

MINUTES OF THE
MIDTOWN MANAGEMENT DISTRICT
BOARD OF DIRECTORS MEETING

April 2, 2014

The Board of Directors of the Midtown Management District held a meeting, open to the public, on April 2, 2014 at 11:00 a.m. in the 3rd Floor Conference Room of the Midtown Management District's offices, located at 410 Pierce Street, Houston, Texas 77002, inside the boundaries of the District, and the roll was called of the duly appointed members of the Board, to-wit:

Roger Neal	Eileen Morris
Eric Melchor	Julie Farr
Monte Large	John Castillo
Willie H. Coleman, Jr.	Marylene Chan
Bryn Poland	William R. Franks
F. Charles LeBlanc	Debra McGaughey
Michelle LeBlanc	Gary Noble
	Charles Washington

All of the above were present except Director Washington thus constituting a quorum.

In addition, present at the meeting were Matt Thibodeaux, Cynthia Alvarado, Kandi Schramm, Marlon Marshall, Elizabeth Powell, and Peggy Foreman of Burney & Foreman, Jim Webb of The Goodman Corporation, Alyssa Hill of Carr, Riggs & Ingram, Myra Johnson of Behringer Harvard, Karen Haller of Council Member David Robinson's Office and Ted Sims of TSG Industries.

Cynthia Alvarado called the roll of the Board of Directors and verified that a quorum was present.

Chair Franks called the meeting to order and welcomed everyone.

RECEIVE PUBLIC COMMENTS.

Guests in attendance introduced themselves.

CONSENT AGENDA.

- a. **Approve Minutes for the March 5, 2014 regular Board meeting.**
- b. **Approve the February 2014 Financial Report.**
- c. **Approve the payment of invoices for April 2014.**
- d. **Approve the Equi-Tax Report for March 2014.**

Director Neal made a motion to approve the Consent Agenda as presented. The motion was seconded by Director Noble and carried by unanimous vote.

**REVIEW, DISCUSS AND TAKE NECESSARY ACTION REGARDING THE DISTRICT'S
AUDIT FOR FY 2013.**

Alyssa Hill of Carr, Riggs & Ingram presented the findings from the District's Audit for FY 2013. Ms. Hill advised the Board that there were no significant audit adjustments and that the District's basic financial statements fairly present the District's financial position for FY 2013. Ms. Hill reported that there has been a change in terminology and the District received an "unmodified opinion". Director Noble made a motion to approve FY 2013 audit as presented. The motion was seconded by Director Morris. Following all discussion, the motion carried by unanimous vote.

REVIEW, DISCUSS AND TAKE NECESSARY ACTION REGARDING A RESOLUTION RELATING TO ADOPTION OF A TITLE VI COMPLIANCE PLAN AND A DISADVANTAGED BUSINESS ENTERPRISE PROGRAM.

Jim Webb of the Goodman Corporation gave a brief report to the Board regarding the Title VI Compliance Plan and Disadvantaged Business Enterprise ("DBE") Program. Mr. Webb reminded the Board that as a recipient of Department of Transportation administered federal funds, the District is required to comply with federal laws relating to Title VI and to adopt DBE participation goals. He advised the Board that the goal for DBE participation for the previous period was 5.8% and that the new goal is 8.94%. Mr. Webb explained that the goals have been published and that the public was invited to make comments. Marlon Marshall reported that both the Authority and the District are committed to reaching out to DBEs and that current records show that Midtown's DBE participation rate is approximately 17%.

Mr. Webb also explained that Title VI prohibits exclusion from participation or denial of benefits to anyone on the grounds of race, color or national origin.

Director Neal made a motion to approve the Resolutions as presented. The motion was seconded by Director Michelle LeBlanc and carried by unanimous vote.

REVIEW, DISCUSS AND TAKE NECESSARY ACTION REGARDING A RESOLUTION RELATING TO CITY OF HOUSTON QUALIFIED ENERGY CONSERVATION BONDS.

Peggy Foreman of Burney and Foreman advised the Board that the Midtown Redevelopment Authority (MRA) is working with the City of Houston in an effort to issue Qualified Energy Conservation Bonds that would allow Midtown to retrofit substantially all of the Midtown decorative street lights with high efficiency LED light bulbs which could reduce the District's electricity costs by approximately 70%. Ms. Foreman described the proposed Resolution which gave a statement of support for the project and encouraged the City of Houston to cooperate with the MRA to issue such bonds.

Director Coleman made a motion to approve the Resolution relating to the City of Houston Qualified Energy Conservation Bonds as presented. The motion was seconded by Director Poland. Following all discussion the motion carried by majority vote. Directors Neal, Melchor, Farr and McGaughey opposed the motion.

RECEIVE COMMITTEE ACTIVITY REPORTS AND REVIEW, DISCUSS AND TAKE NECESSARY ACTION REGARDING THE FOLLOWING, AS APPROPRIATE:

A. Public Safety Committee – John G. Castillo, Chair

Director Castillo reported on the activities of the Public Safety Committee. He reported that the March 24, 2014 Committee meeting was held at the Midtown Arbor Place Apartments and was well attended. Director Castillo stated that a proposal is being discussed to vary the shifts of the Harris County Deputy Constables in an effort to

increase law enforcement visibility within the District since there are now many more pedestrians on the streets of Midtown.

B. Marketing Committee – Michelle LeBlanc, Chair

Ms. LeBlanc reported on the activities of the Marketing Committee. She stated that the Committee will continue hosting focus group meetings to get input from Midtown's property and business owners. Director LeBlanc also reported that new people are attending the Marketing Committee meetings and that there has been a very noticeable increase in social media usage. She stated that the next Committee meeting will be on April 15, 2014 at Mr. Peeples and will feature hands on training in networking.

C. Service & Maintenance Committee – Roger Neal, Chair

Director Neal advised the Board that the District has been maintaining the METRORail median for the past three months. He reported that METRO has not yet reimbursed the District for the work but that invoices have been sent and the Staff was working with METRO regarding the past due amounts.

Director Neal reported that tree trimming efforts were underway and that the plan is to trim trees around street lights in about 30 blocks surrounding Houston Community College to provide brighter lighting. He also reported that approximately 30 new trees will be planted and that work is being done in and around Baldwin Park in preparation for Art in the Park. Director Neal reported that new landscaping is being installed on Elgin Street and that the stolen landscaping near Jackson Street is being replaced.

Finally, Director Neal advised that Board that as of April 1, 2014, an additional person was brought in to help address the increased maintenance needs and that the Field Service Team was getting new "dry fit athletic shirts" in a bright green color for increased visibility and greater comfort in the summer heat. Director Noble suggested we take more pictures and put on our various social media outlets to better inform Midtown property owners of the work being done on their behalf.

D. Urban Planning Committee – Monte Large, Chair

Director Large reported that the Committee is continuing to research the proposed Cross-Walks Project which included painting certain cross-walks to highlight the pedestrian walkways in Midtown. Director Large reported that the City has a new Director of City Planning who seems somewhat receptive to efforts to modify some City ordinances and guidelines regarding relating to set-back requirements and parking requirements in Midtown. He stated that many developers and small businesses have complained about the costs in time and money of seeking variances from the Planning Commission and that the process is hindering development in Midtown.

E. Finance Committee – Gary Noble, Chair

Director Noble reported that assessment collections were coming in at a slightly higher rate than anticipated. He also expressed appreciation to the Staff and consultants for their hard work on the audit for FY 2013.

F. Cultural Arts & Entertainment – Eileen Morris, Chair

Director Morris reported that the Committee had a good turnout at the March 2014 Committee meeting held at Art Supply on Main. She stated that the Nightlife and

Restaurant focus group meeting, held on Thursday, March 11, 2014, at Cook & Collins restaurant, was well attended and that the business owners and stakeholders in attendance were very engaged and provided good feedback to the Committee. Director Farr reported that the attendees were concerned about infrastructure improvements that would encourage development of hotels, grocery stores, and more ground level retail shops. Director Farr also reported that business owners expressed concerns about lighting and traffic in Midtown. Finally, Director Farr reported that the attendees were concerned about the future of Midtown and wanted to ensure that Midtown be viewed as more than just a "Party Zone", that it be known for its great restaurants, amazing arts and cultural venues and its charitable activities.

Director Morris reported that the next focus group will be among Homeowners Associations and Apartment Managers to get input for the new Service and Assessment Plan.

Elizabeth Powell reported that the most recent Truckin' Thursday event was held on March 13, 2014 at the site of the future Super Block Park and that the event continues to be very well attended. Ms. Powell stated that the next Truckin' Thursday will be on April 10, 2014.

Cynthia Alvarado gave an update on the 2014 Art in the Park event which will take place on Saturday, April 12 from 10:00 a.m. to 6:00 p.m. at Elizabeth Baldwin Park.

Ms. Morris announced that the next committee meeting is set for Tuesday, April 8 at 9:00 a.m. at The Ensemble Theatre and she invited everyone to attend.

G. Nominating Committee – Debra McGaughey, Chair

Director McGaughey reported that the Committee is still gathering resumes of persons interested in serving on the Board. She also reminded the Board that Board Officer elections will take place at the June 2014 Board meeting and asked that Board members begin thinking about who they would like to nominate to serve as officers. Director McGaughey stated that each Board member will receive a memo outlining the process and time period for submitting nominations of persons to serve as Board officers.

H. Service and Improvement Plan – Willie Coleman, Chair

Director Coleman reported that as the newly appointed Chair of the newly created Service and Improvement Plan Committee he will make an effort to attend as many committee meetings as possible in order to gain a better understanding proposed committee projects and their impact on the District.

Director Coleman said that the Committee will gather and review the information gained and ideas generated by the Midtown property owners, residents, and business owners at the various focus group meetings, committee meetings and workshops to work on drafting the new Service and Improvement Plan and Assessment Plan. He stated that he would like to have the plan drafted sometime in the June/July 2014 timeframe. Peggy Foreman advised the Board that it may take 9-12 months to secure the required number of petitions needed and complete the public hearing for the new Service and Assessment Plan.

I. Executive Committee – William Franks, Chair

Chair Franks reported that the Executive Committee is working with Jim Webb of the

Goodman Corporation to identify sources of grant funds to support the District's efforts on projects relating to beautification, cultural arts, parking, walkability, etc.

REPORT ON CAPITAL PROJECTS OF THE MIDTOWN REDEVELOPMENT AUTHORITY (MRA).

Marlon Marshall gave the following report on the status of the current MRA capital improvement projects:

Holman Street Reconstruction – The Project includes a street overlay and is expected to be put out for bid in late Summer 2014. The District is awaiting comments from the City of Houston on its 100% design plans. Project construction is anticipated to begin in the Fall of 2014.

Glover Park Project – The Park is substantially complete, although it cannot open until the City of Houston give final approval to open. There are some ADA issues outstanding which are being resolved. The Staff has received reports that some residents have been observed using the dog park.

Midtown Park Project – There has been a lot of progress in the Park. The Contractor is awaiting arrival of certain materials needed to complete the water feature. Work on the tenant improvements in the kiosk should begin in the next 4-6 weeks.

Main Street Project – The Project will consist of approximately \$5 Million in public infrastructure improvements to Main Street. MRA staff and consultants have met with METRO's railway operations and maintenance team to understand METRO's general railway access requirements. The next meeting will be with the engineering team. METRO is requiring that everyone involved with the project to attend railway safety training classes. The project design is expected to take about 9 months to complete.

Caroline Street Project – Plans for the project are being revised based on comments received from TXDOT based on 100% plan submittal. There are concerns regarding drainage issues at Caroline and Elgin, the city feels there are no issues. The MRA may have to submit design exceptions.

SuperBlock Park Project – The Staff and consultants are working with the private development partner to incorporate certain City requirements into the design plans for the parking garage. The team is working to submit plans and an application for permits to the City in May 2014.

WITH RESPECT TO THE FOREGOING AGENDA ITEMS, CONDUCT AN EXECUTIVE SESSION WITH REGARDS TO THE FOLLOWING, AS APPROPROATE AND NECESSARY.

- a. Consultation with attorney (Section 551.071, Texas Government Code);
- b. Personnel matters (Section 551.074, Texas Government Code).

There was no Executive Session.

OTHER BUSINESS / ANNOUNCEMENTS

Director McGaughey announced that Houston Community College (HCC) was sponsoring a Small Business Workshop on May 1, 2014, 10 a.m. to 12:00 noon, in the HCC Administration Building Auditorium. She also encouraged all Board members to sign up to receive the HCC digital newsletter to learn about more HCC events.

NEXT MEETING DATE

Chair Franks announced that the next Board meeting will be held on Wednesday, May 7, 2014, at 6:00 p.m. in the Community Room of Central Bank at 2217 Milam, Houston, Texas.

ADJOURN

There being no other business, the meeting was adjourned.

Eileen J. Morris

Eileen J. Morris, Board Secretary

Date: 5/7/14