC’s development team with access to HLB staff and resources with a goal of increasing the

project's likelihood of successful completion. HLB is not expected to support the project beyond advisory and advocacy at this time.

3.0 Responsibilities of HLB

HLB will serve as an advisor and thought partner to IHNV CDC with regards to the pre-development activities. In that capacity, HLB may assist IHNV CDC in identifying and pursuing public funding opportunities, including brownfield, housing redevelopment programs and other financing mechanisms that support community development initiatives. This includes anticipated funding through TxDOT/TSAHC NHHIP Affordable Housing Revitalization Program. HLB is not responsible for the preparation of grant applications but may be asked to review applications and/or provide a letter of support for funding. HLB may be named as a partner as part of grant funding for future phases of the project.

4.0 Responsibilities of IHNV CDC

IHNV CDC shall retain ownership and decision-making authority throughout the project. IHNV CDC will establish project priorities, review implementation recommendations, participate in key planning discussions, and approve major project milestones, budgets, and commitments. IHNV CDC will seek advice from HLB as needed through the pre-development process and identify opportunities for HLB's ongoing support through implementation. Implementation support will be defined in a future MOU, professional services agreement, or other agreement.

5.0 Coordination with Owner's Representative

The parties acknowledge that IHNV CDC may retain an Owner's Representative and Program Manager to support project governance and oversight. HLB agrees to coordinate with such representatives and to provide information necessary to support project transparency and informed decision-making.

6.0 Term

This MOU shall remain in effect for twenty-four (24) months unless extended by mutual written agreement or terminated by either party upon thirty (30) days written notice.

7.0 Non-Binding Intent

This MOU reflects the good-faith intent of the parties to work together toward the successful redevelopment of 410 E. Whitney Street. Except as otherwise provided in future written agreements, this document is not intended to create legally binding obligations regarding construction, funding, or development activities.

8.0 Confidentiality

The parties agree to maintain the confidentiality of proprietary and project-sensitive information exchanged during the course of this partnership except where disclosure is required by law or approved by both parties.

9.0 SIGNATURES

INDEPENDENT HEIGHTS NEW VICTORIES CDC

By: _____

Name: _____

Title: _____

Date: _____

HOUSTON LAND BANK

By: _____

Name: _____

Title: _____

Date: _____