



April 25, 2019

BY MESSENGER

*CITY SECRETARY'S OFFICE
CITY OF HOUSTON
CITY HALL ANNEX
900 BAGBY
HOUSTON, TEXAS 77002*



DEAR MADAM:

ENCLOSED IS A NOTICE FOR A PUBLIC MEETING ON APRIL 30, 2019 FOR THE HOUSTON REINVESTMENT ZONE NUMBER TWO (ALSO KNOWN AS THE MIDTOWN REINVESTMENT ZONE) AND THE MIDTOWN REDEVELOPMENT AUTHORITY WHICH NEED TO BE POSTED AS SOON AS POSSIBLE.

ALSO ENCLOSED IS AN ADDITIONAL COPY OF THIS LETTER WHICH WE WOULD APPRECIATE YOUR DATE STAMPING AND RETURNING TO OUR MESSENGER.

THANK YOU FOR YOUR HELP IN THIS MATTER.

VERY TRULY YOURS,

A handwritten signature in blue ink that reads "Kandi Schramm".

KANDI SCHRAMM
OFFICE OF MATT THIBODEAUX
EXECUTIVE DIRECTOR

ENCLOSURES



**MIDTOWN REDEVELOPMENT AUTHORITY
and**

**REINVESTMENT ZONE NUMBER TWO, CITY OF HOUSTON, TEXAS
(ALSO KNOWN AS THE MIDTOWN REINVESTMENT ZONE)**

TO: THE BOARD OF DIRECTORS OF THE MIDTOWN REDEVELOPMENT AUTHORITY AND THE MIDTOWN REINVESTMENT ZONE AND TO ALL OTHER INTERESTED PERSONS:

Notice is hereby given that the Board of Directors of the Midtown Redevelopment Authority (the "Authority") will hold a **joint special** meeting, open to the public, with the Board of Directors of the Midtown Reinvestment Zone to be held on **Tuesday, April 30, 2019 at 12:30 P.M. on the 3rd Floor of the Houston Exponential Center, 410 Pierce Street, Suite 355, Houston, Texas 77002.** The Board of Directors of each of the Authority and the Midtown Reinvestment Zone will (i) consider, present and discuss orders, resolutions or motions; (ii) adopt, approve and ratify such orders, resolutions or motions; and (iii) take other actions as may be necessary, convenient or desirable, with respect to the following matters:

AGENDA

1. Call to Order and Introduction of Guests.
2. Public Comment.
3. Consent Agenda for the Midtown Reinvestment Zone:
 - a. Minutes for March 28, 2019.
4. Consent Agenda for the Authority:
 - a. Minutes for March 28, 2019;
 - b. Monthly financial reports for March 2019;
 - c. Invoices from Trustee and Operating Accounts for April 2019.
5. Joint Agenda for the Midtown Reinvestment Zone and the Authority:
 - a. Restated and Revised Interlocal Agreement between Harris County, Midtown Redevelopment Authority and Tax Increment Reinvestment Zone Number Two;
Project Plan Amendment and Supplement to Debt Authorization.
6. Midtown Building Option: Letter of Intent for Option of Property.

7. Bagby Park Restaurant Kiosk Lease.
8. Engagement Letter for FY 2019 & 2020 Financial and Agreed Upon Procedures Audits.
9. Midtown Affordable Housing Program:
 - a. Affordable Housing Operations Center;
 - i. Financing Options
 - b. NHP Contract to Sell Affordable Housing Property
 - c. Resolution Authorizing a Development and Purchase Agreement for Affordable Housing:
 - i. Epic Homes, LLC
 - ii. Cole/Klein Builders, LLC
 - d. Affordable Housing Development.
10. Midtown Capital Improvements Program:
 - a. Parks and Greenspace - Walter P Moore / Design Workshop
 - i. Midtown Park
 1. Approve Park Change Orders – Millis
 - ii. Bagby Park – Storage and Renovations
 1. Award Construction Contract
 2. Approve Work Order for Construction Management and Inspection Services
 - b. Caroline Street Reconstruction – ESPA Corp/KCI
 - i. Approve Change Orders
 - c. FTA Grant Program - The Goodman Corporation.
11. With respect to the foregoing agenda items, the Authority may conduct an executive session with regard to the following, as appropriate and necessary:
 - a. Consultation with attorney (Section 551.071, Texas Government Code);
 - b. The purchase, exchange, lease or value of real property (Section 551.072, Texas Government Code);
 - c. Personnel matters (Section 551.074, Texas Government Code);
 - d. Security personnel or devices (Section 551.076, Texas Government Code); and
 - e. Economic development negotiations (Sections 551.087, Texas Government Code).

Upon entering into the executive session, the presiding officer shall announce which agenda items will be discussed.

12. Adjourn.



Matt Thibodeaux
Executive Director *MTS*

**MINUTES OF THE BOARD OF DIRECTORS OF
REINVESTMENT ZONE NUMBER TWO, CITY OF HOUSTON, TEXAS**

March 28, 2019

A regular meeting of the Board of Directors (the “Board”) of the Reinvestment Zone Number Two, City of Houston, Texas (the “Zone”), a non-profit corporation, was held at the Midtown Redevelopment Authority’s offices in the Houston Technology Center, 410 Pierce, Houston, Texas 77002, on Thursday, March 28, 2019, at 12:30 p.m. The meeting was open to the public. The roll was called of the duly appointed members of the Board, to-wit:

<u>Pos. #</u>	<u>Name</u>	<u>Pos. #</u>	<u>Name</u>
1	Camille Foster	6	Abe Goren
2	Doug Erwing	7	Caton M. Fenz
3	Gayle Fortson	8	John Thomas
4	Pamela Ngo Castleman	9	Brandon Dudley
5	Al Odom		

and all of the above were present except Directors Thomas and Fortson.

Also in attendance were Matt Thibodeaux, Vernon Williams, Kandi Schramm, Todd Edwards, Cynthia Alvarado, Sally Adame, Theresa Gilmore, David Thomas, Jalisa Hurst, Mechelle Phillips, Madeline Pena, Amaris Salinas and Mark Sullivan of Midtown; Barron F. Wallace of Bracewell LLP; Peggy Foreman of Burney & Foreman; Rachel Rae Welsh of Walter P. Moore; Carol Harrison of IDS Engineering; Roberta Burroughs of Roberta Burroughs & Associates; Algenita Davis, Angie Gomez, Joy Fitzgerald, Linda Larry-Mitchell & Robert Bradford of CCPPI; Alex Ramirez of Design Workshop; Kristin Blomquist of Masterson Advisors; Jennifer Curley of the City of Houston; Vanessa Cole and Harry Klein of Cole/Klein Builders; Peter Freedman of Agape Homes CDC; Charlotte Knight-Marshall of TKG & Associates; Harish Hegde and John Mudd of KCI Technologies and Mariana Rashcke of the Goodman Corporation.

Chairman Odom called the meeting to order and welcomed the guests.

CONSENT AGENDA

MINUTES FOR FEBRUARY 28, 2019.

Matt Thibodeaux, Executive Director, presented the consent agenda to the Board.

Director Goren made a motion to approve the consent agenda. The motion was seconded by Director Dudley and carried by unanimous vote.

ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned.

Pamela Castleman, Secretary

Date

DRAFT

DRAFT

**MINUTES OF THE BOARD OF DIRECTORS OF
THE MIDTOWN REDEVELOPMENT AUTHORITY**

March 28, 2019

A regular meeting of the Board of Directors (the "Board") of the Midtown Redevelopment Authority (the "Authority") was held at the Authority's offices in the Houston Technology Center, 410 Pierce, Houston, Texas 77002, on Thursday, March 28, 2019 at 12:30 p.m. The meeting was open to the public. The roll was called of the duly appointed members of the Board, to-wit:

<u>Pos. #</u>	<u>Name</u>	<u>Pos. #</u>	<u>Name</u>
1	Camille Foster	6	Abe Goren
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and all of the above were present except Directors Thomas and Fortson.

Also in attendance were Matt Thibodeaux, Vernon Williams, Kandi Schramm, Todd Edwards, Cynthia Alvarado, Sally Adame, Theresa Gilmore, David Thomas, Jalisa Hurst, Mechelle Phillips, Madeline Pena, Amaris Salinas and Mark Sullivan of Midtown; Barron F. Wallace of Bracewell LLP; Peggy Foreman of Burney & Foreman; Rachel Rae Welsh of Walter P. Moore; Carol Harrison of IDS Engineering;; Roberta Burroughs of Roberta Burroughs & Associates; Algenita Davis, Angie Gomez, Joy Fitzgerald, Linda Larry-Mitchell & Robert Bradford of CCPPI; Alex Ramirez of Design Workshop; Kristin Blomquist of Masterson Advisors; Jennifer Curley of the City of Houston; Vanessa Cole and Harry Klein of Cole/Klein Builders; Peter Freedman of Agape Homes CDC; Charlotte Knight-Marshall of TKG & Associates; Harish Hegde and John Mudd of KCI Technologies and Mariana Rashcke of the Goodman Corporation. .

Chairman Odom called the meeting to order and welcomed the guests.

PUBLIC COMMENT.

Mr. Peter Freedman of Agape Homes CDC introduced himself to the group and expressed an interest in Midtown's affordable housing program.

CONSENT AGENDA FOR THE AUTHORITY:

- a. **MINUTES FOR FEBRUARY 28, 2019;**
- b. **MONTHLY FINANCIAL REPORTS FOR FEBRUARY 2019;**
- c. **INVOICES FROM TRUSTEE AND OPERATING ACCOUNTS FOR MARCH 2019;**
- d. **CONSULTING AGREEMENT WITH WULFE & CO.;**
- e. **RATIFY PLACEMENT AGENT AGREEMENT.**

Executive Director Thibodeaux presented the Consent Agenda. Director Dudley made a motion to approve the consent agenda items a – e, as presented. The motion was seconded by Director Goren and carried by unanimous vote.

JOINT AGENDA FOR THE MIDTOWN REINVESTMENT ZONE AND THE AUTHORITY:

a. RESTATED AND REVISED INTERLOCAL AGREEMENT BETWEEN HARRIS COUNTY, MIDTOWN REDEVELOPMENT AUTHORITY AND TAX INCREMENT REINVESTMENT ZONE NUMBER TWO;

Barron F. Wallace reported that he is still awaiting final comments from certain City of Houston and Harris County departments regarding the Restated and Revised Interlocal Agreement between Harris County, Midtown Redevelopment Authority and Tax Increment Reinvestment Zone Number Two.

b. PROJECT PLAN AMENDMENT AND SUPPLEMENT TO DEBT AUTHORIZATION.

Barron F. Wallace stated that there was no new information regarding the Project Plan Amendment and Supplement to Debt Authorization to report at this time.

MIDTOWN OFFICE LEASE AND RELOCATION OPTIONS; OPTION AGREEMENT TERM SHEET.

Mr. Wallace stated that the Authority is awaiting receipt of a formal proposed term sheet from the developer.

MIDTOWN AFFORDABLE HOUSING PROGRAM:

a. AFFORDABLE HOUSING OPERATIONS CENTER;

No update was given on the Affordable Housing Operations Center at this meeting.

b. AFFORDABLE HOUSING DEVELOPMENT UPDATE.

Todd Edwards presented the Comprehensive Review Process Tracking Report from CCPPI showing status of various developments and proposed developments in the target area. He also gave a brief report on homes currently being developed by Cole/Klein Builders LLC and provided pictures of the homes in various states of construction. Mr. Edwards further reported that HOU Homes, Inc. is in the completion phase of construction of its 31 townhome project. He stated that all of the units had been sold and many were occupied. He offered to schedule a tour of the townhomes for Board Members.

MIDTOWN CAPITAL IMPROVEMENTS PROGRAM:

a. PARKS AND GREENSPACE - WALTER P MOORE / DESIGN WORKSHOP

I. MIDTOWN PARK

In Marlon Marshall's absence, Kandi Schramm reported the Midtown Park contractor is progressing with paver, lighting and landscape installation in the Front 90 Plaza area.

She also reported that sanitary sewer installation in the Front 90 area has begun and that construction of the Main Street streetscape is scheduled to begin in April 2019.

1. **APPROVE GARAGE CHANGE ORDERS – CAMDEN**

There were no garage change orders presented for consideration.

2. **APPROVE PARK CHANGE ORDERS – MILLIS**

There were no Park change orders presented for consideration.

II. ENTRY PORTALS

Ms. Schramm reported that the project closeout documents were in progress.

1. **APPROVE CHANGE ORDERS – B&D CONTRACTORS**

There were no entry portal change orders presented for consideration.

b. **CAROLINE STREET RECONSTRUCTION – ESPA CORP/KCI**

Ms. Schramm reported that the contractor for the Caroline Street Project continues the waterline installation on the east side of Caroline between Dennis and McGowen and the storm sewer installation on Tuam Street between Caroline and Austin.

I. APPROVE CHANGE ORDERS

There were no change orders presented for consideration.

c. **FTA GRANT PROGRAM - THE GOODMAN CORPORATION.**

THERE WAS NO NEW INFORMATION TO REPORT REGARDING THE FTA GRANT.

PROGRAM. WITH RESPECT TO THE FOREGOING AGENDA ITEMS, THE AUTHORITY MAY CONDUCT AN EXECUTIVE SESSION WITH REGARD TO THE FOLLOWING, AS APPROPRIATE AND NECESSARY:

- a. **CONSULTATION WITH ATTORNEY (SECTION 551.071, TEXAS GOVERNMENT CODE);**
- b. **THE PURCHASE, EXCHANGE, LEASE OR VALUE OF REAL PROPERTY (SECTION 551.072, TEXAS GOVERNMENT CODE);**
- c. **PERSONNEL MATTERS (SECTION 551.074, TEXAS GOVERNMENT CODE);**
- d. **SECURITY PERSONNEL OR DEVICES (SECTION 551.076, TEXAS GOVERNMENT CODE); AND**
- e. **ECONOMIC DEVELOPMENT NEGOTIATIONS (SECTIONS 551.087, TEXAS GOVERNMENT CODE).**

There being no further business the meeting was adjourned.

Pamela Castleman, Secretary

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Midtown Redevelopment Authority
Profit & Loss
 July 2018 through March 2019

Jul '18 - Mar 19

Ordinary Income/Expense

Income

400000 · Revenue & Support	
400009 · City of Houston Tax Increment	500.00
400010 · HISD Tax Increment	1,253,322.00
400020 · Reimb Off Exp & Staff	263,145.18
400022 · HTC Performance Rent	1.00
400025 · Interest-Debt Service & Reserve	130,786.07
400026 · Interest-Other Bond Funds	157,659.66
400029 · Interest - Affordable Housing	164,181.08
400030 · Interest-Operating Funds	88,977.62
400032 · Other Revenue	363,823.90
Total 400000 · Revenue & Support	<u>2,422,396.51</u>

Total Income

2,422,396.51

Gross Profit

2,422,396.51

Expense

500000 · BOND FUND EXPENSES	
505000 · T-0220 Afford.Hous Lnd Bk Prg	
500022 · Affordable Housing Expenditures	1,010,933.33
500023 · AFH Legal Fees	31,715.00
Total 505000 · T-0220 Afford.Hous Lnd Bk Prg	<u>1,042,648.33</u>
Total 500000 · BOND FUND EXPENSES	1,042,648.33

510000 · INCREMENT PROJECTS/EXPENSE

510002 · T-0214 Caroline St near HCCS	253,964.19
510003 · T-0211 Holman Street St	150,539.01
510008 · T-0220 Afford Housing Land Bnk	
510013 · T-0220 Affordable Housing Legal	67,293.11
510017 · T-0220 Drainage Fees	5,759.42
510018 · Fines	10,721.95
512001 · T-0220 Aff Hous Expense	2,829,122.23
Total 510008 · T-0220 Afford Housing Land Bnk	<u>2,912,896.71</u>

510010 · T-0237 Baldwin Park Upgrades	
510019 · T-0214 Caroline St	34,987.50
510024 · T-0204 Infrastruc/Street Lights	484.62
510041 · CIP Program Expenses	175,179.82
510043 · T-0234 Parks & Open Space & Mob	138,511.83
510045 · T-0224 HTC I - Bldg Maintenance	28,309.08
510046 · T-0221 Midtown Pk	2,420,942.05
510050 · T-0210 Main Street Enhancements	1,405,527.84
510053 · T-0233 Midtown Garage	15,745.91
510096 · T-0207 Opr of Zone Prj Faciliti	250,000.00
510102 · HMAAC Interest Expense	40,081.44
510103 · Camden Interest	525,450.92
510534 · T-0225 Mobility & Pedest Imprv	124,878.83
510700 · Municipal Services Costs	51,544.78
511001 · T-0232 Public & Cultural Fac	100,000.00
511002 · T-0233 Midtown Park Garage	105,774.94
Total 510000 · INCREMENT PROJECTS/EXPENSE	<u>8,734,819.47</u>

550000 · General & Admin. Expense

550002 · Contract Labor	20,359.40
550003 · Rent Expense (Additional office space)	54,705.00
550004 · Salaries	
550014 · Health Insurance	83,936.32

Midtown Redevelopment Authority
Profit & Loss
 July 2018 through March 2019

	Jul '18 - Mar 19
550015 · AFLAC	1,728.58
550018 · Life Insurance	221.30
550004 · Salaries - Other	1,109,633.48
Total 550004 · Salaries	1,195,519.68
5500047 · Overtime	2,445.77
550007 · Courier Service	2,248.57
550008 · Office Supply & Expense	10,337.97
550009 · Misc Exp	2,814.31
550010 · Telephone & Utilities	
550110 · Cellular Service	876.87
550113 · Drainage fee	2,966.21
550010 · Telephone & Utilities - Other	13,927.85
Total 550010 · Telephone & Utilities	17,770.93
550011 · Interest Expense - Camden	-314,594.00
550012 · Postage	601.28
550019 · Special Projects (Special Projects as determined by the City of Houston)	223,750.00
550022 · Bank Charges & Fees	6,304.22
550023 · Trust Expenses	10,744.80
550025 · Professional Services	75,474.69
550026 · Accounting Consultants	13,550.00
550027 · Financial Audit (Audit Services)	41,375.00
550028 · Legal Consultants	125,950.94
550030 · Planning Consultants	8,168.82
550031 · HTC Bldg Maintenance	13,931.52
550032 · Engineering Consultants	106,934.86
550033 · Professional Fees/Other Consult	34,840.00
550034 · Equip Rent & Lease Expense	5,920.99
550036 · Licenses & Fees	9,630.53
550037 · Workman's Comp Insurance	2,944.54
550038 · Insurance - All	139,834.63
550039 · Computers & Repairs & Maint	23,842.13
550040 · Repair & Maintenance	5,481.97
550044 · Payroll Expense & PR Tax Exp	84,601.99
550045 · Payroll Fees	15,817.67
550046 · Reimb. Employee Office Exp.	135.03
550050 · Depreciation Expense	330,014.14
550052 · Depre Expense-Midtown Park	424,323.44
550053 · Deprec Expense-Works of Art	19,354.10
550058 · Travel	2,706.19
550061 · Public Relations	111,180.00
550000 · General & Admin. Expense - Other	935.33
Total 550000 · General & Admin. Expense	2,829,956.44
550051 · Dep Exp - Midtown Park/Garage	269,557.12
600000 · Bond Related Expenses	
550055 · Amort Bond Prem	-384,628.48
560038 · 11 Bond Series Interest Expense	578,291.69
560039 · 2013 Bond Series Int Expense	855,245.84
560040 · 2015 Bond Int Expense	315,558.33
560041 · 2017 Bond Int Expense	1,241,483.34
Total 600000 · Bond Related Expenses	2,605,950.72
Total Expense	15,482,932.08
Net Ordinary Income	-13,060,535.57
Net Income	-13,060,535.57

Midtown Redevelopment Authority
Balance Sheet
As of March 31, 2019

Mar 31, 19

ASSETS

Current Assets

Checking/Savings

101001 · Wells Fargo Ope Acctg 64040	49,377.80
101002 · Infrastructure Projects 1731	949.78
101010 · WF Surplus Acct 63943	908.55
101020 · WF FTA Enhanced Path 63919	59.91
102200 · Logic Operating Account (Investment Account)	3,941,399.56
103200 · TexStar Operating Acct 1111	6,575.80
103600 · Wells Fargo Oper Inves 63901	728.80
103700 · WF Operating Saving 3215777180	45,305.88
104000 · Affordable Housing Accounts	
104021 · WF Afford Hous 3927	53,279.59
104022 · WF Pilot Program 3935	343.25
104116 · TexStar Aff. Hsng MM 1800	1,973.27
104200 · Logic Affordable Housing (Investment Account)	<u>3,051,639.88</u>
Total 104000 · Affordable Housing Accounts	3,107,235.99
105000 · Trustee Investments	
105001 · Pledge Revenue Fund 422885	
105100 · Pledge Revenue Fund -422885	2,254.56
Total 105001 · Pledge Revenue Fund 422885	<u>2,254.56</u>
105002 · Debt Service Fund	
105200 · BNY-Debt Service Fund 422896	<u>2,223,977.19</u>
Total 105002 · Debt Service Fund	2,223,977.19
105003 · Reserve Fund 422897	
105324 · TexStar Debt Res Fnd MM 1023 (Debt Reserve Fund)	<u>8,000,842.43</u>
Total 105003 · Reserve Fund 422897	8,000,842.43
105009 · Austin Park Maint. Fund 422919	
105901 · Austin Park Money Market Acct.	<u>3,528.00</u>
Total 105009 · Austin Park Maint. Fund 422919	3,528.00
107000 · BOND FUNDS	
107012 · BNY 443264 2011 Escrow	9.99
107017 · 937933 8400 2017 ESCROW	1,245,366.44
107018 · LOGIC 2017 PROJECT FUND (Trust Account 7487592004)	6,956,362.27
107019 · LOGIC 2017 AFFORDABLE HOUSING (Trust Account 7487592005)	<u>4,559,729.88</u>
Total 107000 · BOND FUNDS	<u>12,761,468.58</u>
Total 105000 · Trustee Investments	<u>22,992,070.76</u>

Total Checking/Savings

30,144,612.83

Accounts Receivable

170000 · Accounts Receivable	
170008 · KIOS	-6,400.00
170011 · MIDCORP	152,871.33
170020 · HX Houston Exponential AR	18,624.27
170021 · HTC BUILTOUT	338,285.67
170030 · FTA INCOME	<u>7,340.00</u>
Total 170000 · Accounts Receivable	<u>510,721.27</u>

Total Accounts Receivable

510,721.27

Total Current Assets

30,655,334.10

Fixed Assets

150000 · Fixed Assets

150010 · Office Furniture & Equipment	26,321.36
150011 · Accumulated Depreciation-Furn.	-26,321.36
150020 · Computer Equipment	32,057.11

Midtown Redevelopment Authority
Balance Sheet
 As of March 31, 2019

Mar 31, 19

150021 · Accumulated Depreciation-Comp.	-32,057.11
150040 · Land - JPI Park	736,911.00
150045 · Walgreens/Lui Park Land	141,000.00
150062 · Land - Houston Tech.Center I	798,053.89
150063 · Houston Tech Center I	2,667,192.62
150064 · Accm Deprec-Houston Tech Cntr I	-2,112,038.51
150065 · Land - HTC Phase II	697,219.00
150066 · Houston Tech Center II	2,816,117.96
150067 · Accum.Deprec. HTC Phase I	-1,771,807.68
150069 · Land - Bagby Park	1,318,870.15
150070 · BagbyPark	2,453,218.83
150071 · Accum.Deprec. BagbyPark	-1,145,296.61
150075 · Midtown Park 2905 Travis St	3,506,306.26
150078 · Midtown Park Land-Tracts I & II	4,416,883.45
1500783 · Accum Deprec-Works of Art	-19,354.10
150078A · Midtown (Superblock) Garage	-0.13
150078B · Midtown (Superblockj) Park	2,300,103.34
150078C · Midtown Garage - Depreciable As	
1500781 · Acc Depre - Midtown Garage	-539,114.28
150078C · Midtown Garage - Depreciable As - Other	23,104,895.00
Total 150078C · Midtown Garage - Depreciable As	<u>22,565,780.72</u>
150078D · Midtown Park - Depreciable Asse	
1500782 · Acc Depre Midtown Park	-848,646.44
150078D · Midtown Park - Depreciable Asse - Other	19,094,553.00
Total 150078D · Midtown Park - Depreciable Asse	<u>18,245,906.56</u>
150079B · Works of Art - Donated	725,778.00
150080 · Land (Resale) (Land purchase for resale)	
150081 · Earnest Money	36,686.18
150082 · Option Fees	11,200.00
150803 · Affordable Housing Legal	109,050.45
150804 · Affordable Housing Misc	752,799.46
150805 · AFFORD HOUS GRANTS	126,750.28
150080 · Land (Resale) (Land purchase for resale) - Other	50,941,384.15
Total 150080 · Land (Resale) (Land purchase for resale)	<u>51,977,870.52</u>
150089 · Land HMAAC (Land)	1,206,150.00
150090 · HMAAC Property	918,850.00
150091 · Accum Depr HMAAC	-382,853.70
150100 · 2800 MAIN	317,069.93
Total 150000 · Fixed Assets	<u>112,377,931.50</u>
Total Fixed Assets	<u>112,377,931.50</u>
TOTAL ASSETS	<u>143,033,265.60</u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
200000 · Accounts Payable	
202001 · Retainage Payable	2,911,411.71
200000 · Accounts Payable - Other	773,452.40
Total 200000 · Accounts Payable	<u>3,684,864.11</u>
Total Accounts Payable	3,684,864.11
Other Current Liabilities	
200001 · Current Liabilities	
200005 · Accrued Expenses	118,257.61

Midtown Redevelopment Authority
Balance Sheet
 As of March 31, 2019

	Mar 31, 19
201000 · Operating Account Liabilities	-2,530.25
201001 · MIDCORP Kios	14,554.84
202000 · Project Fund Liabilities	18,578.35
2021062 · Due MMD	-3,843.12
204000 · HMAAC NOTE - CURRENT	102,902.00
2103008 · CRI Current Camden	1,586,239.92
200001 · Current Liabilities - Other	13,800.00
Total 200001 · Current Liabilities	1,847,959.35
2103007 · Developer Advances Midtown Park	7,729,466.00
Total Other Current Liabilities	9,577,425.35
Total Current Liabilities	13,262,289.46
Long Term Liabilities	
210000 · Long Term Liabilities	
210044 · Bonds Payable Series 2011	14,935,000.00
210047 · Bonds Payabe Series '13	21,990,000.00
210048 · Current Portion Bonds Payable	5,873,000.00
210049 · Bond Payable Series '15	9,845,000.00
210050 · Bond Payable Series 2017	35,797,000.00
210053 · Accrued Bond Int 2015 series	78,889.58
210055 · Accrued Bond Interest 13 Series	213,811.46
210056 · Accrued Bond Interest Series 11	144,572.92
210058 · Series 2013 BOND PREMIUM	1,097,297.89
210059 · Series 2015 Bond Prem	688,396.84
210061 · Series 2017 Bond Premium	3,893,714.45
210062 · Accrued Bond Interest Series 17	310,370.84
2103000 · LOANS	
2103003 · HMAAC LOAN REFINANCED	1,188,551.71
Total 2103000 · LOANS	1,188,551.71
Total 210000 · Long Term Liabilities	96,055,605.69
Total Long Term Liabilities	96,055,605.69
Total Liabilities	109,317,895.15
Equity	
1110 · Retained Earnings (Retained Earnings)	46,775,906.02
Net Income	-13,060,535.57
Total Equity	33,715,370.45
TOTAL LIABILITIES & EQUITY	143,033,265.60

Midtown Redevelopment Authority

Trial Balance

As of March 31, 2019

	Mar 31, 19	
	Debit	Credit
101001 · Wells Fargo Ope Acctg 64040	49,377.80	
101002 · Infrastructure Projects 1731	949.78	
101010 · WF Surplus Acct 63943	908.55	
101020 · WF FTA Enhanced Path 63919	59.91	
102200 · Logic Operating Account	3,941,399.56	
103200 · TexStar Operating Acct 1111	6,575.80	
103600 · Wells Fargo Oper Inves 63901	728.80	
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104021 · WF Afford Hous 3927	53,279.59	
104022 · WF Pilot Program 3935	343.25	
104116 · TexStar Aff. Hsng MM 1800	1,973.27	
104200 · Logic Affordable Housing	3,051,639.88	
105100 · Pledge Revenue Fund -422885	2,254.56	
105200 · BNY-Debt Service Fund 422896	2,223,977.19	
105324 · TexStar Debt Res Fnd MM 1023	8,000,842.43	
105901 · Austin Park Money Market Acct.	3,528.00	
107012 · BNY 443264 2011 Escrow	9.99	
107017 · 937933 8400 2017 ESCROW	1,245,366.44	
107018 · LOGIC 2017 PROJECT FUND	6,956,362.27	
107019 · LOGIC 2017 AFFORDABLE HOUSING	4,559,729.88	
170008 · KIOS		6,400.00
170011 · MIDCORP	152,871.33	
170020 · HX Houston Exponential AR	18,624.27	
170021 · HTC BUILTOUT	338,285.67	
170030 · FTA INCOME	7,340.00	
150010 · Office Furniture & Equipment	26,321.36	
150011 · Accumluated Depreciation-Furn.		26,321.36
150020 · Computer Equipment	32,057.11	
150021 · Accumulated Depreciation-Comp.		32,057.11
150040 · Land - JPI Park	736,911.00	
150045 · Walgreens/Lui Park Land	141,000.00	
150062 · Land - Houston Tech.Center I	798,053.89	
150063 · Houston Tech Center I	2,667,192.62	
150064 · Accm Deprec-Houston Tech Cntr I		2,112,038.51
150065 · Land - HTC Phase II	697,219.00	
150066 · Houston Tech Center II	2,816,117.96	
150067 · Accum.Deprec. HTC Phase I		1,771,807.68
150069 · Land - Bagby Park	1,318,870.15	
150070 · BagbyPark	2,453,218.83	
150071 · Accum.Deprec. BagbyPark		1,145,296.61
150075 · Midtown Park 2905 Travis St	3,506,306.26	
150078 · Midtown Park Land-Tracts I & II	4,416,883.45	
1500783 · Accum Deprec-Works of Art		19,354.10
150078A · Midtown (Superblock) Garage		0.13

Midtown Redevelopment Authority

Trial Balance

As of March 31, 2019

	Mar 31, 19	
	Debit	Credit
150078B · Midtown (Superblockj) Park	2,300,103.34	
150078C · Midtown Garage - Depreciable As	23,104,895.00	
1500781 · Acc Depre - Midtown Garage		539,114.28
150078D · Midtown Park - Depreciable Asse	19,094,553.00	
1500782 · Acc Depre Mldtown Park		848,646.44
150079B · Works of Art - Donated	725,778.00	
150080 · Land (Resale)	50,941,384.15	
150081 · Earnest Money	36,686.18	
150082 · Option Fees	11,200.00	
150803 · Affordable Housing Legal	109,050.45	
150804 · Affordable Housing Misc	752,799.46	
150805 · AFFORD HOUS GRANTS	126,750.28	
150089 · Land HMAAC (Land)	1,206,150.00	
150090 · HMAAC Property	918,850.00	
150091 · Accum Depr HMAAC		382,853.70
150100 · 2800 MAIN	317,069.93	
200000 · Accounts Payable		773,452.40
202001 · Retainage Payable		2,911,411.71
200001 · Current Liabilities		13,800.00
200005 · Accrued Expenses		118,257.61
201000 · Operating Account Liabilities	2,530.25	
201001 · MIDCORP Kios		14,554.84
202000 · Project Fund Liabilities		18,578.35
2021062 · Due MMD	3,843.12	
204000 · HMAAC NOTE - CURRENT		102,902.00
2103008 · CRI Current Camden		1,586,239.92
2103007 · Developer Advances Midtown Park		7,729,466.00
210044 · Bonds Payable Series 2011		14,935,000.00
210047 · Bonds Payabe Series '13		21,990,000.00
210048 · Current Portion Bonds Payable		5,873,000.00
210049 · Bond Payable Series '15		9,845,000.00
210050 · Bond Payable Series 2017		35,797,000.00
210053 · Accrued Bond Int 2015 series		78,889.58
210055 · Accrued Bond Interest 13 Series		213,811.46
210056 · Accrued Bond Interest Series 11		144,572.92
210058 · Series 2013 BOND PREMIUM		1,097,297.89
210059 · Series 2015 Bond Prem		688,396.84
210061 · Series 2017 Bond Premium		3,893,714.45
210062 · Accrued Bond Interest Series 17		310,370.84
2103003 · HMAAC LOAN REFINANCED		1,188,551.71
1110 · Retained Earnings		46,775,906.02
400009 · City of Houston Tax Increment		500.00
400010 · HISD Tax Increment		1,253,322.00
400020 · Reimb Off Exp & Staff		263,145.18

Midtown Redevelopment Authority

Trial Balance

As of March 31, 2019

Mar 31, 19

	Debit	Credit
400022 · HTC Performance Rent		1.00
400025 · Interest-Debt Service & Reserve		130,786.07
400026 · Interest-Other Bond Funds		157,659.66
400029 · Interest - Affordable Housing		164,181.08
400030 · Interest-Operating Funds		88,977.62
400032 · Other Revenue		363,823.90
500022 · Affordable Housing Expenditures	1,010,933.33	
500023 · AFH Legal Fees	31,715.00	
510002 · T-0214 Caroline St near HCCS	253,964.19	
510003 · T-0211 Holman Street St	150,539.01	
510013 · T-0220 Affordable Housing Legal	67,293.11	
510017 · T-0220 Drainage Fees	5,759.42	
510018 · Fines	10,721.95	
512001 · T-0220 Aff Hous Expense	2,829,122.23	
510019 · T-0214 Caroline St	34,987.50	
510024 · T-0204 Infrastruc/Street Lights	484.62	
510041 · CIP Program Expenses	175,179.82	
510043 · T-0234 Parks & Open Space & Mob	138,511.83	
510045 · T-0224 HTC I - Bldg Maintenance	28,309.08	
510046 · T-0221 Midtown Pk	2,420,942.05	
510050 · T-0210 Main Street Enhancements	1,405,527.84	
510053 · T-0233 Midtown Garage	15,745.91	
510096 · T-0207 Opr of Zone Prj Faciliti	250,000.00	
510102 · HMAAC Interest Expense	40,081.44	
510103 · Camden Interest	525,450.92	
510534 · T-0225 Mobility & Pedest Imprv	124,878.83	
510700 · Municipal Services Costs	51,544.78	
511001 · T-0232 Public & Cultural Fac	100,000.00	
511002 · T-0233 Midtown Park Garage	105,774.94	
550000 · General & Admin. Expense	935.33	
550002 · Contract Labor	20,359.40	
550003 · Rent Expense	54,705.00	
550004 · Salaries	1,109,633.48	
550014 · Health Insruance	83,936.32	
550015 · AFLAC	1,728.58	
550018 · Life Insurance	221.30	
5500047 · Overtime	2,445.77	
550007 · Courier Service	2,248.57	
550008 · Office Supply & Expense	10,337.97	
550009 · Misc Exp	2,814.31	
550010 · Telephone & Utilities	13,927.85	
550110 · Cellular Service	876.87	
550113 · Drainage fee	2,966.21	
550011 · Interest Expense - Camden		314,594.00

Midtown Redevelopment Authority

Trial Balance

As of March 31, 2019

Mar 31, 19

	Debit	Credit
550012 · Postage	601.28	
550019 · Special Projects	223,750.00	
550022 · Bank Charges & Fees	6,304.22	
550023 · Trust Expenses	10,744.80	
550025 · Professional Services	75,474.69	
550026 · Accounting Consultants	13,550.00	
550027 · Financial Audit	41,375.00	
550028 · Legal Consultants	125,950.94	
550030 · Planning Consultants	8,168.82	
550031 · HTC Bldg Maintenance	13,931.52	
550032 · Engineering Consultants	106,934.86	
550033 · Professional Fees/Other Consult	34,840.00	
550034 · Equip Rent & Lease Expense	5,920.99	
550036 · Licenses & Fees	9,630.53	
550037 · Workman's Comp Insurance	2,944.54	
550038 · Insurance - All	139,834.63	
550039 · Computers & Repairs & Maint	23,842.13	
550040 · Repair & Maintenance	5,481.97	
550044 · Payroll Expense & PR Tax Exp	84,601.99	
550045 · Payroll Fees	15,817.67	
550046 · Reimb. Employee Office Exp.	135.03	
550050 · Depreciation Expense	330,014.14	
550052 · Depre Expense-Midtown Park	424,323.44	
550053 · Deprec Expense-Works of Art	19,354.10	
550058 · Travel	2,706.19	
550061 · Public Relations	111,180.00	
550051 · Dep Exp - Midtown Park/Garage	269,557.12	
550055 · Amort Bond Prem		384,628.48
560038 · 11 Bond Series Interest Expense	578,291.69	
560039 · 2013 Bond Series Int Expense	855,245.84	
560040 · 2015 Bond Int Expense	315,558.33	
560041 · 2017 Bond Int Expense	1,241,483.34	
TOTAL	<u>166,105,683.45</u>	<u>166,105,683.45</u>

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Midtown Redevelopment Authority
 Operations Account Check Register
 As of April 30, 2019

Type	Date	Num	Name	Memo	Credit
101001 - Wells Fargo Ope Acctg 64040					
Bill Pmt -Check	04/01/2019	9057	HX Houston Exponential	April 2019 Rent	5,745.00
Bill Pmt -Check	04/30/2019	9061	Bee-Line Delivery Service	Courter Service	285.16
Bill Pmt -Check	04/30/2019	9062	IDS Engineering Group	Professiona Consultants	49,853.79
Bill Pmt -Check	04/30/2019	9063	marimon	Contract bas cost & copies	315.00
Bill Pmt -Check	04/30/2019	9064	MBM Financial Corporatlon	CANON/IRAC5250	244.65
Bill Pmt -Check	04/30/2019	9065	McConnell & Jones, LLP	MARCH 2019	540.00
Bill Pmt -Check	04/30/2019	9066	Midtown Scouts Square Property, LP	CONTRACT PARKING MAY 2019	300.00
Bill Pmt -Check	04/30/2019	9067	NEVA Corporation	HVAC Services	1,431.70
Bill Pmt -Check	04/30/2019	9068	One World Strategy Group, LLC	MARCH 2019 PUBLIC AFFAIRS	7,500.00
Bill Pmt -Check	04/30/2019	9069	Pitney Bowes Global Financial Services LL	Postage Meter	32.00
Bill Pmt -Check	04/30/2019	9070	RPH	Technology Assessment and Consulting Services	3,000.00
Bill Pmt -Check	04/30/2019	9071	Seal Security Solutions LLC	Dec 31, 2018 Invoice Security Service	8,192.00
Bill Pmt -Check	04/30/2019	9072	Staples Advantage	office supplies	968.02
Bill Pmt -Check	04/30/2019	9073	The Goodman Corporation	MIDI12	17,266.40
Bill Pmt -Check	04/30/2019	9074	ThyssenKrupp Elevator	Elevator Service	545.41
Bill Pmt -Check	04/30/2019	9075	West Unified Communications Services Inc	Meeting Center Audio	158.04
Bill Pmt -Check	04/30/2019	9076	Wulfe & Co.	Consulting for Bagby Park and Midown Park	23,800.00
Bill Pmt -Check	04/30/2019	9077	TLC Engineering, Inc.	Professiona Consultants	92,055.00
Bill Pmt -Check	04/30/2019	9078	A. O. Phillips & Associates	CONSULTING SERICES APRIL 22, 2019	9,595.00
Bill Pmt -Check	04/30/2019	9079	SER Construction Partners, Ltd.	Main Street Enhancements MRA IDS Project 117	12,323.50
Bill Pmt -Check	04/30/2019	9080	Walter P. Moore	BAGBY/PIERCE SIGNAL	7,949.90
Bill Pmt -Check	04/30/2019	9081	Walter P. Moore	IT Servicews	2,160.30
Bill Pmt -Check	04/30/2019	9082	VOID	MARCH 2019	2,631.28
Bill Pmt -Check	04/30/2019	9083	AFLAC	MARCH 2019	2,631.28
Bill Pmt -Check	04/30/2019	9084	Bracewell LLP	Legal Consultants	10,559.00
Total 101001 - Wells Fargo Ope Acctg 64040					260,082.43

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Midtown Redevelopment Authority
 Affordable Housing Account
 Check Register
 As of April 30, 2019

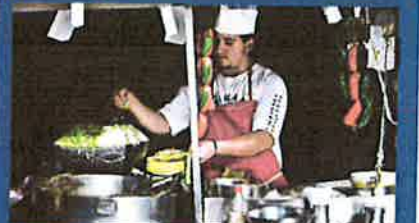
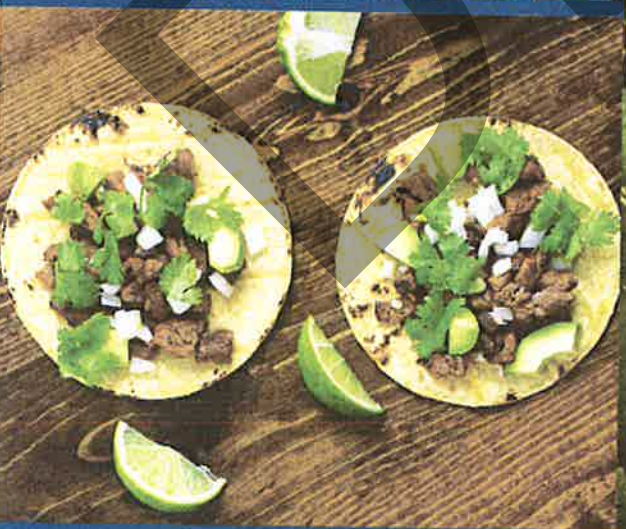
Type	Date	Num	Name	Memo	Amt
104000 - Affordable Housing Accounts					
104021 - WF Afford Hous 3927					
Bill Pmt -Check	04/04/2019	3355	Mr. Chace Blaylock	Affordable Housing CCPII	3,000.00
Bill Pmt -Check	04/11/2019	3356	ComPro Consultants, LLC	Commerial Appaisal of 6053 Bellfort St H	2,950.00
Bill Pmt -Check	04/17/2019	3357	City of Houston - Water	Drainage Fee	318.81
Bill Pmt -Check	04/17/2019	3358	City of Houston - Water	Drainage Fee	145.40
Bill Pmt -Check	04/17/2019	3359	City of Houston - Water	Drainage Fee	47.50
Bill Pmt -Check	04/30/2019	3360	CCPPI	Afford Hous Initalive - Operations Draw 1	91,666.67
Bill Pmt -Check	04/30/2019	3361	TransTeQ	MARCH 2019 LAWN SERVICE	30,946.62
Bill Pmt -Check	04/30/2019	3362	CORTEZ LANDSCAPING, LLC	Landscape Services	106,618.52
Bill Pmt -Check	04/30/2019	3363	Hou Homes	Completion Reimbursement	77,000.00
Bill Pmt -Check	04/30/2019	3364	Houston Business Development Inc.	Demolition and clearing	19,392.82
Bill Pmt -Check	04/30/2019	3365	KCK Demolition and Landscaping	Demo at 6912 Calhoun St Houston, Tx 7	15,000.00
Bill Pmt -Check	04/30/2019	3366	POWER, LLC	Demolition	28,000.00
Bill Pmt -Check	04/30/2019	3367	Roberta F. Burroughs & Associates	March 23 - April 21, 2019 Implementatio	6,000.00
Bill Pmt -Check	04/30/2019	3368	POWER, LLC	Landscape	14,400.00
Bill Pmt -Check	04/30/2019	3369	KCK Demolition and Landscaping	Trash Pick up & Dump	22,000.00
Bill Pmt -Check	04/30/2019	3370	UNIVERSAL HOUSING SOLUTIONS	Consulting Services	12,280.00
Bill Pmt -Check	04/30/2019	3371	Bracewell LLP	Legal Consultants	26,948.75
Total 104021 - WF Afford Hous 3927					456,712.89

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LA CALLE

TACOS & TORTAS





★ ★ ★ ★ ★
TACOS & TORTAS

2019

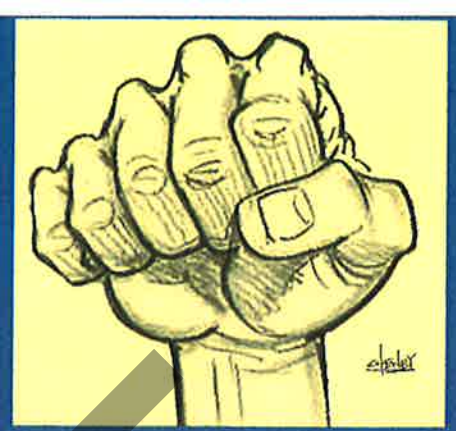
State of the Brand

*Keeping our promise to deliver 10 restaurants in 10 years.

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6 Fronts!



1. BREAKFAST

Office workers & Commuters.

2. LUNCH

Office workers & Commuters.



3. HAPPY HOUR

Office workers & Commuters.

4. DINNER

Household quick serve dine in and take out.



5. LATE NIGHT

Party goers and "Taco runs" 18 to 45 year old Multi-Cultural guests.

6. DELIVERY SERVICE

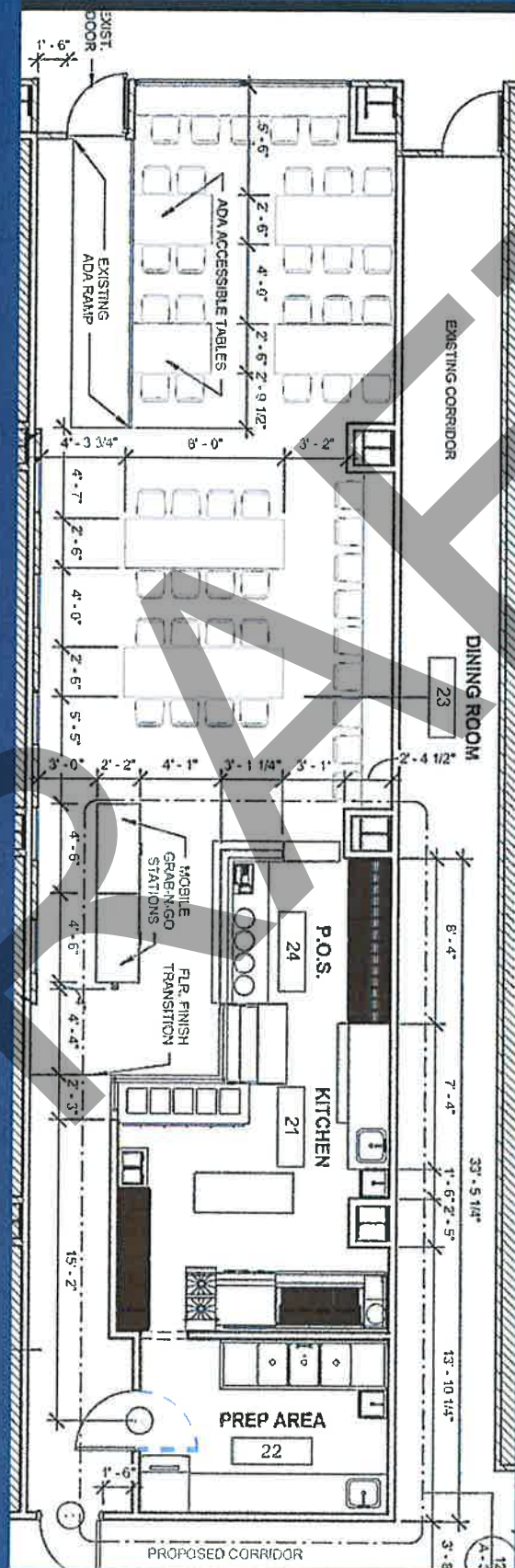
Currently about 20% of the overall business servicing 8 different delivery service platforms.

BRAND DNA

- PASSIONATE TAQUEROS AND TORTEROS.
- LOOK, CRAVE, SELECT AND PAY.
- MULTISENSORY EXPERIENCE
- VERY FRESH AND VERY AUTHENTIC
- SIMPLE, ECONOMICAL AND EASY TO OPERATE & REPLICATE
- IMPROVE WITHOUT COMPROMISE.
- OPERATIONAL ABSOLUTES





CURRENT UNIT LAYOUT



OUR REPUTATION 4.5+ Stars.

In less than 2 years we have acquired more than 1,000 5 star reviews among the top reputation platforms.

4.6   4.6 out of 5 · Based on the opinion of 520 people

La Calle Tacos

4.8 ★★★★★ 972 reviews

909 Franklin St, Houston, TX 77002



4.5

Excellent 

Very good 

Average 

Poor 

Terrible 

La Calle Tacos & "La Cantina", by La Calle ★

[Website](#) [Directions](#)

4.4 ★★★★★ 534 Google reviews

La Calle Tacos

★★★★★ 319 reviews

\$ · Tacos, Breakfast & Brunch

SOME RECOGNITION

In less than 2 years we have been featured in several “Best of” publications alongside places like Hugos, Caracol, Xochitl and a few food shows on TV Azteca and Univision.

- “What’s Good in Your Hood”.-
- “Best Traditional Taco”.-
- “The 15 Best Places for Tacos”.-
- “15 Essential Houston Taquerias”.-
- “Best places in Houston”.-
- “10 Spots to celebrate 5 de mayo”.-
- “Houston’s Best Tacos”.-
- “Best Breakfast Tacos in Houston”.-
- “28 Tacos in Houston to eat before you die”.-
- “Best New Years Eve Event”.-
- “Hotbed of innovation in Quick Service”.-
- “Best Places to Eat in Houston”.-
- “Must Hit 11 Happy Hours in Downtown”.-

Season 2 Season Finale (airs Aug/28/18)

Houston Press Tacoladia.

Foursquare.

Houston Eater.

The Goop.

Community Impact.

Houston Chron.

Houston Chron.

Houston Magazine.

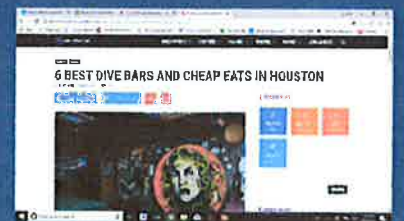
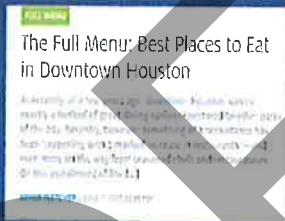
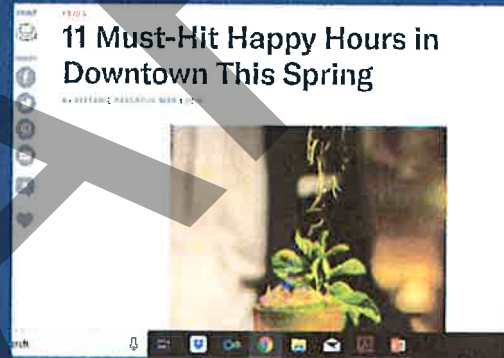
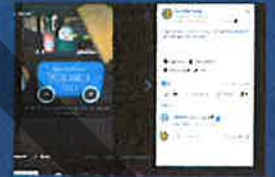
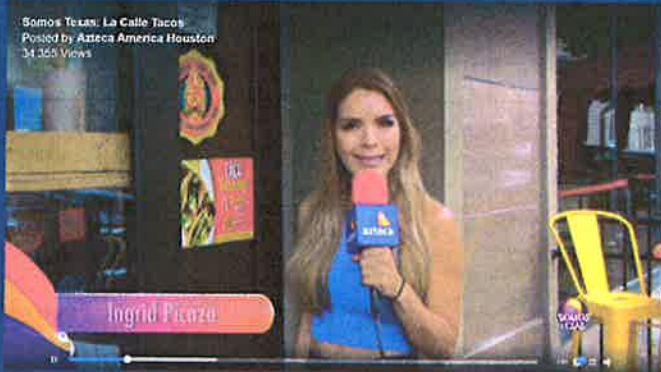
Paper City.

QSR Magazine.

Houston Public Media.

Downtown District.





- ☐ LOYALTY PROGRAM CONTACTS.-18,300
- ☐ FACEBOOK.- 17,500
- ☐ INSTAGRAM.- 5,089
- ☐ TWITTER.- 550

GUESTS
FOLLOWERS
FOLLOWERS
FOLLOWERS



Mark Zuckengerg
Facebook
Founder and CEO



Sheryl Sandberg
Facebook
COO

Jack Dorsey
Twitter
Founder and CEO



OWNERS RESUME.-

LA CALLE

★ ★ ★ ★ ★
TACOS & TORTAS

Ramon Soriano

Owner & Operator



PASSION FOR THE BUSINESS

Grew up in family owned business. An iconic restaurant in Mexico City from the early 60's to the late 80's.

- 25+ years of multiunit experience.
- Bachelors degree in Hotel and Restaurant Administration.
- Operator of the year for TGIFriday's.



BURGER KING District Manager

- Burger King in Mexico City:
- Director of Operations
- In charge of up to 15 high volume units at a time
- Fast food experience
- Director of the year
- Experienced transition from private to publicly traded company



EL GALLO GIRO Director of Operations

- Director of Operations and Process Improvement
- In charge of 9 \$6.5 MM AUV restaurants
- Fast Casual experience
- Very well built brand. This Los Angeles, CA brand is iconic amongst first generation Mexicans resulting in a feeling of being "home away from home." "La Calle" was conceptualized there.

ICONIC BRAND EXPERIENCE



TGI FRIDAY'S Director of Operations

- Director of Operations for flagship region
- In charge of nine \$4.5 MM AUV restaurants
- Casual Dining experience
- Experienced the revitalization of the brand with the execution of the "good to Great in 08" business plan



JOE'S CRAB SHACK Director of Operations

- Director of Operations for flagship region
- In charge of up to 15 \$3.5 MM AUV restaurants
- Experienced the revitalization of the brand through "The Perfect Joe's Experience" business plan resulting in 15 quarters of positive sales



OJOS LOCOS Director of Operations/General Manager

- Director of Operations for flagship region
- "Breastaurant" segment experience
- In charge of four \$5.5 MM AUV Restaurants
- Brand concept built around providing an "away from home" experience for the Hispanic market
- Past if Front Burmer brands: Twin Peaks, Velvet Taco, Whiskey Keg, Mooyah Burgers
- Brands build around Great DNA's

DRAFT

April 10, 2019

Midtown Redevelopment Authority
410 Pierce Street, Suite 355
Houston, Texas 77002

We are pleased to confirm our understanding of the terms of our engagement and the nature and limitations of the services we are to provide for Midtown Redevelopment Authority (the Authority).

We will apply the agreed-upon procedures listed in the attached schedule that were specified and agreed to by the Authority (specified party) on evaluating compliance with contracts and agreements related to the Authority's Capital Improvement Plan and Affordable Housing projects (the Projects) as of and for the year ending June 30, 2019. Our engagement to apply agreed-upon procedures will be conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of the procedures performed or to be performed is solely the responsibility of the Authority and we will require an acknowledgment in writing of that responsibility. Consequently, we make no representation regarding the sufficiency of the procedures described in the attached schedule either for the purpose for which the agreed-upon procedures report has been requested or for any other purpose.

Because the agreed-upon procedures listed in the attached schedule do not constitute an examination or review, we will not express an opinion or conclusion on the Projects. In addition, we have no obligation to perform any procedures beyond those listed in the attached schedule.

We plan to begin our procedures on approximately November 15, 2019 and, unless unforeseeable problems are encountered, the engagement should be completed by January 31, 2020.

We will issue a written report upon completion of our engagement that lists the procedures performed and our findings. Our report will be addressed to Midtown Redevelopment Authority. If, for any reason, we are unable to complete any of the procedures, we will describe in our report any restrictions on the performance of the procedures, or not issue a report and withdraw from this engagement. You understand that the report is intended solely for the information and use of the Authority, and should not be used by anyone other than these specified parties. Our report will contain a paragraph indicating that had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

An agreed-upon procedures engagement is not designed to detect instances of fraud or noncompliance with laws or regulations; however, we will communicate to you any known and suspected fraud and noncompliance with laws or regulations affecting the Projects that come to our attention. In addition, if, in connection with this engagement, matters come to our attention that contradict the Projects, we will disclose those matters in our report.

You are responsible for identifying the contracts and agreements related to the Projects and for selecting the criteria and procedures and determining that such criteria and procedures are appropriate for your purposes. You are also responsible for, and agree to provide us with, a written assertion about the Projects. In addition, you are responsible for providing us with (1) access to all information of which

you are aware that is relevant to the performance of the agreed-upon procedures on the subject matter, (2) additional information that we may request for the purpose of performing the agreed-upon procedures, and (3) unrestricted access to persons within the entity from whom we determine it necessary to obtain evidence relating to performing those procedures.

At the conclusion of our engagement, we will require certain written representations in the form of a representation letter from management that, among other things, will confirm management's responsibility for the Projects.

Alyssa Hill is the engagement partner and is responsible for supervising the engagement and signing the report or authorizing another individual to sign it.

We estimate that our fees for these services will be \$9,800. You will also be billed for travel and other out-of-pocket costs such as report production, word processing, postage, etc. Additional expenses are estimated to be \$200. The fee estimate is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the engagement. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. In accordance with our firm policies, work may be suspended if your account becomes 60 or more overdue and will not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination even if we have not completed our report. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket expenditures through the date of termination.

Dispute Resolution

In the event of a dispute between the parties which arises out of or relates to this contract or engagement letter, the breach thereof or the services provided or to be provided hereunder, if the dispute cannot be settled through negotiation, the parties agree that before initiating arbitration, litigation or other dispute resolution procedure, they will first try, in good faith, to resolve the dispute through non-binding mediation. All parties agree that an alternative form of dispute resolution shall not be undertaken by either party until the expiration of fifteen (15) calendar days following notice being provided to the other party indicating that the dispute cannot be settled through mediation. The mediation will be administered by the American Arbitration Association under its *Dispute Resolution Rules for Professional Accounting and Related Services Disputes*. The costs of any mediation proceedings shall be shared equally by all parties.

Electronic Data Communication and Storage and Use of Third Party Service Provider

In the interest of facilitating our services to your company, we may send data over the Internet, securely store electronic data via computer software applications hosted remotely on the Internet, or allow access to data through third-party vendors' secured portals or clouds. Electronic data that is confidential to your company may be transmitted or stored using these methods. We may use third-party service providers to store or transmit this data, such as, but not limited to, providers of tax return preparation software. In using these data communication and storage methods, our firm employs measures designed to maintain data security. We use reasonable efforts to keep such communications and data access secure in accordance with our obligations under applicable laws and professional standards. We also require our third-party vendors to do the same.

You recognize and accept that we have no control over, and shall not be responsible for, the unauthorized interception or breach of any communications or data once it has been sent or has been

subject to unauthorized access, notwithstanding all reasonable security measures employed by us or our third-party vendors. You consent to our use of these electronic devices and applications and submission of confidential client information to third-party service providers during this engagement.

To enhance our services to you, we will use a combination of remote access, secure file transfer, virtual private network or other collaborative, virtual workspace or other online tools or environments. Access through any combination of these tools allows for on-demand and/or real-time collaboration across geographic boundaries and time zones and allows CRI and you to share data, engagement information, knowledge, and deliverables in a protected environment. In order to use certain of these tools and in addition to execution of this acknowledgement and engagement letter, you may be required to execute a separate client acknowledgement or agreement and agree to be bound by the terms, conditions and limitations of such agreement. You agree that CRI has no responsibility for the activities of its third-party vendors supplying these tools and agree to indemnify and hold CRI harmless with respect to any and all claims arising from or related to the operation of these tools. While we may back up your files to facilitate our services, you are solely responsible for the backup of your files and records; therefore, we recommend that you also maintain your own backup files of these records. In the event you suffer a loss of any files or records due to accident, inadvertent mistake, or Act of God, copies of which you have provided to us pursuant to this agreement, we shall not be responsible or obligated to provide you a copy of any such file or record which we may retain in our possession.

We appreciate the opportunity to assist you and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us. If the need for additional procedures arises, or the procedures need to be modified, our agreement with you will need to be revised. It is customary for us to enumerate these revisions in an addendum to this letter. If additional specified parties of the report are added, we will require that they acknowledge in writing their agreement with the procedures performed or to be performed and their responsibility for the sufficiency of procedures.

Very truly yours,

Carly Riggs & Ingram, L.L.C.

Houston, Texas

RESPONSE:

This letter correctly sets forth the understanding of Midtown Redevelopment Authority.

By: _____

Title: _____

Date: _____

Midtown Redevelopment Authority
Agreed-Upon Procedures

1. Obtain listing of all construction and related contracts/agreements and affordable housing grant agreements, as identified by the Authority, to be included in the scope of the agreed-upon procedures engagement for the years ending June 30, 2019.
2. Obtain all construction and related contracts/agreements and amendments for contracts and agreements identified in procedure one.
3. Inspect supporting documentation (including invoices, certificates for payment, and cancelled checks) for amounts paid to architects, engineers, construction contractors, and other professionals for each contract identified in procedure one for compliance with contract terms and mathematical accuracy.
4. Compare certificates of insurance coverage for compliance with executed contracts/agreements.
5. Inspect change orders and other modifications to contracts/agreements for proper approval.
6. Inspect supporting documentation (including invoices, certificates for payment, and cancelled checks) for compliance with terms of grant agreements for affordable housing projects identified in procedure one, if any.

April 10, 2019

To Board of Directors and Management
Midtown Redevelopment Authority
410 Pierce Street Suite 355
Houston, Texas 77002

We are pleased to confirm our understanding of the services we are to provide Midtown Redevelopment Authority (the "Authority") for the year ending June 30, 2019. We will audit the financial statements of the governmental activities and each major fund, including the related notes to the financial statements, which collectively comprise the basic financial statements, of Midtown Redevelopment Authority as of and for the year ending June 30, 2019. Accounting standards generally accepted in the United States of America provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement the Authority's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to the Authority's RSI in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The following RSI is required by U.S. generally accepted accounting principles and will be subjected to certain limited procedures, but will not be audited:

- 1) Management's Discussion and Analysis.
- 2) Budgetary Comparison Schedule – All Funds

The following other information accompanying the financial statements will not be subjected to the auditing procedures applied in our audit of the financial statements, and our auditor's report will not provide an opinion or any assurance on that other information.

- 1) Schedule of Operating Expenses and Capital Expenditures
- 2) Schedule of Estimated Project Costs to Actual Expenditures (Project Plan reconciliation)
- 3) Schedule of Properties Held – Land Held for Resale
- 4) Schedule of Capital Assets

Audit Objective

The objective of our audit is the expression of opinions as to whether your financial statements are fairly presented, in all material respects, in conformity with generally accepted accounting principles. Our audit will be conducted in accordance with auditing standards generally accepted in the United States of

America and will include tests of the accounting records and other procedures we consider necessary to enable us to express such opinions. We will issue a written report upon completion of our audit of the Authority's financial statements. Our report will be addressed to the Board of Directors of the Authority. We cannot provide assurance that unmodified opinions will be expressed. Circumstances may arise in which it is necessary for us to modify our opinions or add emphasis-of-matter or other-matter paragraphs. If our opinions are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or may withdraw from this engagement.

Audit Procedures—General

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the government or to acts by management or employees acting on behalf of the government.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements may exist and not be detected by us, even though the audit is properly planned and performed in accordance with U.S. generally accepted auditing standards. In addition, an audit is not designed to detect immaterial misstatements, or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform the appropriate level of management of any material errors, fraudulent financial reporting, or misappropriation of assets that comes to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will require certain written representations from you about the financial statements and related matters.

Audit Procedures—Internal Control

Our audit will include obtaining an understanding of the government and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. An audit is not designed to provide assurance on internal control or to identify deficiencies in internal control. Accordingly, we will express no such opinion. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards.

Audit Procedures—Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the Authority's compliance with the provisions of applicable laws, regulations, contracts, and agreements. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion.

Other Services

We will assist in preparing the financial statements of the Authority in conformity with U.S. generally accepted accounting principles based on information provided by you. We will also assist in preparing the fixed asset rollforward to present information on the full accrual basis of accounting, the retainage payable schedule, and adjustments to present financial information on the two basis of accounting. We will perform the services in accordance with applicable professional standards. The other services are not limited to the financial statement preparation, preparation of fixed asset rollforward, retainage payable and adjustments to present financial information on the two basis of accounting services previously defined. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

Management Responsibilities

Management is responsible for designing, implementing, and maintaining effective 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; for the selection and application of accounting principles; and for the preparation and fair presentation of the financial statements in conformity with U.S. generally accepted accounting principles.

Management is also responsible for making all financial records and related information available to us and for the accuracy and completeness of that information. You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, (2) additional information that we may request for the purpose of the audit, and (3) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence.

Your responsibilities include adjusting the financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, regulators, or others. In addition, you are responsible for identifying and ensuring that the government complies with applicable laws and regulations.

You are responsible for the preparation of the supplementary information in conformity with U.S. generally accepted accounting principles.

You agree to assume all management responsibilities for financial statement preparation services, fixed asset rollforward, retainage payable, adjusting entries to present the two basis of accounting, and any other nonattest services we provide; oversee the services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of the services; and accept responsibility for them.

Dispute Resolution

In the event of a dispute between the parties which arises out of or relates to this contract or engagement letter, the breach thereof or the services provided or to be provided hereunder, if the dispute cannot be settled through negotiation, the parties agree that before initiating arbitration, litigation or other dispute resolution procedure, they will first try, in good faith, to resolve the dispute through non-binding mediation. All parties agree that an alternative form of dispute resolution shall not be undertaken by either party until the expiration of fifteen (15) calendar days following notice being provided to the other party indicating that the dispute cannot be settled through mediation. The mediation will be administered by the American Arbitration Association under its *Dispute Resolution Rules for Professional Accounting and Related Services Disputes*. The costs of any mediation proceedings shall be shared equally by all parties.

Statute of Limitations

The parties agree that there shall be a one-year statute of limitation (from the delivery of the service or termination of the contract) for the filing of any requests for arbitration, lawsuit, or proceeding related to this agreement. If such a claim is filed more than one year, or the minimum durational period having been determined as permissible by applicable statutory law or by a court of competent jurisdiction, subsequent to the delivery of the service or termination of the contract, whichever occurs first in time, then it shall be precluded by this provision, regardless of whether or not the claim has accrued at that time.

Electronic Data Communication and Storage and Use of Third Party Service Provider

In the interest of facilitating our services to your company, we may send data over the Internet, securely store electronic data via computer software applications hosted remotely on the Internet, or allow access to data through third-party vendors' secured portals or clouds. Electronic data that is confidential to your company may be transmitted or stored using these methods. We may use third-party service providers to store or transmit this data, such as, but not limited to, providers of tax return preparation software. In using these data communication and storage methods, our firm employs measures designed to maintain data security. We use reasonable efforts to keep such communications and data access secure in accordance with our obligations under applicable laws and professional standards. We also require our third-party vendors to do the same.

You recognize and accept that we have no control over, and shall not be responsible for, the unauthorized interception or breach of any communications or data once it has been sent or has been subject to unauthorized access, notwithstanding all reasonable security measures employed by us or our third-party vendors. You consent to our use of these electronic devices and applications and submission of confidential client information to third-party service providers during this engagement.

To enhance our services to you, we will use a combination of remote access, secure file transfer, virtual private network or other collaborative, virtual workspace or other online tools or environments. Access through any combination of these tools allows for on-demand and/or real-time collaboration across geographic boundaries and time zones and allows CRI and you to share data, engagement information, knowledge, and deliverables in a protected environment. In order to use certain of these tools and in addition to execution of this acknowledgement and engagement letter, you may be required to execute

a separate client acknowledgement or agreement and agree to be bound by the terms, conditions and limitations of such agreement. You agree that CRI has no responsibility for the activities of its third-party vendors supplying these tools and agree to indemnify and hold CRI harmless with respect to any and all claims arising from or related to the operation of these tools. While we may back up your files to facilitate our services, you are solely responsible for the backup of your files and records; therefore, we recommend that you also maintain your own backup files of these records. In the event you suffer a loss of any files or records due to accident, inadvertent mistake, or Act of God, copies of which you have provided to us pursuant to this agreement, we shall not be responsible or obligated to provide you a copy of any such file or record which we may retain in our possession.

Engagement Administration, Fees, and Other

We understand that your employees will prepare all cash, accounts receivable, or other confirmations we request and will locate any documents selected by us for testing. We will schedule the engagement based in part on deadlines, working conditions, and the availability of your key personnel. We will plan the engagement based on the assumption that your personnel will cooperate and provide assistance by performing tasks such as preparing requested schedules, retrieving supporting documents, and preparing confirmations. If, for whatever reason, your personnel are unavailable to provide the necessary assistance in timely manner, it may substantially increase the work we have to do to complete the engagement within the established deadlines, resulting in an increase in fees over our original fee estimate.

We expect to begin our audit on approximately August 5, 2019 and to issue our reports no later than September 30, 2019. Alyssa Hill is the engagement partner and is responsible for supervising the engagement and signing the report or authorizing another individual to sign it.

Our fee for these services will be at our standard hourly rates plus out-of-pocket costs (such as report reproduction, word processing, postage, travel, copies, telephone, etc.) as follows

Financial statement audit	\$	29,500
<u>Estimated out-of-pocket costs</u>		<u>375</u>

Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. In accordance with our firm policies, work may be suspended if your account becomes 60 days or more overdue and may not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs through the date of termination. The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs.

We appreciate the opportunity to be of service to Midtown Redevelopment Authority and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Very truly yours,

Cam Riggs & Ingram, L.L.C.

Houston, Texas

RESPONSE:

This letter correctly sets forth the understanding of Midtown Redevelopment Authority.

Management signature: _____

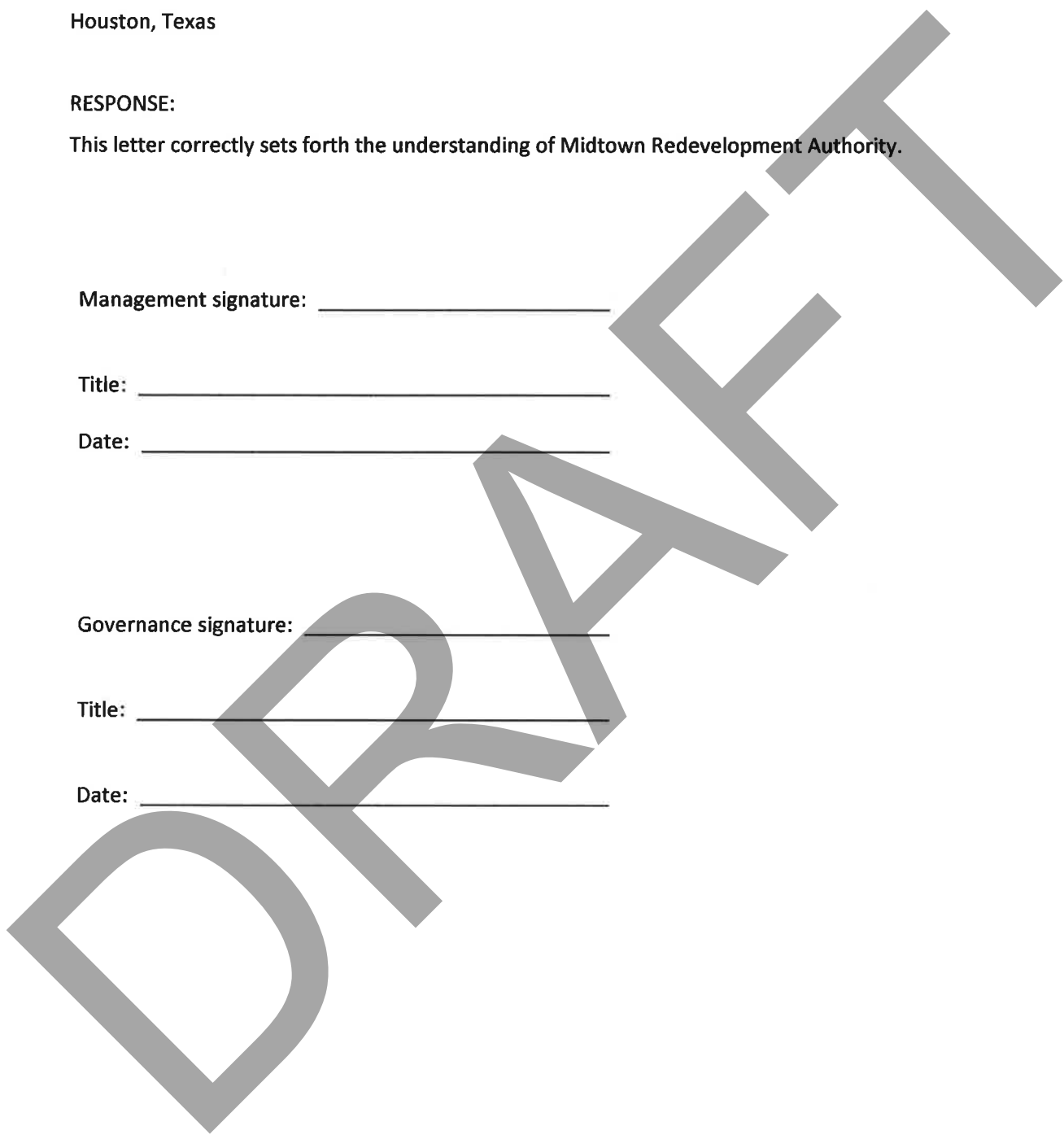
Title: _____

Date: _____

Governance signature: _____

Title: _____

Date: _____



CERTIFICATE OF INTERESTED PARTIES

FORM 1295

1 of 1

Complete Nos. 1 - 4 and 6 if there are interested parties.
Complete Nos. 1, 2, 3, 5, and 6 if there are no interested parties.

OFFICE USE ONLY CERTIFICATION OF FILING

1 Name of business entity filing form, and the city, state and country of the business entity's place of business.

Carr, Riggs & Ingram, LLC
Houston, TX United States

Certificate Number:
2019-481152

Date Filed:
04/24/2019

2 Name of governmental entity or state agency that is a party to the contract for which the form is being filed.

Midtown Redevelopment Authority

Date Acknowledged:

3 Provide the identification number used by the governmental entity or state agency to track or identify the contract, and provide a description of the services, goods, or other property to be provided under the contract.

2019 Audits
2019 Financial Statement Audit; 2019 Agreed-upon Procedures engagement

4 Name of Interested Party	City, State, Country (place of business)	Nature of interest (check applicable)	
		Controlling	Intermediary
Scott, Mike	Panama City, FL United States	X	
Schumpert, Scott	Nashville, TN United States	X	
Hawkins, George	Houston, TX United States	X	
Christensen, Jennifer	Orlando, FL United States	X	
Bollinger, Kelly	Atlanta, GA United States	X	
Barksdale, Brian	Birmingham, AL United States	X	
Carr, William	Enterprise, AL United States	X	

5 Check only if there is NO Interested Party.

6 UNSWORN DECLARATION

My name is Alyssa Hill, and my date of birth is 1/20/1974

My address is Two Riverway, 15th Floor, Houston, Tx, 77056, USA
(street) (city) (state) (zip code) (country)

I declare under penalty of perjury that the foregoing is true and correct.

Executed in Harris County, State of Texas, on the 24 day of April, 2019.
(month) (year)

Alyssa Hill
Signature of authorized agent of contracting business entity
(Declarant)

DRAFT

UNIMPROVED PROPERTY CONTRACT

1. **PARTIES:** The parties to this contract are MIDTOWN REDEVELOPMENT AUTHORITY, a Texas non-profit local government corporation (Seller) and The NHP FOUNDATION, a District of Columbia nonprofit corporation (Buyer). Seller agrees to sell and convey to Buyer and Buyer agrees to buy from Seller the Property defined below.
2. **PROPERTY:** The property described on attached Exhibit A, together with all rights, privileges and appurtenances pertaining thereto, including but not limited to: water rights, claims, permits, strips and gores, easements, and cooperative or association memberships (the "Property").
3. **SALES PRICE:**

A.	Cash Portion of Sales Price Payable by Buyer at Closing	\$10.00
B.	Sum of all financing described below (excluding any loan funding fee or mortgage insurance premium)	\$0
C.	Sales Price (Sum of A and B)	\$10.00
4. **FINANCING (Not for use with reverse mortgage financing):** Not Applicable
5. **EARNEST MONEY:** Upon execution of contract by all parties, Buyer shall deposit \$10.00 as earnest money with Chicago Title of Texas, as escrow agent, at 3700 Buffalo Speedway, Suite 400, Houston, Texas 77098: Attention: Janet Karr. If Buyer fails to deposit the earnest money as required by this contract, Buyer will be in default.
6. **TITLE POLICY AND SURVEY:**
 - A. **TITLE POLICY:** Seller shall furnish to Buyer at Buyer's expense an owner policy of title insurance (Title Policy) issued by Chicago Title of Texas (Title Company), dated at or after closing, insuring Buyer against loss under the provisions of the Title Policy, subject to the promulgated exclusions (including existing building and zoning ordinances) and the following exceptions:
 - (1) Restrictive covenants common to the platted subdivision in which the Property is located.
 - (2) The standard printed exception for standby fees, taxes and assessments.
 - (3) Liens created as part of the financing described in Paragraph 4.
 - (4) Utility easements created by the dedication deed or plat of the subdivision in which the Property is located.

Initialed for identification by Buyer _____ and Seller _____

- (5) Reservations or exceptions otherwise permitted by this contract or as may be approved by Buyer in writing.
- (6) The standard printed exception as to marital rights.
- (7) The standard printed exception as to waters, tidelands, beaches, streams and related matters.
- (8) The standard printed exception as to discrepancies, conflicts, shortages in area, or boundary lines, encroachments or protrusions, or overlapping improvements will not be amended or deleted from the title policy.

B. **COMMITMENT:** At least 60 days prior to the Closing Date, Buyer shall obtain, at Buyer's expense, a commitment for title insurance (Commitment) and, at Buyer's expense, legible copies of restrictive covenants and documents evidencing exceptions in the Commitment (Exception Documents) other than the standard printed exceptions. Seller authorizes the Title Company to deliver the Commitment and Exception Documents to Buyer at Buyer's address shown in Paragraph 21. If the Commitment and Exception Documents are not delivered to Buyer within the specified time, the time for delivery will be automatically extended up to 15 days, but not later than 5 days before the Closing Date. If, due to factors beyond Seller's control, the Commitment and Exception Documents are not delivered within the time required, Buyer may terminate this contract and the earnest money will be refunded to Buyer. Copies of the Commitment and Exception Documents shall be provided to Seller promptly upon receipt by Buyer.

C. **SURVEY:** The survey must be made by a registered professional land surveyor acceptable to the Title Company and Buyer. At least 60 days prior to the Closing Date, Buyer shall obtain a new survey at Buyer's expense. Buyer is deemed to receive the survey on the date of actual receipt or the date specified in this paragraph, whichever is earlier. Copies of the Survey shall be provided to Seller Promptly upon receipt by Buyer.

D. **OBJECTIONS:** Buyer may object in writing to (1) defects, exceptions, or encumbrances to title: disclosed on the survey other than items 6A(1) through (7) above; or disclosed in the Commitment other than items 6A(1) through (8) above; (ii) any portion of the Property lying in a special flood hazard area (Zone V or A) as shown on the current Federal Emergency Management Agency map; Or (iii) any exceptions which prohibit the following use or activity: N/A. Buyer must object at the earlier of (i) the Closing Date or (ii) 10 days after Buyer receives the Commitment, Exception Documents, and the survey. Buyer's failure to object within the time allowed will constitute a waiver of Buyer's right to object; except that the requirements in Schedule C of the Commitment are not waived. Provided Seller is not obligated to incur any expense, Seller shall cure the timely objections of Buyer or any third party lender within 15 days after Seller receives the objections and the Closing Date will be extended as necessary. If objections are not cured

Initialed for identification by Buyer _____ and Seller _____

within such 15 day period, Buyer shall have the option to terminate this contract and have the earnest money refunded to Buyer or waive the objections.

E. TITLE NOTICES:

- (1) **ABSTRACT OR TITLE POLICY:** Seller advises Buyer to have an abstract of title covering the Property examined by an attorney of Buyer's selection, or Buyer should be furnished with or obtain a Title Policy. If a title Policy is furnished, the Commitment should be promptly reviewed by an attorney of Buyer's choice due to the time limitations on Buyer's right to object.
- (2) **MEMBERSHIP IN PROPERTY OWNERS ASSOCIATION(S):** The Property is not subject to mandatory membership in a property owners association(s). If the Property is subject to mandatory membership in a property owners association(s), Seller notifies Buyer under §5.012, Texas Property Code, that, as a purchaser of property in the residential community identified in Paragraph 2 in which the Property is located, you are obligated to be a member of the owners association(s). Restrictive covenants governing the use and occupancy of the Property and all dedicatory instruments governing the establishment, maintenance, and operation of this residential community have been or will be recorded in the Real Property Records of the county in which the Property is located. Copies of the restrictive covenants and dedicatory instrument may be obtained from the county clerk. **You are obligated to pay assessments to the property owners association(s). The amount of the assessments is subject to change. Your failure to pay the assessments could result in enforcement of the association's lien on and the foreclosure of the Property.**

Section 207.003, Property Code, entitles an owner to receive copies of any document that governs the establishment, maintenance, or operation of a subdivision, including, but not limited to, restrictions, bylaws, rules and regulations, and a resale certificate from a property owners' association. A resale certificate contains information including, but not limited to, statements specifying the amount and frequency of regular assessments and the style and cause number of lawsuits to which the property owners' association is a party, other than lawsuits relating to unpaid ad valorem taxes of an individual member of the association. These documents must be made available to you by the property owners' association or the association's agent on your request.

If Buyer is concerned about these matters, the TREC promulgated Addendum for Property Subject to Mandatory Membership in a Property Owner's Association should be used.

- (3) **STATUTORY TAX DISTRICTS:** If the Property is situated in a utility or other statutorily created district providing water, sewer, drainage, or flood control facilities and services, Chapter 49, Texas Water Code requires Seller

Initialed for identification by Buyer _____ and Seller _____

to deliver and Buyer to sign the statutory notice relating to the tax rate, bonded indebtedness, or standby fee of the district prior to final execution of this contract.

- (4) TIDEWATERS: If the Property abuts the tidally influenced waters of the state, §33.135, Texas Natural Resources Code, requires a notice regarding coastal area property to be included in the contract. An addendum containing the notice promulgated by TREC or required by the parties must be used.
- (5) ANNEXATION: If the Property is located outside the limits of a municipality, Seller notifies Buyer under §5.011, Texas Property Code, that the Property may now or later be included in the extraterritorial jurisdiction of a municipality and may now or later be subject to annexation by the municipality. Each municipality maintains a map that depicts its boundaries and extraterritorial jurisdiction. To determine if the Property is located within a municipality's extraterritorial jurisdiction or is likely to be located within a municipality's extraterritorial jurisdiction, contact all municipalities located in the general proximity of the Property for further information.
- (6) PROPERTY LOCATED IN A CERTIFICATED SERVICE AREA OF A UTILITY SERVICE PROVIDER: Notice required by §13.257, Water Code: The real property, described in Paragraph 2, that you are about to purchase may be located in a certificated water or sewer service area, which is authorized by law to provide water or sewer service to the properties in the certificated area. If your property is located in a certificated area there may be special costs or charges that you will be required to pay before you can receive water or sewer service. There may be a period required to construct lines or other facilities necessary to provide water or sewer service to your property. You are advised to determine if the property is in a certificated area and contact the utility service provider to determine the cost that you will be required to pay and the period, if any, that is required to provide water or sewer service to your property. The undersigned Buyer hereby acknowledges receipt of the foregoing notice at or before the execution of a binding contract for the purchase of the real property described in Paragraph 2 or at closing of purchase of the real property.
- (7) PUBLIC IMPROVEMENT DISTRICTS: If the Property is in a public improvement district, §5.014, Property Code, requires Seller to notify Buyer as follows: As a purchaser of this parcel of real property you are obligated to pay an assessment to a municipality or county for an improvement project undertaken by a public improvement district under Subchapter A, Chapter 372, Local Government Code, or Chapter 382. The assessment may be due annually or in periodic installments. More information concerning the amount of the assessment and the due dates of that assessment may be obtained from the municipality or county levying

Initialed for identification by Buyer _____ and Seller _____

the assessment. The amount of the assessments is subject to change. Your failure to pay the assessments could result in a lien on and the foreclosure of your property.

- (8) **TEXAS AGRICULTURAL DEVELOPMENT DISTRICT:** The property is not located in a Texas Agricultural District. For additional information, contact the Texas Department of Agriculture.
- (9) **TRANSFER FEES:** If the Property is subject to a private transfer fee obligation, §5205, Property Code, requires Seller to notify Buyer as follows: The private transfer fee obligation may be governed by Chapter 5, Subchapter G of the Texas Property Code.
- (10) **PROPANE GAS SYSTEM SERVICE AREA:** If the Property is located in a propane gas system service area owned by a distribution system retailer, Seller must give Buyer written notice as required by §141.010, Texas Utilities Code. An addendum containing the notice approved by TREC or required by the parties should be used.

F. Seller shall furnish to buyer, at seller's expense, a copy of the vesting deed into seller within seven (7) days after execution of this contract.

7. PROPERTY CONDITION:

A. **ACCESS, INSPECTIONS AND UTILITIES:** Seller shall permit Buyer and Buyer's agents and representatives the right to enter the Property at reasonable times after date of this Contract through the Closing Date. Buyer shall have the right to inspect the Property from the date hereof and continuing for two hundred and forty (240) days (the "Inspection Period"). Buyer shall have the right to terminate this Contract at any time during the Inspection Period. Buyer may have the Property inspected by inspectors selected by Buyer and licensed by TREC or otherwise permitted by law to make inspections to conduct tests and inspections, including Phase I environmental studies (and if recommended by the Phase I, a Phase II environmental study), surveys, preliminary engineering, site planning, soil boring tests and other appropriate inspections and tests Buyer deems necessary; provided that Buyer (i) provides Seller with prior notice of the proposed time and nature of any such studies, tests and inspections; (ii) conducts such studies, tests and inspections during normal business hours at times reasonably approved by Seller; (iii) if reasonably requested by Seller, conducts such studies, tests and inspections in the presence of a representative of Seller (provided that the presence of such a representative shall not be a condition precedent to conducting such tests and inspections if Buyer otherwise complies with clauses (i) and (ii) above); and (iv) promptly provides Seller with copies of written reports received from its contractors arising out of such studies, tests and inspections. In the event either Buyer or Seller rightfully terminates this Agreement prior to Closing Date or this Contract expires without a Closing, Buyer shall promptly repair any material damages to the Property caused by Buyer's inspections or testing of the Property,

Initialed for identification by Buyer _____ and Seller _____

restore the Property to substantially the same or better condition than existed prior to such inspections or testing and **indemnify and hold Buyer harmless for any and all actual claims and damages arising in connection with such inspections or testing**; provided, however, that in no event shall the scope of the foregoing indemnification obligations include (x) claims or damages arising out of the acts or omissions of Seller or its agents, employees, contractors or other representatives, (y) any diminution in value to the Property unless such diminution in value results from acts or omissions of Buyer or its agents, employees, contractors or other representatives, nor (z) the mere discovery of existing conditions in, on or under the Property.

NOTICE: Buyer should determine the availability of utilities to the Property suitable to satisfy Buyer's needs.

B. **ACCEPTANCE OF PROPERTY CONDITION:** "As Is" means the present condition of the Property with any and all defects and without warranty except for the warranties of title and the warranties in this contract. Buyer's agreement to accept the Property As Is under Paragraph 7B (1) or (2) does not preclude Buyer from inspecting the Property under Paragraph 7A, from negotiating repairs or treatments in a subsequent amendment, or from terminating this contract during the Option Period, if any.

(1) Buyer accepts the Property "As is, where is and with all faults" in its present condition.

C. **COMPLETION OF REPAIRS:** Unless otherwise agreed in writing: Seller is not obligated to do any repairs or treatments to the Property.

D. **ENVIRONMENTAL MATTERS:** Buyer is advised that the presence of wetlands, toxic substances, including asbestos and wastes or other environmental hazards, or the presence of a threatened or endangered species or its habitat may affect Buyer's intended use of the Property. If Buyer is concerned about these matters, an addendum promulgated by TREC or required by the parties should be used.

E. **SELLER'S DISCLOSURES:** Except as otherwise disclosed in this contract, Seller has no actual knowledge of the following:

(1) any flooding of the Property which has had a material adverse effect on the use of the Property;

(2) any pending or threatened litigation, condemnation, or special assessment affecting the Property;

(3) any environmental hazards that materially and adversely affect the Property;

Initialed for identification by Buyer _____ and Seller _____

- (4) any dumpsite, landfill, or underground tanks or containers now or previously located on the Property;
- (5) any wetlands, as defined by federal or state law or regulation, affecting the Property; or
- (6) any threatened or endangered species or their habitat, affecting the Property.

8. **BROKERS' FEES:** All obligations of the parties for payment of brokers' fees are contained in separate written agreements.

9. **CLOSING:**

A. The closing of the sale must occur on or before twenty four months following the Effective Date hereof. (Closing Date). The Closing Date may be extended by mutual agreement of the parties. If either party fails to close this sale by the Closing Date (including any extension of said Closing Date), the non-defaulting party may exercise the remedies contained in Paragraph 15.

B. **AT CLOSING:**

- (1) Seller shall execute and deliver a special warranty deed, in the form attached hereto as Exhibit B, conveying title to the Property to Buyer and showing no additional exceptions to those permitted in Paragraph 6 and furnish tax statements or certificates showing no delinquent taxes on the Property.
- (2) Buyer shall pay the Sales price in good funds acceptable to the escrow agent.
- (3) Seller and Buyer shall execute and deliver any notices, statements, certificates, affidavits, releases, loan documents and other documents reasonably required for the closing of the sale and the issuance of the Title Policy.
- (4) There will be no liens, assessments, or security interests against the Property which will not be satisfied out of the sales proceeds unless securing the payment of any loans assumed by Buyer and assumed loans will not be in default.

10. **POSSESSION:**

A. **Buyer's Possession:** Seller shall deliver to Buyer possession of the Property in its present or required condition upon closing and funding.

Initialed for identification by Buyer _____ and Seller _____

B. Leases:

- (1) After the Effective Date, Seller may not execute any lease (including but not limited to mineral leases) or convey any interest in the Property without Buyer's written consent.
- (2) If the Property is subject to any lease to which Seller is a party, Seller shall deliver to Buyer copies of the lease(s) and any move-in condition form signed by the tenant within 7 days after the Effective Date of the contract.

11. **SPECIAL PROVISIONS:** As a pre-condition to the sale of the Property from Seller to Buyer, Buyer shall have received on or before the Closing Date either approval from the Texas Department of Housing and Community Affairs for housing tax credits or approval from the City of Houston, Texas, for funding for the construction of affordable housing on the Property.

12. **SETTLEMENT AND OTHER EXPENSES:**

A. The following expenses must be paid at or prior to closing:

- (1) Expenses payable by Seller (Seller's Expenses):
 - (a) Releases of existing liens, including prepayment penalties and recording fees; release of Seller's loan liability; preparation of deed; and other expenses payable by Seller under this contract.
 - (b) Seller shall also pay an amount not to exceed \$0 to be applied in the following order: Buyer's Expenses which Buyer is prohibited from paying by FHA, VA, Texas Veterans Land Board or other governmental loan programs, and then to Buyer's Expenses as allowed by the lender.
- (2) Expenses payable by Buyer (Buyer's Expenses): Appraisal fees; loan application fees; adjusted origination charges; credit reports; preparation of loan documents; interest on the notes from date of disbursement to one month prior to dates of first monthly payments; recording fees; copies of easements and restrictions; loan title policy with endorsements required by lender; loan related inspection fees; photos; amortization schedules; tax statements or certificates; escrow fees; all prepaid items, including required premiums for flood and hazard insurance, reserve deposits for insurance, ad valorem taxes and special governmental assessments; final compliance inspection; courier fee; repair inspection; underwriting fee; wire transfer fee; expenses incident to any loan; Private Mortgage Insurance Premium (PMI), VA Loan Funding Fee, or FHA Mortgage Insurance Premium (MIP) as required by the lender; and other expenses payable by Buyer under this contract.

Initialed for identification by Buyer _____ and Seller _____

- B. If any expense exceeds an amount expressly stated in this contract for such expense to be paid by a party, that party may terminate this contract unless the other party agrees to pay such excess.

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13. PRORATIONS AND ROLLBACK TAXES:

- A. PRORATIONS: Taxes for the current year, interest, maintenance fees, assessments, dues and rents will be prorated through the Closing Date. The tax proration may be calculated taking into consideration any change in exemptions that will affect the current year's taxes. If taxes for the current year vary from the amount prorated at closing, the parties shall adjust the prorations when tax statements for the current year are available. If taxes are not paid at or prior to closing, Buyer shall pay taxes for the current year.
- B. ROLLBACK TAXES: If this sale or Buyer's use of the Property after closing results in the assessment of additional taxes, penalties or interest (Assessments) for periods prior to closing, the Assessments will be the obligation of Buyer. If Seller's change in use of the Property prior to closing or denial of a special use valuation on the Property claimed by Seller results in Assessments for periods prior to closing, the Assessments will be the obligation of Seller. Obligations imposed by this paragraph will survive closing.

14. CASUALTY LOSS: If any part of the Property is damaged or destroyed by fire or other casualty after the effective date of this contract, Seller shall restore the Property to its previous condition as soon as reasonably possible, but in any event by the Closing Date. If Seller fails to do so due to factors beyond Seller's control, Buyer may (a) terminate this contract and the earnest money will be refunded to Buyer (b) extend the time for performance up to 15 days and the Closing Date will be extended as necessary or (c) accept the Property in its damaged condition with an assignment of insurance proceeds and receive credit from Seller at closing in the amount of the deductible under the insurance policy. Seller's obligations under this paragraph are independent of any other obligations of Seller under this contract.

15. DEFAULT: If Buyer fails to comply with this contract, Buyer will be in default, and Seller may (a) enforce specific performance, seek such other relief as may be provided by law, or both, or (b) terminate this contract and receive the earnest money as liquidated damages, thereby releasing both parties from this contract. If Seller fails to comply with this contract for any other reason, Seller will be in default and Buyer may (a) enforce specific performance, seek such other relief as may be provided by law, or both, or (b) terminate this contract and receive the earnest money, thereby releasing both parties from this contract.

16. MEDIATION: It is the policy of the State of Texas to encourage resolution of disputes through alternative dispute resolution procedures such as mediation. Any dispute between Seller and Buyer related to this contract which is not resolved through informal discussion will be submitted to a mutually acceptable mediation service or provider. The parties to the mediation shall bear the mediation costs equally. This paragraph does not preclude a party from seeking equitable relief from a court of competent jurisdiction.

Initialed for identification by Buyer _____ and Seller _____

17. **ATTORNEY'S FEES:** A Buyer, Seller, Listing Broker, Other Broker, or escrow agent who prevails in any legal proceeding related to this contract is entitled to recover reasonable attorney's fees and all costs of such proceeding.

18. **ESCROW:**

A. **ESCROW:** The escrow agent is not (i) a party to this contract and does not have liability for the performance or nonperformance of any party to this contract, (ii) liable for interest on the earnest money and (iii) liable for the loss of any earnest money caused by the failure of any financial institution in which the earnest money has been deposited unless the financial institution is acting as escrow agent.

B. **EXPENSES:** At closing, the earnest money must be applied first to any cash down payment, then to Buyer's Expenses and any excess refunded to Buyer. If no closing occurs, escrow agent may (i) require a written release of liability of the escrow, agent from all parties, (ii) require payment of unpaid expenses incurred on behalf of a party, and (iii) only deduct from the earnest money the amount of unpaid expenses incurred on behalf of the party receiving the earnest money.

C. **DEMAND:** Upon termination of this contract, either party or the escrow agent may send a release of earnest money to each party and the parties shall execute counterparts of the release and deliver same to the escrow agent. If either party fails to execute the release, either party may make a written demand to the escrow agent for the earnest money. If only one party makes written demand for the earnest money, escrow agent shall promptly provide a copy of the demand to the other party. If escrow agent does not receive written objection to the demand from the other party within 15 days, escrow agent may disburse the earnest money to the party making demand reduced by the amount of unpaid expenses incurred on behalf of the party receiving the earnest money and escrow agent may pay the same to the creditors. If escrow agent complies with the provisions of this paragraph, each party hereby releases escrow agent from all adverse claims related to the disbursement of the earnest money.

D. **DAMAGES:** Any party who wrongfully fails or refuses to sign a release acceptable to the escrow agent within 7 days of receipt of the request will be liable to the other party for liquidated damages in an amount equal to the sum of (i) three times the amount of the earnest money; (ii) the earnest money; (iii) reasonable attorney's fees; and (iv) all costs of suit.

E. **NOTICES:** Escrow agent's notices will be effective when sent in compliance with Paragraph 21. Notice of objection to the demand will be deemed effective upon receipt by escrow agent.

19. **REPRESENTATIONS:** All covenants, representations and warranties in this contract survive closing. If any representation of Seller in this contract is untrue on the Closing Date, Seller will be in default. Unless expressly prohibited by written agreement, Seller may continue to show the Property and receive, negotiate and accept back up offers.

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20. **FEDERAL TAX REQUIREMENTS:** If Seller is a “foreign person,” as defined by applicable law, or if Seller fails to deliver an affidavit to Buyer that Seller is not a “foreign person,” then Buyer shall withhold from the sales proceeds an amount sufficient to comply with applicable tax law and deliver the same to the Internal Revenue Service together with appropriate tax forms. Internal Revenue Service regulations require filing written reports if currency in excess of specified amounts is received in the transaction.

21. **NOTICES:** All notices from one party to the other must be in writing and are effective when mailed to, hand-delivered at, or transmitted by facsimile as follows:

If to MIDTOWN: Midtown Redevelopment Authority
410 Pierce Street, Suite 355
Houston, Texas 77002
Attn: Executive Director
Email: mattt@houstonmidtown.com

With copy to: Peggy Foreman
Burney & Foreman
5445 Almeda, Suite 400
Houston, Texas 77004
Email: pforeman@burneyandforeman.com

and

Barron F. Wallace
Bracewell LLP
711 Louisiana Street, Suite 2300
Houston, Texas 77002-2770
Email: Barron.Wallace@bracewell.com

If to NHP: The NHP Foundation, Inc.
122 East 42nd Street, Ste. 4900
New York, New York 10168
Attn: Stephen Green
Email: sgreen@nhpfoundation.org

22. **AGREEMENT OF PARTIES:** This contract contains the entire agreement of the parties and cannot be changed except by their written agreement. This agreement may be ratified, to the extent necessary, by the board of directors of Seller, following execution by Buyer and Seller. Addenda which are a part of this contract are: None.

23. **ASSIGNMENT:** This Contract may be assigned by Buyer to an affiliated entity without the consent of Seller and in such event Buyer shall be relieved of all liability under this Contract upon such assignment on the condition that the assignee assume all obligations and rights of Buyer contained herein, and the Earnest Money shall remain on deposit with the Title Company, subject to the terms of this Contract. Seller may not assign this Contract

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or transfer the Property without the prior written consent of Buyer, and any such prohibited assignment shall be void. This Contract and all rights hereunder shall inure to and be binding upon the permitted heirs, executors, successors and assigns of Seller and Buyer.

24. **CONSULT AN ATTORNEY BEFORE SIGNING:** TREC rules prohibit real estate licensees from giving legal advice. **READ THIS CONTRACT CAREFULLY.**

Buyer's Attorney is: Neal Rackleff
Locke Lord LLP
600 Congress Avenue, Suite 2200
Austin, TX 78701
Email: Neal.Rackleff@lockelord.com
Telephone: 512.305.4764

Seller's Attorney is: Barron Wallace
Bracewell LLP
711 Louisiana Street, Suite 2300
Houston, Texas 77002-2770
Email: Barron.Wallace@bracewell.com
Telephone: 713.221.1219

EXECUTED the 26th day of March, 2019. (EFFECTIVE DATE.)

THE NHP FOUNDATION

By: _____
Name: _____
Title: _____

SELLER

MIDTOWN REDEVELOPMENT AUTHORITY

By: _____
Name: _____
Title: _____

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BROKER INFORMATION

Other Broker Firm: N/A
License Number: _____
Represents Buyer only as Buyer's Agent

Name of Associate's Licensed Supervisor:

Telephone: _____

Associate's Name:

Telephone: _____

Other Broker's Address:

Facsimile: _____

Associate's E-mail Address:

Listing Broker Firm: N/A
License Number: _____
Represents: N/A

Name of Associate's Licensed Supervisor:

Telephone: _____

Listing Associate's Name:

Telephone: _____

Listing Broker's Office Address:

Facsimile: _____

Listing Associate's E-mail address:

Selling Associate's Name: N/A
Telephone: N/A

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CONTRACT AND EARNEST MONEY RECEIPT

Receipt of Contract and \$10.00 Earnest Money in the form of _____ is acknowledged.

Escrow Agent: Chicago Title of Texas

By: _____

3700 Buffalo Speedway, Suite 400
Houston, Texas 77098

Date: _____

E-mail Address: _____

Telephone: _____

Facsimile: _____

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EXHIBIT A

Legal Description

Legal Description: **LT 28 BLK 2
BINZ & SETTEGAST**
Property Address: **2501 TUAM ST
HOUSTON TX 77004**

Legal Description: **LT 13 BLK 2
BINZ & SETTEGAST**
Property Address: **2701 SAINT CHARLES ST
HOUSTON TX 77004**

Legal Description: **LT 15 BLK 2
BINZ & SETTEGAST**
Property Address: **2703 SAINT CHARLES ST
HOUSTON TX 77004**

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EXHIBIT B

Form of Special Warranty Deed

NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OF THE FOLLOWING INFORMATION FROM THIS INSTRUMENT BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER

SPECIAL WARRANTY DEED

THE STATE OF TEXAS §
 §
COUNTY OF HARRIS §

THAT MIDTOWN REDEVELOPMENT AUTHORITY, a Texas non-profit local government corporation ("**Grantor**"), whose address is 410 Pierce Street, Suite 355, Houston, Texas 77002 for and in consideration of the sum of TEN AND NO/100^{ths} DOLLARS (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, has GRANTED, BARGAINED, SOLD, and CONVEYED and by these presents does GRANT, BARGAIN, SELL, AND CONVEY unto **THE NHP FOUNDATION, INC.** a District of Columbia nonprofit corporation ("**Grantee**"), whose address is 122 East 42nd Street, Suite 4900, New York, New York 10168, that certain tract or parcel of land in Harris County, Texas more particularly described in Exhibit A attached hereto and incorporated herein by this reference (the "**Land**"), together with all improvements thereon and all rights and interests appurtenant thereto (such land, improvements, rights and interests are hereinafter collectively referred to as the "**Property**").

This Special Warranty Deed (the "**Deed**") and the conveyance hereinabove set forth is executed by Grantor and accepted by Grantee subject to the following matters (hereinafter referred to collectively as the "**Permitted Encumbrances**"):

- a. All easements, restrictions, reservations, covenants, conditions, oil and gas leases, mineral severances and other matters of record (excluding prior conveyances of the surface estate) in the Official Public Records of Harris County, Texas which are applicable to and enforceable against the Property including, without limitation, those matters of record described in Exhibit B attached hereto and incorporated herein by this reference;
- b. Any discrepancies, conflicts or shortages in area or boundary lines or any encroachments or any overlapping of improvements which a current survey of the Property would show;
- c. Visible or apparent easements which encumber or affect the Property and do not appear of record in the Official Public Records of Harris County, Texas; and

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- d. Ad valorem taxes and assessments applicable to the Property for the current year, if any.

This Deed is additionally executed by Grantor and accepted by Grantee subject to the use restrictions set forth below which shall encumber the Property and constitute covenants running with the land (the “*Restrictions*”).

RESTRICTION TO AFFORDABLE HOUSING USE

1. Definitions. Unless a particular word or phrase is otherwise defined or the context otherwise requires, capitalized words and phrases used in this Deed shall have the following meanings:

“*Affordable Housing*” means that 80% of the Units are leased to lessees whose annual income at initial occupancy does not exceed 80% of the Median Income. For purposes of clarification, in the event a resident of a Unit meets the applicable Median Income thresholds of Affordable Housing definition set forth above at the time of Grantee’s underwriting thereof, it shall not be a violation of the terms of these Restrictions if such resident’s Median Income thereafter exceeds the applicable Median Income thresholds during the term of such resident’s lease and occupancy of the Unit (as such lease may be amended, extended or renewed from time to time).

“*Affordability Period*” means the minimum period of time during which the Restrictions apply to the occupied residential units to be built on the Property (“*Units*”) which period shall be thirty (30) years after the date this Deed is recorded, unless the Zone is no longer in existence, in which case, the period shall end the first day that the Zone is no longer in existence.

“*HUD*” means the United States Department of Housing and Urban Development

“*Median Income*” means the median income for the area in which the Zone is located, as determined by the Secretary of HUD, with adjustments for smaller and larger families, as of the date this Deed is recorded and thereafter as updated annually by the Secretary of HUD.

“*Zone*” means Reinvestment Zone Number Two, City of Houston, Texas, a tax increment reinvestment zone created by the City of Houston, Texas in accordance with Chapter 311, Texas Tax Code.

2. Restrictions. As a material portion of the consideration for this Deed and the conveyance hereinabove set forth, this Deed is executed by Grantor and accepted by Grantee subject to the following Restrictions which are hereby adopted and established for, imposed upon and made applicable to the Property:

The Property, and any improvements constructed on the Property, shall be used to provide Affordable Housing for a period of not less than the Affordability Period as defined in this Deed. The Restrictions shall run with the Property, shall be binding on Grantee, its successors and assigns for the Affordability Period, and shall inure to the benefit of Grantor, its successors and assigns for the Affordability Period. Notwithstanding any provision of this Deed or applicable law to the contrary, these Restrictions shall automatically terminate without the requirement of further action of any party upon the expiration of the Affordability Period.

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3. Covenants Running with the Land. All of the agreements, conditions, and restrictions contained in this Deed shall be deemed covenants running with the land and shall inure to the benefit of Grantee as the owner of the Property and each successor owner of any of the Property and the Grantor.

4. Reconveyance Right. If during the Affordability Period the Reconveyance Right Trigger Event occurs, Grantor reserves and shall have the right (the "**Reconveyance Right**"), but not the obligation, to require Grantee to reconvey the Property (together with all improvements thereon and appurtenances thereto) to Grantor in accordance with the terms and conditions of this Section 4.

(a) For purposes hereof "**Reconveyance Right Trigger Event**" shall mean the failure of Grantee to complete the construction of the Units by December 31, 2024 (the "**Completion Date**"). For purposes of this Deed, completion of construction of the Units shall mean that construction of the Units is substantially complete and Grantee has obtained all permits and governmental authorizations required by applicable law for the use and occupancy of the Units, which shall be deemed satisfied by Grantee's receipt of a temporary certificate of occupancy (or local equivalent).

(b) Upon the occurrence of a Reconveyance Right Trigger Event, Grantor may elect to exercise the Reconveyance Right by giving written notice to Grantee (to be delivered by hand or by national overnight carrier to the address set forth in the introductory paragraph of this Deed). Closing under the valid exercise of the Reconveyance Right shall be completed within thirty (30) days from the date of Grantor's notice to Grantee of its election to exercise its Reconveyance Right. Such closing shall occur at Grantor's option, at the offices of the Grantor's legal counsel or at a title company selected by Grantor, and at closing, the Property shall be reconveyed by Grantee to Grantor by special warranty deed, subject only to the Permitted Encumbrances and the Restrictions, but otherwise free and clear of any and all monetary liens and encumbrances incurred or permitted by Grantee. In the event Grantee fails to comply with the terms of this subparagraph (b) upon the valid exercise of the Reconveyance Right, Grantor shall have the right to pursue an action for specific performance of Grantee's obligation to close in accordance with this Section 4 (b).

(c) The Reconveyance Right is and shall be subject and subordinate to any indebtedness secured by a first lien mortgage encumbering all of the Land ("**First Lien Mortgage**") without the requirement for further action or documentation of any party to this Deed or the beneficiary of such First Lien Mortgage ("**First Lien Mortgage**"). Without limiting the generality of the foregoing, in the event Grantee incurs any such First Lien Mortgage, Grantee or the First Lien Mortgagee may give Grantor written notice thereof, and upon receipt of such notice, Grantor agrees to the following: (i) deliver any notices given by Grantor to Grantee hereunder simultaneously to such First Lien Mortgagee, (ii) afford any such First Lien Mortgagee an additional sixty (60) days beyond the notice and cure periods set forth herein to cure any default by Grantee under the Restrictions, (iii) accept performance by any such First Lien Mortgagee of any of Grantee's cure rights hereunder as performance by Grantee, and (iv) enter into an estoppel certificate or subordination agreement in form acceptable to MIDTOWN, within thirty (30) days after

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written request by Grantee or such First Lien Mortgagee (which notice shall be accompanied by such First Lien Mortgagee's proposed reasonable form thereof).

(d) The Reconveyance Right (i) is personal to Grantor, (ii) shall not be assignable by Grantor except to the City of Houston, and (iii) shall automatically terminate upon the completion of construction of the Units without further action of the parties burdened or benefited thereby. Without limiting the foregoing, upon the request of either party hereto after the completion of construction of the Units, the other shall promptly execute and deliver (and have notarized) an acknowledgement of the completion of construction of the Units and the termination of the Reconveyance Right in recordable form.

(e) Grantor agrees not to exercise the Reconveyance Right if the construction of the Units is not completed by Completion Date due to the occurrence of a Force Majeure Event (hereafter defined) provided that Grantee resumes and diligently pursues the completion of the construction of the Units after the Force Majeure Event has abated. "**Force Majeure Event**" shall mean any period or periods of delay caused by strikes, lockouts or other labor disputes; fire or other casualty; storms, floods or other inclement weather; terrorism, riots, insurrection or demonstrations; or any other causes (other than financial) beyond the reasonable control of the Grantee.

5. Attorney's Fees. In the event any Party or Parties shall institute any action or proceeding, excluding any arbitration proceeding, against the other Party or Parties relating to the provisions of these Restrictions, then, and in that event, the non-prevailing Party or Parties in such action or proceeding shall reimburse the prevailing Party or Parties for the reasonable expenses of attorney's fees and disbursements incurred in connection with such action or proceeding.

6. Governing Law. The Restrictions shall be governed by and construed in accordance with the laws of the State of Texas.

7. Remedies. After completion of construction of the Units and during the Affordability Period, in the event the Property fails to be used or operated to provide Affordable Housing for a period of greater than 180 days after written notice by Grantor to Grantee (and any First Lien Mortgagee, if applicable), Grantor shall have, the right to seek (a) an injunction to enjoin the future leasing of the Units to residents who do not meet the Median Income thresholds of Affordable Housing definition set forth above, or (b) any and all other remedies at law or in equity to which Grantor is entitled. Notwithstanding any provision hereof to the contrary, (x) in no event shall Grantor be entitled to seek damages or other legal or equitable remedies for violation of the Restrictions, unless Grantee violates the Restrictions for a period of greater than 180 days after written notice by Grantor to Grantee (and any First Lien Mortgagee, if applicable); (y) any claim for damages arising from a violation of the Restrictions shall be limited to actual damages, and (z) in no event shall any party to this Deed be subject to a claim for punitive, special or consequential damages.

8. Waiver of Default. No waiver of any violation of the Restrictions shall be implied from any omission by any benefited party to take any action in respect of such violation if such violation continues or is repeated. No express waiver of any violation shall affect any violation or

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cover any period of time other than the violation and period of time specified in such express waiver. One or more waivers of any violation of any term contained in this shall not be deemed to be a waiver of any subsequent violation of the same term contained in the Restrictions. The consent or approval by any party to or of any act or request by any other party requiring consent or approval shall not be deemed to waive or render unnecessary the consent to or approval of any subsequent similar acts or requests. The rights and remedies given to any party by the Restrictions shall be deemed to be cumulative and no one of such rights and remedies shall be exclusive of any of the others, or of any other right or remedy at law or in equity, which any such party might otherwise have by virtue of a violation under the Restrictions, and the exercise of one such right or remedy by any such party shall not impair such party's standing to exercise any other right or remedy.

9. Amendments. The Restrictions may be amended or modified only by a written instrument executed by all of the then owners of the Land, their respective First Lien Mortgagees, if any, and the Grantor or its successors and assigns. Any early termination of the Restrictions (as opposed to termination upon expiration of the Affordability Period) will require the prior written consent of all owners of the Land, their respective First Lien Mortgagees, if any, and the Grantor or its successors, and assigns, Each of such owners will provide the name and address of applicable First Lien Mortgagees upon receipt of a written request therefor from any owner seeking to amend the Restrictions or from Grantor or its successors and assigns.

TO HAVE AND TO HOLD the Property, together with all and singular the rights and appurtenances thereunto in anywise belonging, unto Grantee, its successors and assigns forever, and Grantor does hereby bind itself; and its successors and assigns, to WARRANT AND FOREVER DEFEND all and singular the title to the Property unto the said Grantee, its successors and assigns against every person whomsoever lawfully claiming or to claim the same or any part thereof, BY, THROUGH, OR UNDER GRANTOR, BUT NOT OTHERWISE subject to the Permitted Encumbrances, the Restrictions and the matters herein stated:

(a) THE PROPERTY IS BEING ACQUIRED "AS IS, WHERE IS, AND WITH ALL FAULTS;" AND

(b) GRANTOR MAKES NO REPRESENTATION OR WARRANTY, EITHER EXPRESS OR IMPLIED, WITH RESPECT TO THE CONDITION, VALUE OR QUALITY OF ANY OF THE PROPERTY, OR THE USE OR SUITABILITY THEREOF FOR ANY INTENDED PURPOSE, OR THE ABSENCE OF ANY LATENT OR PATENT DEFECTS THEREIN, OR THE WORKMANSHIP THEREOF, OR THE EXISTENCE, COMPLIANCE WITH OR SUFFICIENCY OF ANY LICENSES HELD OR REQUIRED IN CONNECTION WITH THE OWNERSHIP, USE OR OPERATION THEREOF, OR WITH RESPECT TO THE STATUS, ASSIGNABILITY OR RIGHTS UNDER ANY CONTRACT, LICENSE OR ANY OTHER MATTERS, OR THE RISKS THAT MIGHT BE ENCOUNTERED IN THE OPERATION THEREOF.

THE PROVISIONS OF THIS SECTION HAVE BEEN NEGOTIATED BY THE PARTIES HERETO AFTER DUE CONSIDERATION AND, EXCEPT FOR THE SURVIVING OBLIGATIONS, ARE INTENDED TO BE A COMPLETE EXCLUSION AND NEGATION OF

Initialed for identification by Buyer _____ and Seller _____

ANY REPRESENTATIONS AND WARRANTIES, WHETHER EXPRESS OR IMPLIED OR STATUTORY, WITH RESPECT TO THE PROPERTY AND RIGHTS THAT MAY ARISE PURSUANT TO ANY LAW NOW OR HEREAFTER IN EFFECT, OR OTHERWISE GRANTEE HAS BEEN GIVEN THE OPPORTUNITY TO PERFORM THE DUE DILIGENCE IT DEEMS NECESSARY IN ORDER TO MAKE AN INFORMED DECISION AS TO WHETHER TO ACQUIRE THE PROPERTY. NOTWITHSTANDING ANY PROVISION OF THIS DEED TO THE CONTRARY, THE AGREEMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES THERETO ARE PERSONAL TO GRANTOR AND GRANTEE, AND THE REFERENCE TO THE AGREEMENT IN THIS DEED IS NOT INTENDED TO CAUSE THE AGREEMENT TO BE A LIEN OR ENCUMBRANCE ON TITLE TO THE PROPERTY, TO RUN WITH TITLE TO THE LAND OR TO BE BINDING UPON GRANTEE'S SUCCESSORS AND ASSIGNS.

Ad valorem taxes on the Property, if any, for the year in which this Deed is recorded ("**Current-Year Taxes**") have been prorated as of the date hereof, with Grantor giving a credit to Grantee of its proportionate share of any such Current-Year Taxes. Grantee, by its acceptance of this Special Warranty Deed assumes the payment of any Current-Year Taxes, taxes for subsequent years, and, solely to the extent the same are due to Grantee's change in usage of the Property, any ad valorem taxes on the Property for years prior to the Current-Year Taxes; *provided, however*, Grantee by its acceptance of this Special Warranty Deed does not assume payment of any ad valorem taxes on the Property for prior years due to changes in land usage of the Property by Grantor or denial of a special use valuation on the Property claimed by Grantor, nor delinquent taxes for any year prior to Current-Year Taxes, each of which shall remain the obligation of Grantor.

[Execution Page to Follow]

EXECUTED this the ____ day of _____, 20__

GRANTOR

MIDTOWN REDEVELOPMENT
AUTHORITY, a Texas non-profit local government
corporation

By: _____
Name: _____
Title: _____

THE STATE OF TEXAS §
 §
COUNTY OF HARRIS §

This instrument was acknowledged before me on this ____ day of _____, 20__,
by _____, _____ of MIDTOWN REDEVELOPMENT
AUTHORITY, a Texas non-profit local government corporation, on behalf of said entity.

Notary Public in and for the State of Texas
My commission expires: _____

[SEAL]

Initialed for identification by Buyer _____ and Seller _____

GRANTEE:

THE NHP FOUNDATION, INC., a District of
Columbia nonprofit corporation

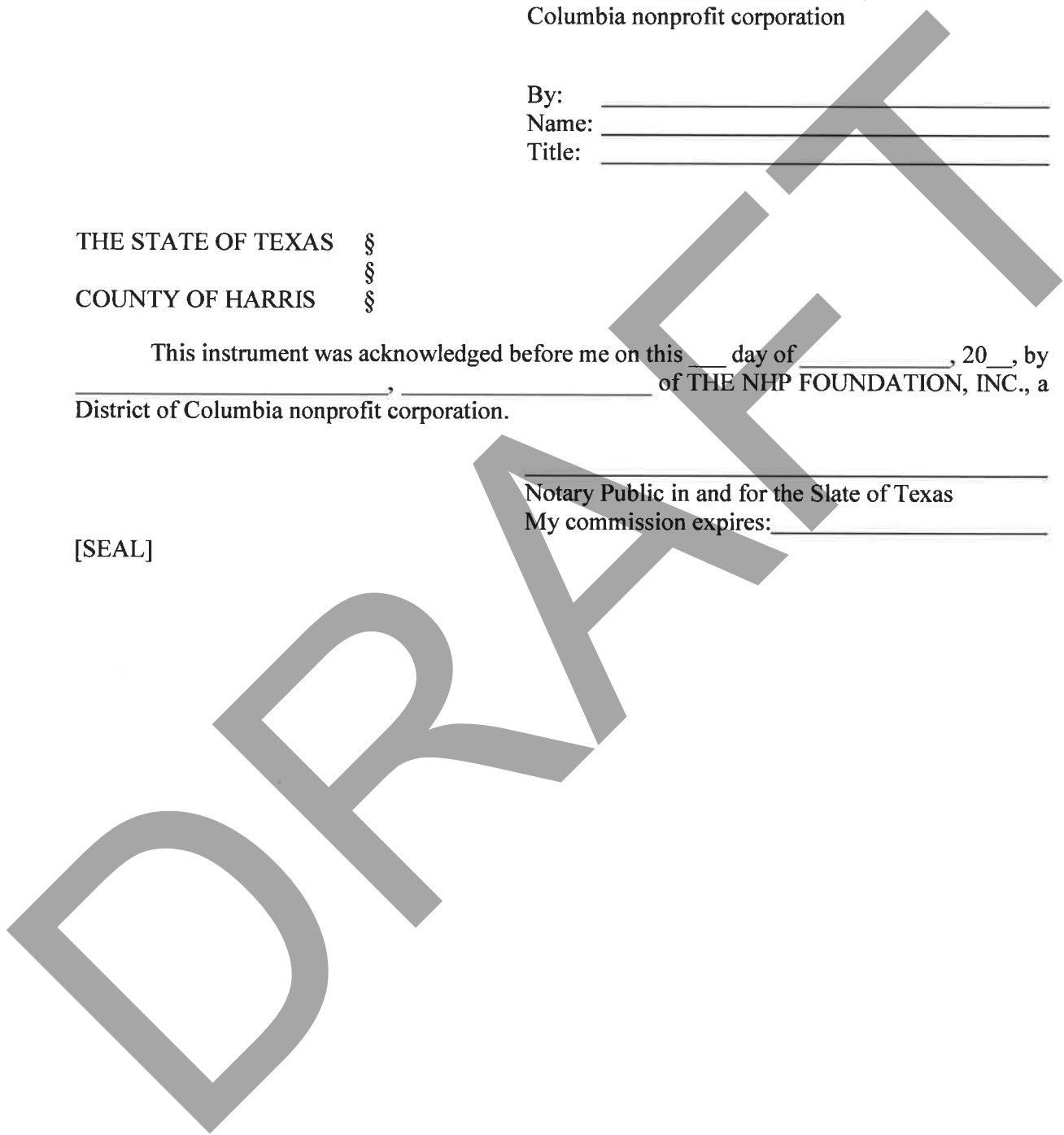
By: _____
Name: _____
Title: _____

THE STATE OF TEXAS §
 §
COUNTY OF HARRIS §

This instrument was acknowledged before me on this ___ day of _____, 20___, by
_____, _____ of THE NHP FOUNDATION, INC., a
District of Columbia nonprofit corporation.

Notary Public in and for the State of Texas
My commission expires: _____

[SEAL]



Initialed for identification by Buyer _____ and Seller _____

THE LANGUAGE SET FORTH BELOW *MUST* BE INCORPORATED INTO A COVER LETTER AND SUCH COVER LETTER *MUST* BE ATTACHED TO ALL TITLE INSURANCE COMMITMENTS. EXCEPTION: IF THE RECIPIENT IS AN OUT-OF-COUNTY TITLE COMPANY, USE THE OUT-OF-COUNTY TITLE COMPANY COVER LETTER.

Required Language for a Title Insurance Commitment Cover Letter

The attached title insurance commitment contains information which has been obtained or derived from records and information owned by Title Data, Inc. or one of its subsidiaries (collectively "*Title Data*"). Title Data owns and maintains land title plants for various Texas counties. Title Data created its title plants through the investment of extensive time, labor, skill and money. **The information contained in the title plants is protected by federal copyright law and Texas common law on trade secrets and contract.**

Title Data has granted our company a license to use one or more of its title plants. Our company's right to access and use Title Data's title plants is governed by our contract with Title Data. Our contract with Title Data restricts who can receive and/or use a title insurance commitment which is based, in whole or in part, upon Title Data's records and information.

Under the terms of our contract with Title Data, we are permitted to provide you with the attached title insurance commitment **for limited use and distribution only**. Specifically, you are sublicensed to deliver, exhibit, or furnish the attached title insurance commitment (or any copies thereof) **ONLY** to your bona fide employees and a third party who is playing a bona fide role in this proposed real estate transaction, including a lawyer, a lender, a surveyor, a real estate broker or agent, and the parties to this proposed transaction.

For purposes of our agreement with Title Data, "deliver, exhibit, or furnish" includes, without limitation, copying this title insurance commitment (whether such copying be by means of a photocopier, facsimile machine, another electronic scanning device, or any other method of reproduction) and providing such copy to any third party.

Your furnishing of the attached title insurance commitment to anyone not specifically enumerated above is not permitted by our contract with Title Data and constitutes a breach of our sublicense to you. Your furnishing of the attached title insurance commitment to anyone not specifically enumerated above is also a violation of federal copyright law and Texas common law.

Therefore, as an express condition of us providing you with the attached title insurance commitment, you specifically agree to limit its uses to those set forth herein, and to provide a copy of this letter to any party to whom you deliver, exhibit, or furnish the attached title insurance commitment (or any copies thereof).

In the event you are unable or unwilling to comply with these conditions, immediately return the attached title insurance commitment to our company, without reviewing, copying, or otherwise utilizing in any way the information contained therein.

A COPY OF THIS LETTER MUST ACCOMPANY THE ATTACHED TITLE INSURANCE COMMITMENT AT ALL TIMES. ALL DOWNSTREAM RECIPIENTS MUST PROVIDE A COPY OF THIS LETTER TO ANY OTHER AUTHORIZED USERS OF THE ATTACHED TITLE INSURANCE COMMITMENT.

DRAFT

CERTIFICATE FOR RESOLUTION

THE STATE OF TEXAS §
 §
COUNTY OF HARRIS §

I, the undersigned officer of the Board of Directors of Midtown Redevelopment Authority (the “Board”) do hereby certify as follows:

1. The Board convened in special session on the 30th day of April, 2019, at the regular meeting place thereof within said Midtown Zone; and the roll was called of the duly constituted officers and members of said Board, to-wit:

- | | | |
|---|---------------------|------------|
| 1 | Camille Foster | Director |
| 2 | Douglas Erwing | Director |
| 3 | Gayle Fortson | Director |
| 4 | Pamela N. Castleman | Secretary |
| 5 | Al Odom | Chair |
| 6 | Abe S. Goren | Vice Chair |
| 7 | Caton M. Fenz | Director |
| 8 | John Thomas | Director |
| 9 | Brandon Dudley | Director |

and all of said persons were present, except _____, thus constituting a quorum. Whereupon, among other business, the following was transacted at said meeting: a written

RESOLUTION AUTHORIZING THE MIDTOWN REDEVELOPMENT AUTHORITY (THE “AUTHORITY”) OR ITS AGENT TO ENTER INTO A DEVELOPMENT AND PURCHASE AGREEMENT WITH EPIC HOMES, LLC AND PROVIDING FOR THE CONVEYANCE AND DEVELOPMENT OF CERTAIN PROPERTIES IN ACCORDANCE WITH THE TERMS OF SUCH AGREEMENT; AND AUTHORIZING THE AUTHORITY OR ITS AGENT TO TAKE ALL NECESSARY ACTIONS REGARDING SAME

was introduced for the consideration of the Board. It was then duly moved and seconded that the Resolution be adopted; and, after due discussion, the motion, carrying with it the adoption of the Resolution, prevailed and carried unanimously.

2. That a true, full and correct copy of the aforesaid Resolution adopted at the meeting described in the above and foregoing paragraph is attached to and follows this certificate; that the Resolution has been duly recorded in the Board's minutes of the meeting; that the persons named in the above and foregoing paragraph are the duly chosen, qualified and acting officers and members of the Board as indicated therein; that each of the officers and members of the Board was duly and sufficiently notified officially and personally, in advance, of the time, place and purpose of the aforesaid meeting, and that the Resolution would be introduced and considered for adoption at the meeting, and each of the officers and members consented, in advance, to the holding of the meeting for such purpose; that the meeting was open to the public as required by law; and that public notice of the time, place and subject of the meeting was given as required by Vernon's Texas Codes Annotated, Chapter 551, Government Code.

SIGNED this _____, 2019.

Secretary, Midtown Redevelopment Authority

RESOLUTION AUTHORIZING THE MIDTOWN REDEVELOPMENT AUTHORITY (THE “AUTHORITY”) OR ITS AGENT TO ENTER INTO A DEVELOPMENT AND PURCHASE AGREEMENT WITH EPIC HOMES, LLC AND PROVIDING FOR THE CONVEYANCE AND DEVELOPMENT OF CERTAIN PROPERTIES IN ACCORDANCE WITH THE TERMS OF SUCH AGREEMENT; AND AUTHORIZING THE AUTHORITY OR ITS AGENT TO TAKE ALL NECESSARY ACTIONS REGARDING SAME

WHEREAS, by Ordinance No. 94-1345, adopted on December 14, 1994, the City of Houston (the “City”) created Reinvestment Zone Number Two, City of Houston, Texas (the “Midtown Zone”) pursuant to Chapter 311, Texas Tax Code (the “Act”), and approved a preliminary project plan for the Midtown Zone and a preliminary reinvestment zone financing plan for the Midtown Zone; and

WHEREAS, by Resolution No. 95-96, adopted on June 28, 1995, the City authorized the creation of the Midtown Redevelopment Authority (the “Authority”) to aid, assist and act on behalf of the City in the performance of the City’s governmental and proprietary functions with respect to the common good and general welfare of Midtown and neighboring areas as described in Ordinance No. 94-1345; and

WHEREAS, the City, the Midtown Zone and the Authority have entered into that certain amended and restated Agreement dated June 7, 2000, and approved as Ordinance No. 2000-494 (the “Tri-Party Agreement”), pursuant to which the City delegated to the Authority the power and authority to administer the Midtown Zone including, but not limited to, the power to engage in activities relating to the acquisition and development of land, construction and improvement of infrastructure in the Midtown Zone, and provide affordable housing, in accordance with, and subject to the limitations set forth in, the Tri-Party Agreement and Project and Financing Plan; and

WHEREAS, the Authority’s Board of Directors (the “Board”) has determined that it is in the best interest of the Midtown Zone and the Authority to acquire tracts of land in certain nearby historic neighborhoods to be developed as affordable housing and to commit certain available tax increment or bond proceeds received for this purpose; and

WHEREAS, the Authority has previously acquired certain parcels of land in the Third Ward area of the City for such purpose, and now desires to enter into a development and purchase agreement (the “Development and Purchase Agreement”), between and among the Authority, the Zone and Epic Homes, LLC. (the “Developer”), substantially in the form attached hereto as **Exhibit A**, in order to convey certain of such parcels of land to the Developer to be developed as affordable housing; and

WHEREAS, pursuant to the Development and Purchase Agreement, the Authority will sell and convey to the Developer nine (9) tracts of land in the Third Ward area of the City, as described in Exhibit D to the attached Development and Purchase Agreement (herein, the “Property”), at a consideration that is less than the fair market value of such land, in order to provide decent, safe, sanitary and affordable housing for low and moderate income persons; and

WHEREAS, the Authority believes it is in the best interest of the Authority to enter into the Development and Purchase Agreement and to convey the Property to the Developer for the purposes described herein and in the Development and Purchase Agreement, and the Board desires hereby to approve the Development and Purchase Agreement and such actions.

NOW THEREFORE, BE IT RESOLVED BY the Board of Directors of the Midtown Redevelopment Authority:

1. That the Board adopts the findings and recitations set out in the preamble to this Resolution and finds them to be true and correct.
2. That the Board hereby approves the form, terms and provisions of the Development and Purchase Agreement attached hereto as Exhibit A, including the terms and provisions of the forms of Unimproved Property Contract and Special Warranty Deed attached to the Development and Purchase Agreement as Exhibits B and C, respectively, and hereby authorizes the execution by the officers of the Board, the Executive Director or his agent with delegated authority, of the Development and Purchase Agreement and any Unimproved Property Contracts and Special Warranty Deeds to be entered into by the Authority pursuant to the Development and Purchase Agreement, and authorizes and approves the conveyance of the Property for a consideration of \$1.50 per square foot, which is less than the fair market value of such lots.
3. That the Board hereby further authorizes the officers of the Board, the Executive Director, and Authority staff and consultants to take the steps necessary to execute and carry out the terms of the Development and Purchase Agreement, including the payment of any associated costs and legal fees, and to execute any certificates, receipts, affidavits, notices and necessary related agreements pertaining to the Development and Purchase Agreement and the conveyances described therein.

PASSED AND APPROVED this 30th day of April, 2019.

Al Odom
Chair, Midtown Redevelopment Authority

ATTEST:

Pamela N. Castleman
Secretary, Midtown Redevelopment Authority

DRAFT

EXHIBIT A

Development and Purchase Agreement

(See Attached)

DRAFT

DRAFT

CERTIFICATE FOR RESOLUTION

THE STATE OF TEXAS §
 §
COUNTY OF HARRIS §

I, the undersigned officer of the Board of Directors of Midtown Redevelopment Authority (the “Board”) do hereby certify as follows:

1. The Board convened in special session on the 30th day of April, 2019, at the regular meeting place thereof within said Midtown Zone; and the roll was called of the duly constituted officers and members of said Board, to-wit:

- | | | |
|---|---------------------|------------|
| 1 | Camille Foster | Director |
| 2 | Douglas Erwing | Director |
| 3 | Gayle Fortson | Director |
| 4 | Pamela N. Castleman | Secretary |
| 5 | Al Odom | Chair |
| 6 | Abe S. Goren | Vice Chair |
| 7 | Caton M. Fenz | Director |
| 8 | John Thomas | Director |
| 9 | Brandon Dudley | Director |

and all of said persons were present, except _____, thus constituting a quorum. Whereupon, among other business, the following was transacted at said meeting: a written

RESOLUTION AUTHORIZING THE MIDTOWN REDEVELOPMENT AUTHORITY (THE “AUTHORITY”) OR ITS AGENT TO ENTER INTO A DEVELOPMENT AND PURCHASE AGREEMENT WITH COLE KLEIN BUILDERS, LLC AND PROVIDING FOR THE CONVEYANCE AND DEVELOPMENT OF CERTAIN PROPERTIES IN ACCORDANCE WITH THE TERMS OF SUCH AGREEMENT; AND AUTHORIZING THE AUTHORITY OR ITS AGENT TO TAKE ALL NECESSARY ACTIONS REGARDING SAME

was introduced for the consideration of the Board. It was then duly moved and seconded that the Resolution be adopted; and, after due discussion, the motion, carrying with it the adoption of the Resolution, prevailed and carried unanimously.

2. That a true, full and correct copy of the aforesaid Resolution adopted at the meeting described in the above and foregoing paragraph is attached to and follows this certificate; that the Resolution has been duly recorded in the Board's minutes of the meeting; that the persons named in the above and foregoing paragraph are the duly chosen, qualified and acting officers and members of the Board as indicated therein; that each of the officers and members of the Board was duly and sufficiently notified officially and personally, in advance, of the time, place and purpose of the aforesaid meeting, and that the Resolution would be introduced and considered for adoption at the meeting, and each of the officers and members consented, in advance, to the holding of the meeting for such purpose; that the meeting was open to the public as required by law; and that public notice of the time, place and subject of the meeting was given as required by Vernon's Texas Codes Annotated, Chapter 551, Government Code.

SIGNED this _____, 2019.

Secretary, Midtown Redevelopment Authority

RESOLUTION AUTHORIZING THE MIDTOWN REDEVELOPMENT AUTHORITY (THE “AUTHORITY”) OR ITS AGENT TO ENTER INTO A DEVELOPMENT AND PURCHASE AGREEMENT WITH COLE KLEIN BUILDERS, LLC AND PROVIDING FOR THE CONVEYANCE AND DEVELOPMENT OF CERTAIN PROPERTIES IN ACCORDANCE WITH THE TERMS OF SUCH AGREEMENT; AND AUTHORIZING THE AUTHORITY OR ITS AGENT TO TAKE ALL NECESSARY ACTIONS REGARDING SAME

WHEREAS, by Ordinance No. 94-1345, adopted on December 14, 1994, the City of Houston (the “City”) created Reinvestment Zone Number Two, City of Houston, Texas (the “Midtown Zone”) pursuant to Chapter 311, Texas Tax Code (the “Act”), and approved a preliminary project plan for the Midtown Zone and a preliminary reinvestment zone financing plan for the Midtown Zone; and

WHEREAS, by Resolution No. 95-96, adopted on June 28, 1995, the City authorized the creation of the Midtown Redevelopment Authority (the “Authority”) to aid, assist and act on behalf of the City in the performance of the City’s governmental and proprietary functions with respect to the common good and general welfare of Midtown and neighboring areas as described in Ordinance No. 94-1345; and

WHEREAS, the City, the Midtown Zone and the Authority have entered into that certain amended and restated Agreement dated June 7, 2000, and approved as Ordinance No. 2000-494 (the “Tri-Party Agreement”), pursuant to which the City delegated to the Authority the power and authority to administer the Midtown Zone including, but not limited to, the power to engage in activities relating to the acquisition and development of land, construction and improvement of infrastructure in the Midtown Zone, and provide affordable housing, in accordance with, and subject to the limitations set forth in, the Tri-Party Agreement and Project and Financing Plan; and

WHEREAS, the Authority’s Board of Directors (the “Board”) has determined that it is in the best interest of the Midtown Zone and the Authority to acquire tracts of land in certain nearby historic neighborhoods to be developed as affordable housing and to commit certain available tax increment or bond proceeds received for this purpose; and

WHEREAS, the Authority has previously acquired certain parcels of land in the Southeast area of the City for such purpose, and now desires to enter into a development and purchase agreement (the “Development and Purchase Agreement”), between and among the Authority, the Zone and Cole Klein Builders, LLC. (the “Developer”), substantially in the form attached hereto as **Exhibit A**, in order to convey certain of such parcels of land to the Developer to be developed as affordable housing; and

WHEREAS, pursuant to the Development and Purchase Agreement, the Authority will sell and convey to the Developer five (5) tracts of land in the Southeast area of the City, as described in Exhibit D to the attached Development and Purchase Agreement (herein, the “Property”), at a consideration that is less than the fair market value of such land, in order to provide decent, safe, sanitary and affordable housing for low and moderate income persons; and

WHEREAS, the Authority believes it is in the best interest of the Authority to enter into the Development and Purchase Agreement and to convey the Property to the Developer for the purposes described herein and in the Development and Purchase Agreement, and the Board desires hereby to approve the Development and Purchase Agreement and such actions.

NOW THEREFORE, BE IT RESOLVED BY the Board of Directors of the Midtown Redevelopment Authority:

1. That the Board adopts the findings and recitations set out in the preamble to this Resolution and finds them to be true and correct.
2. That the Board hereby approves the form, terms and provisions of the Development and Purchase Agreement attached hereto as Exhibit A, including the terms and provisions of the forms of Unimproved Property Contract and Special Warranty Deed attached to the Development and Purchase Agreement as Exhibits B and C, respectively, and hereby authorizes the execution by the officers of the Board, the Executive Director or his agent with delegated authority, of the Development and Purchase Agreement and any Unimproved Property Contracts and Special Warranty Deeds to be entered into by the Authority pursuant to the Development and Purchase Agreement, and authorizes and approves the conveyance of the Property for a consideration of \$1.50 per square foot, which is less than the fair market value of such lots.
3. That the Board hereby further authorizes the officers of the Board, the Executive Director, and Authority staff and consultants to take the steps necessary to execute and carry out the terms of the Development and Purchase Agreement, including the payment of any associated costs and legal fees, and to execute any certificates, receipts, affidavits, notices and necessary related agreements pertaining to the Development and Purchase Agreement and the conveyances described therein.

PASSED AND APPROVED this 30th day of April, 2019.

Al Odom
Chair, Midtown Redevelopment Authority

ATTEST:

Pamela N. Castleman
Secretary, Midtown Redevelopment Authority

DRAFT

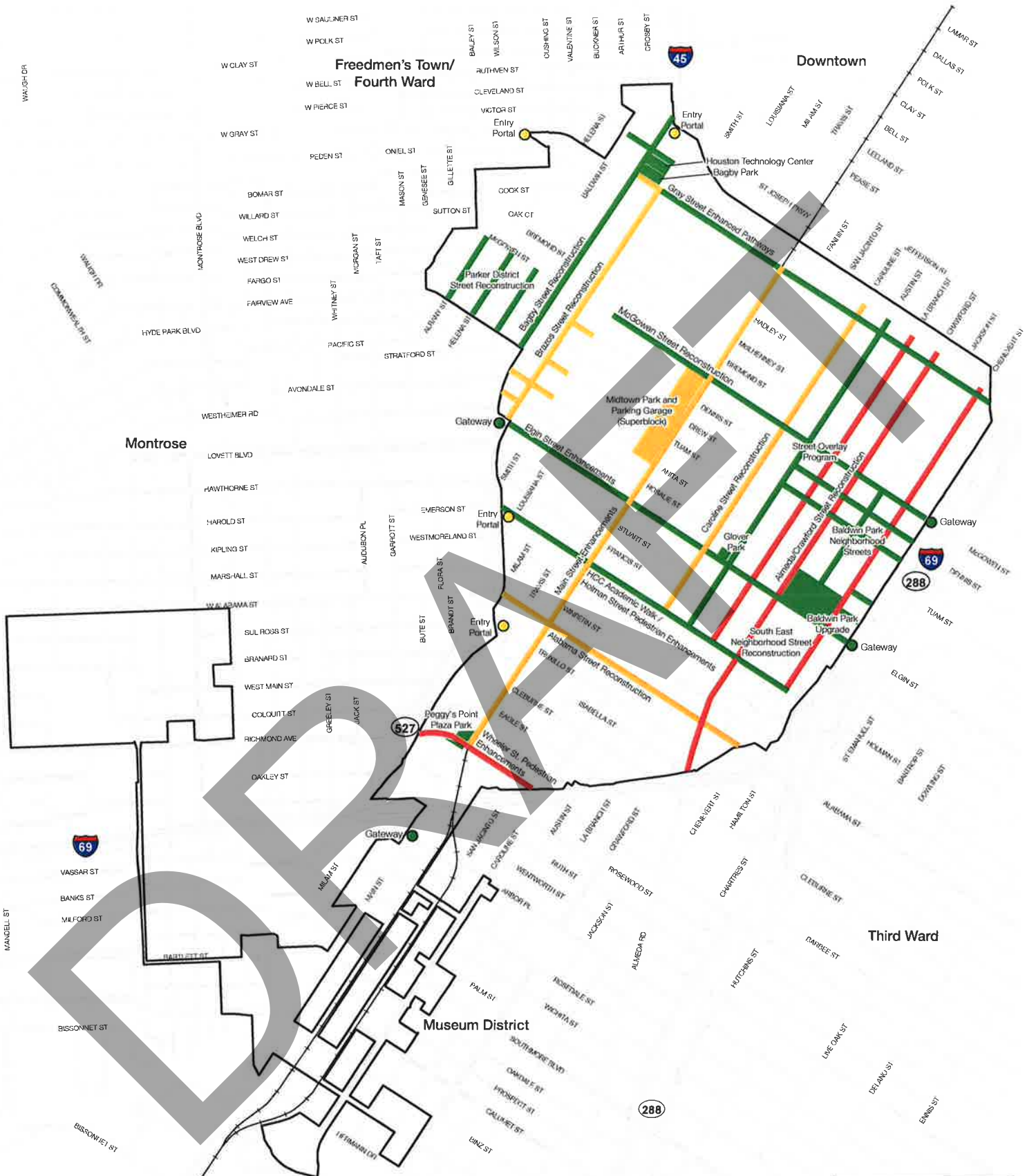
EXHIBIT A

Development and Purchase Agreement

(See Attached)

DRAFT

DRAFT



++++	Light Rail Line
Green line	Completed Projects
Yellow line	Projects in Design/Construction
Red line	Planned Projects

0 0.25 Miles

Capital Improvement Projects

Midtown Redevelopment Authority (TIRZ #2)

December 2018
WALTER P MOORE



Capital Improvements Program

Parks and Greenspace

Midtown Park (SuperBlock)

Garage Construction

Project closeout documentation in progress.

Pay Applications from Camden

Pay Application	Amount	Date
--	--	--
TOTAL TO DATE	\$18,790,255.07	

Change Orders

Change Order #	Amount	Days	Purpose	Notes	Action
1	\$0.00	0	Date changes to Schedule of Work	Approved by MRA Board	
2	\$12,810.00	2	Remove unforeseen concrete vault walls and floor, four 8' bell bottom foundations, and the pile of misc. uncovered brick and concrete; Pump out and dispose of 10,000 gallons of liquids in unmarked grease trap prior to CoH inspection.	Approved by MRA Board	
3	(\$222,692.43)	0	Deduct supply and installation of all Parking Control Equipment from scope of work	Approved by MRA Board	
4	\$0.00	0	Update Contractor's Vice President of Construction - change from C. David Joyce to Bobby Rivers.	Approved by MRA Board	
5	\$0.00	29	Time extension for delays due to weather. March 2015 through June 30, 2015	Approved by MRA Board	
6	\$17,682.00	0	Break out and remove unforeseen concrete and brick structures including a total of twelve 8' bell bottom foundations	Approved by MRA Board	

			and miscellaneous large brick and concrete structures; Replace waterstop for use at the bottom of footings and wall intersections.		
7	\$183,600.00	4	Net cost for hauling and disposing of 10,000 LCY of contaminated soils from excavation of project	Approved by MRA Board	
8	\$183,550.00	5	Net cost for hauling and disposing second quantity of 10,000 LCY of contaminated soils from excavation of project	Approved by MRA Board	
9	\$32,581.46	0	Electrical additions and modifications for park design per Owner/Architect	Approved by MRA Board	
10	\$145,510.00	5	Net cost for hauling and disposing final 8,000 LCY of contaminated soils from excavation of project	Approved by MRA Board	
11	\$64,212.13	13	Utility, elevator, and park feature modifications for park design per Owner/Architect	Approved by MRA Board	
12	\$285,144.26	32	Concrete, tunnel elevation and sump pump, and irrigation vault shoring for park design per Owner/Architect	Approved by MRA Board	
13	(\$7,626.15)	0	Credit for revised park areaway	Approved by MRA Board	
14	\$117,395.37	5	Concrete, steel, electrical, and waterproofing modifications for elevator shaft, irrigation vault, electrical room, and sprinkler room per Owner/Architect requested change	Approved by MRA Board	
15	(\$33,018.03)	54	Fire water line modifications per City of Houston; expansion	Approved by MRA Board	

			joint and waterproofing changes per Architect; credit for utilities, stair pavers, and irrigation vault changes		
16	\$50,410.20	28	Rain fountain floor sink and pavilion modifications; tunnel stair extensions and waterproofing; modifications to stair #5	Approved by MRA Board	
17	(\$29,223.60)	0	Delete downstream storm filter	Approved by MRA Board	
18	\$13,872.09	6	Addition of HVAC louver brace and steel pipe protection; relocation of two hose bibs	Approved by MRA Board	
19	\$9,510.24	4	Stair 1 and storefront modifications per Architect	Approved by MRA Board	
20	\$3,305.00	9	Floor drain addition at south ramp per Architect	Approved by MRA Board	
21	\$1,895.25	11	Privacy screen addition to fence at storage area	Approved by MRA Board	
22	\$45,823.98	22	Sump vents installations; lighting control panel installation; relocation of header wall to accommodate sprinkler system	Approved by MRA Board	
23	\$24,637.83	17	Light fixture installations; exit sign adjustments; screening and fencing installation at storage areas	Approved by MRA Board	
24	\$95,733.90	1	Installation of fencing, lighting, and overhead covers at exits for TCO per COH inspector	Approved by MRA Board	
25	\$10,120.27	0	Bollard, railing, signage, and lighting changes per Architect and COH inspector during substantial completion and TCO inspection	Approved by MRA Board	
26	\$798.00	0	Door handle adjustments at	Approved by MRA Board	

			storefront per Architect during substantial completion inspection		
27	\$40,608.75	0	Protection of in-place work during removal and replacement of pavilion deck concrete	Approved by MRA Board	
28	\$1,860.24	0	Temporary fence for TCO modification; concrete at sump pump modifications, panels at sprinkler pipes	Approved by MRA Board	
29	(\$5,202.00)	0	Storage for elevator #2; deduct labor for elevator #2 installation	Approved by MRA Board	
30	(\$194,208.38)	0	Remaining contingency/savings after project closeout	Approved by MRA Board	
TOTAL	\$849,090.38	247			

Budget

Original Contract Amount	Net Change Orders	Contract Sum to Date	Total Earned to Date	Retainage
\$17,941,164.69	\$849,090.38	\$18,790,255.07	\$18,790,255.07	\$0.00

Schedule

Original Contract Duration (substantial completion)	Days Added by Change Orders	Contract Total Days	Days Used	Days Remaining
365 days	247	612	599	13

Park Construction

Contractor continues work on paver, lighting, and landscape installation in front 90 plaza area, McGowen Street streetscape, front 90 sanitary sewer, and service drive area. Work on Main Street streetscape has started as well.

Pay Applications from Millis

Pay Application	Amount	Date
38	\$225,630.31	March 2019
TOTAL TO DATE	\$16,597,766.15	

Change Orders

Change Order #	Amount	Days	Purpose	Notes	Action
1	(3,589.54)	0	Value Engineering to park design including	Approved by MRA Board	

			buildings, water features, landscaping, lighting, and site materials to meet approved construction budget		
2	\$45,978.20	0	Owner request to add design alternates not included in initial construction contract (includes playground equipment and gate type change)	Approved by MRA Board	
3	\$46,657.50	4	Shifting of scope from garage contract to park contract (anchor bolts, backfill, manhole); Reduction in number of drilled piers	Approved by MRA Board	
4	179,099.36	0	Replacement of lighting fixtures previously removed during value engineering	Approved by MRA Board	
5	\$60,980.08	3	Garage lid waterproofing subcontractor change; Architect requested modifications to sub foundation for berm walls and spread footings to elevate curbs	Approved by MRA Board	
6	\$14,879.19	0	Addition of manhole to replace inactive manhole shown in plans; removal of short segment of garage lid to install utilities	Approved by MRA Board	
7	\$49,377.00	1	Installation of garage lid waterproofing curb detail and ADA ramp shifted from garage contract to park contract; required detailing for VE modifications to sidewalks and site amenities	Approved by MRA Board	
8	(\$44,987.11)	0	VE modifications to restroom roof and deletion of planters	Approved by MRA Board	
9	\$62,668.54	8	Structural piers modification at Travis;	Approved by MRA Board	

			addition of trench drain; job built culvert in bayou; additional foundation beams		
10	\$6,640.04	2	Granite curb and paving modifications; bollard revisions; tent anchors	Approved by MRA Board	
11	\$9,749.27	6	Landscape modifications, kiosks power and data, dog park curb modification	Approved by MRA Board	
12	\$13,592.09	3	Site drainage modifications, relocate electrical box, light fixture change and removal, pavilion millwork deletion, fence revisions	Approved by MRA Board	
13	\$110,084.45	2	Utility changes and waterproofing near berm wall, light fixture replacements, restroom wall modifications, electrical conduit adjustments, overtime allowance	Approved by MRA Board	
14	\$106,452.93	11	Rain fountain size modification; Travis Street temporary service driveway; Limestone block changed to granite; Electrical modifications for bird control system; Travis Street storm sewer unforeseen conditions; Front 90 pier drilling debris; Drainage modification at CIP wall 1 and west outcrop wall; Additional steel at pavilion roof	Approved by MRA Board	
15	\$129,243.70	0	Design modifications to landscaping, rain fountain layout, fountain link seals, McGowen St. utilities, dog park, and pavilion electrical plans	Approved by MRA Board	
16	\$111,456.51	9	Design modifications to pavilion,	Approved by MRA Board	

			stair/elevator enclosure, and drainage; A/V allowance; additional work for garage TCO and artwork		
17	\$121,177.35	12	Work items and activities related to Super Bowl opening (construction impact, maintenance, permits, and overtime work)	Approved by MRA Board	
18	\$58,189.66	12	Design modifications to bayou to relocate overflow drain inlet from irrigation vault	Approved by MRA Board	
19	\$79,698.23	5	Design modifications to bayou piers; additional backfill over garage lid; berm guardrail post modification; guard rail extension at elevator; calm pool reinforcement; bus stop modification	Approved by MRA Board	
20	\$53,377.82	10	Storm drainage modifications and concrete foundation installations for playground sculpture art work	Approved by MRA Board	
21	\$50,517.27	3	Additional bike racks; revised bollards at front 90; front 90 fountain delay; relocate fan at elevator lobby; paver protection during pavilion replacement; electrical for BCycle station; Bayou drainage modifications; delete wall cap at restroom; Camden pavilion sign	Approved by MRA Board	
22	\$0.00	0	Divide the overall project into 3 phases to better manage contractual mechanisms (substantial completion, warranties, maintenance periods, final completion and	Approved by MRA Board	

			retainage)		
23	\$12,093.85	0	Signage revisions; playground structures modifications; landscape additions adjacent to restroom; Front 90 utilities modifications; temporary fencing in garage	Approved by MRA Board	
24	\$27,163.18	0	Front 90 fountain modifications for future artwork	Approved by MRA Board	
25	\$120,341.16	0	J-trim and wall prep for mosaic art installation; lighting, stone veneer, and signage added to mosaic art	Approved by MRA Board	
26	\$10,601.20	0	Catenary lighting and pole modifications as required for artwork at Front 90 fountain	Approved by MRA Board	
27	\$14,009.85	0	Expansion joint design modification; irrigation backflow cage; add toggle light switches in fountain rooms; PVC plugs for future restaurant building; Kiosk foundation rebar; Credit for steel edge waterproofing; Pavilion east stair temporary modification	Approved by MRA Board	
28	(\$44,958.14)	0	B-Cycle concrete pad; Landscape modifications at dog run; Replacement of food truck electrical outlet receptacles; Art wall lighting cables; Dog run fence modifications	Approved by MRA Board	
29*	(\$10,800.00)	0	Substantial completion agreement for South Park; Project time extension due to front 90 issues;	Approved by MRA Board	
30	\$40,855.42	0	Modification to northeast corner of pavilion for drainage; tent anchor replacement; light shield installation;	Approved by MRA Board	

			Travis Street sidewalk and curb demolition and curb replacement		
31*	\$0.00	0	Contract amendment for partial retainage release upon completion of South Park	Approved by MRA Board	
32	\$89,113.96	0	Temporary installation and removal of rain fountain granite pavers on pedestals during Super Bowl event; remove and replace Camden driveway curbs on Travis Street; Modification of art wall plaque; Main Street driveway, sidewalk, and curb demolition and curb replacement; credit for electrical enclosure panels at pavilion and drilled piers at front 90; demolition and replacement of Travis Street driveways	Approved by MRA Board	
33	\$6,853.64	0	Additional COH permitting costs for south park area; Installation of bollards at dumpster pad; replacement of Camden driveway curbs on Travis Street	Approved by MRA Board	
34	\$53,588.18	0	Design modifications to Front 90 to accommodate fountain location change; X-Ray for cores drilled a tunnel at Front 90; Remove existing bus stop and replace paving.	Approved by MRA Board	
35	\$38,800.95	0	Irrigation design modifications; Paving design modifications at McGowen; Relocation of existing traffic signal at Travis/McGowen METRO bus stop	Approved by MRA Board	
36	\$47,161.12	0	Grading and fill dirt for elevation changes for	Approved by MRA Board	

			Main Street streetscape; Sandblasting of letters at CIP art wall; Hydro excavation to locate existing AT&T fiber optic cable along Main Street	
37	\$102,292.41	0	Front 90 sanitary sewer revision for connection to Main Street; relocation of vent pipe in service drive	*Board Approval Required
TOTAL	\$1,782,311.48	93		

Budget

Original Contract Amount	Net Change Orders	Contract Sum to Date	Total Earned to Date	Retainage
\$16,491,724.35	\$1,782,311.48	\$18,274,035.83	\$17,318,122.40	\$720,365.25

Schedule

Original Contract Duration (substantial completion)	Days Added by Change Orders / Weather Days	Contract Total Days	Days Used	Days Remaining
365 days	93 / 58	514	526	-12

Bagby Park – Storage and Renovations

The Bagby Park – Storage and Renovations Project generally includes construction of a storage unit, stage renovations, re-grading the lawn, and installation of additional lighting.

Construction

The pre-bid conference was held on April 2, 2019. Two bids were submitted at the bid opening held on April 16, 2019. The bids are as follows:

1	Texas Wall & Landscape	\$ 944,847.00
2	Jerdon Enterprise	\$ 480,480.80

Staff and the design team have examined the bids, and the lowest, most responsible bidder is Jerdon Enterprise with a bid of \$480,480.80.

Jerdon Enterprise's bid package was submitted in accordance with contract requirements, and it is recommended that the award be made to Jerdon Enterprise.

Construction Management and Inspection

IDS Engineering Group has submitted a proposal in the amount of \$140,508.00 to provide construction management and inspection services including materials testing for the Bagby Park – Storage and Renovations project.

Houston Community College Capital Projects

Midtown has partnered with Houston Community College (HCC) to make improvements to streets near to the HCC campus. The HCC Capital Projects include improvements to Holman, Alabama, and Caroline Street. Staff is working closely with the HCC design team and consultants on the improvements.

The Holman Street project includes right-of-way enhancements from Main to Crawford. Improvements will include wider sidewalks, landscaping, street furniture, brick pavers, accessibility ramps, and other pedestrian-related infrastructure. The project will improve access for HCC students to the METRORail station and other transit services on Holman Street, and it will be partially funded through a Federal Transit Administration (FTA) grant.

The Alabama Street project includes complete street reconstruction from Main to Chenevert. Improvements will include concrete pavement, public utility upgrades (water, storm, sanitary), wider sidewalks, landscaping, street furniture, brick pavers, accessibility ramps, and other pedestrian-related infrastructure. The project will be partially funded through a FTA grant.

The Holman Street construction contract has been awarded to SER Construction Partners in the amount of \$5,421,219.50. Construction duration for this project is 15 months.

Holman Street Construction

Project closeout documentation in progress.

Pay Applications from SER

Pay Application	Amount	Date
21	\$124,043.98	January 2019
TOTAL TO DATE	\$5,542,041.77	

Change Orders

Change Order #	Amount	Days	Purpose	Notes	Action
1	\$16,775.23	0	Seat block near MATCH; meter vault; fire hydrant relocation; addition of c-channels at electrical receptacles; deduct bike racks provided by owner	Approved by MRA Board	
2	\$33,566.00	0	Roadway replacement adjustment due to asphalt thickness field conditions	Approved by MRA Board	
3	\$21,453.42	0	Addition of concrete METRO Bus Stop Parking Pad	Approved by MRA Board	
4	\$6,593.60	0	rework at Chinese	Approved by	

			Consulate and bike racks installation	MRA Board	
5	\$22,494.40	0	Streetlight conduit and center arms for benches in HCC reach	Approved by MRA Board	
6	\$27,856.00	0	Add pavers at bus stops to match project pavers per architect	Approved by MRA Board	
7	--		(change deleted)		
8	\$29,750.00	0	Add traffic signal control cabinet at Fannin per requirement by COH	Approved by MRA Board	
9	\$10,036.40	0	Add electrical service for irrigation controller	Approved by MRA Board	
10	\$21,240.80	0	Add signage per standards of new COH Bike Plan	Approved by MRA Board	
TOTAL	\$189,765.85	0			

Budget

Original Contract Amount	Net Change Orders	Contract Sum to Date	Total Earned to Date	Retainage
\$5,421,219.50	\$189,765.85	\$5,610,985.35	\$5,542,041.77	\$0.00

Schedule

Original Contract Duration (substantial completion)	Days Added by Change Orders	Contract Total Days	Days Used	Days Remaining
460 days	0	460	446	14

Main Street Enhancements

The Main Street Enhancements Project will include capital improvements in the public right-of-way along Main Street from Pierce to Wheeler. Improvements to the rail transit corridor will include landscaping, street furniture, and other pedestrian-related infrastructure to encourage redevelopment and support existing developments along Main Street. The Main Street project will provide an enhanced rail transit corridor to increase comfort and safety in pedestrian environment and offer unique identity branding through Midtown.

Construction

Project currently in one-year maintenance period effective January 9, 2019. Remaining pedestrian crossing markers installation will begin after Camden project completion.

Pay Applications from SER

Pay Application	Amount	Date
28	\$12,323.50	February 2019

29	\$12,323.50	March 2019
TOTAL TO DATE	\$9,315,458.08	

Change Orders

Change Order #	Amount	Days	Purpose	Notes	Action
1	(\$796,356.90)	0	Revised lighting types and quantities; Additional striping per METRO; Wayfinding signage	Approved by MRA Board	
2	(\$2,687.00)	0	Removal and replacement of concrete entryway; Removal of benches with replacement with seat blocks; Removal and relocation of existing fence in ROW; Additional wayfinding signage not included in bid form	Approved by MRA Board	
3	\$119,899.18	12	Irrigation sleeve locates for median irrigation design; DMX controller, receivers/transmitters for iconic lights, DMX data conduit, and AC cabinet for DMX controller;	Approved by MRA Board	
4	(\$138,527.45)	0	Work associated with the DMX Controller that was completed by Millis within the Midtown Park Project; Installation of a concrete retaining wall adjacent to the B-Cycle Station at Main Street and Holman Street; Metal grates and frames; Seat blocks with lights; Iconic light modifications	Approved by MRA Board	
5	\$344,663.39	87	Proposed irrigation work in the median and additional irrigation work in the ROW to serve the median irrigation;	Approved by MRA Board	
6	\$252,815.49	3	Median railing;	Approved by	

			Mounting brackets for light modifications; Median work performed at night per METRO direction	MRA Board	
7	(\$5,884.22)	113	Deletion of paving and curb ramps, relocation of trash cans and lighting, adjustments to sidewalk width, and changes in planting quantities; Additional days due to METRO delay and weather	Approved by MRA Board	
8	\$696,586.94	85	Addition of improvements included in Alternate 1 of original bid (Truxillo to Wheeler)	Approved by MRA Board	
9	\$213,133.10	35	Improvements at Mid-Main per Developer Agreement	Approved by MRA Board	
10	\$173,000.00	0	Additional 14 lights on new poles and additional electrical meter & service including assembly in Alternate 1; (items were included in the construction plan but left off of bid form)	Approved by MRA Board	
11	\$21,516.12	12	Installation of six additional trash receptacles; ADA revisions and installation of handrail at Main and Rosalie intersection; buried concrete slab removal	Approved by MRA Board	
12	\$338,328.52	41	Pull Box Relocation at McGowen; Additional Concrete at various locations; Remobilization costs due to METRO shutdowns; One-year landscape maintenance	Approved by MRA Board	
TOTAL	\$1,216,466.68	395			

Budget

Original Contract	Net Change	Contract Sum	Total Earned to	Retainage
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Amount	Orders	to Date	Date	
\$8,459,353.00	\$1,216,466.68	\$9,675,819.68	\$9,492,994.47	\$189,859.89

Schedule

Original Contract Duration (substantial completion)	Days Added by Change Orders	Contract Total Days	Days Used	Days Remaining
355 days	395	750	628	74

Caroline Street Reconstruction

The Caroline Street Reconstruction Project is the reconstruction of Caroline Street from Pierce to Elgin. The project will include concrete pavement, public utility upgrades (water, storm, sanitary), enhanced intersections, wider sidewalks, landscaping, street furniture, brick pavers, accessibility ramps, and other pedestrian-related infrastructure. The Caroline Street project will provide an enhanced pedestrian environment and an improved vehicular connection for southbound traffic through Midtown. The project has been awarded a \$4M TxDOT Grant.

Construction

Contractor continues waterline installation on east side of Caroline between Dennis and McGowen and storm sewer installation on Anita Street between Caroline and Austin. Storm sewer installation will move to McIlhenny after completion on Anita. Installation of sanitary sewer has started near Tuam intersection on Caroline.

Design and construction management teams continue work with TxDOT and COH to provide direction with ongoing TxDOT vs COH construction specification discrepancies and traffic signal design revisions.

Change Orders

Change Order #	Contractor Amount	TxDOT fee (4.95%)	Total Amount	Days	Purpose	Notes	Action
1	\$159,844.45	\$7,912.30	\$167,756.75	0	Delay start compensation from 9/11/17-1/31/18 due to time suspension to resolve TCP and utility pole conflicts	Approved by MRA Board	
2	\$14,118.80	\$698.88	\$14,817.68	0	Temporary traffic signals as required by revised TCP	Approved by MRA Board	
3	\$79,656.64	\$3,943.00	\$83,599.64	0	Waterline revisions due to utility pole conflicts	Approved by MRA Board	
4	\$4,634.40	\$229.40	\$4,863.80	0	Manhole modifications due to waterline	Approved by MRA Board	

					revisions		
5	\$89,582.88	\$4,434.35	\$94,017.23	0	Delay start compensation from 2/1/18-7/8/18 due to time suspension to resolve TCP and utility pole conflicts	Approved by MRA Board	
6	(pending)						
7	\$42,792.95	\$2,118.25	\$44,911.20	0	Additional signage and equipment required by COH requested TCP revisions	Approved by MRA Board	
8	\$41,591.52	\$2,058.78	\$43,650.30	0	Additional lateral connections to existing storm sewer on Austin Street		*Board Approval Required
9	\$40,868.40	\$2,022.99	\$42,891.39	0	Additional concrete barriers required by TCP revisions		*Board Approval Required
TOTAL	\$473,090.04	\$23,417.95	\$496,507.99	0			

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CONTRACT CHANGE ORDER

Project: Midtown Park

Date: 3/15/2019
 Change Order No.: 37
 Job No.: 1174-005-07
 Contract No.: 1

Owner: Midtown Redevelopment Authority
 Contractor: Millis Development and Construction, Inc.

REVISED CONTRACT TIME		REVISED CONTRACT AMOUNT		
South Park	Notice to Proceed	3/23/2016	Original Contract Amount	\$16,491,724.35
	Contract Duration	365	Total Change Order Amount Through CO 36	\$1,680,019.07
	Substantial Completion Date	3/23/2017	Amount of Change Order No. 36	\$102,292.41
	Previously Approved Extension of Time	197	Total Change Orders to Date	\$1,782,311.48
	Total Time added by this Change Order	0	Revised Contract Amount:	\$18,274,035.83
	Revised Substantial Completion Date	10/6/2017		
Front 90	Substantial Completion Date (see C.O. 22)	2/24/2018		see above
	Previously Approved Extension of Time	253		
	Total Time added by this Change Order	0		
	Revised Substantial Completion Date	11/4/2018		
Camden Delay	Substantial Completion Date (see C.O. 22)	6/3/2018		see above
	Previously Approved Extension of Time	0		
	Total Time added by this Change Order	0		
	Revised Substantial Completion Date	6/3/2018		

1. GENERAL STATEMENT OF CHANGE

This change order covers the contract modification as follows as well as the official incorporation of revised documents issued to Contractor for construction purposes.

2. TIME:

Zero (0) additional days were requested to complete the South Park work.

Zero (0) South Park Weather Days since Change Order 36

Zero (0) additional days were requested to complete the Front 90 work.

Two (2) Front 90 Weather Days since Change Order 36

Zero (0) additional days were requested to complete the Camden Delay work.

Zero (0) Camden Delay Weather Days since Change Order 36

The work covered by this change order shall be performed under the same terms and conditions as included in the original construction contract.

Changes Approved:

Changes Recommended:

Midtown Redevelopment Authority

IDS Engineering Group

Owner

Construction Manager

By: _____
 (Date)

By: Carol D. Harrison 3/15/2019
 (Date)

Millis Development and Construction, Inc.

Walter P. Moore

Contractor

Engineer

By: [Signature]
 (Date) 3/27/19

By: [Signature] 4/9/19
 (Date)

CONTRACT CHANGE ORDER

Project: Midtown Park

Date: 3/15/2019
 Change Order No.: 37
 Job No.: 1174-005-07
 Contract No.: 1

Owner: Midtown Redevelopment Authority
 Contractor: Millis Development and Construction, Inc

3. CONTRACT DOCUMENT MODIFICATIONS:
 NONE

4. CONTRACT PRICE / TIME REVISIONS:
 NONE

Add the following items:

<u>SOV No.</u>	<u>Quantity</u>	<u>Unit</u>	<u>Unit Price</u>	<u>Description</u>	<u>Cost</u>
<u>Bulletin No. 32 - Change original McGowen Sanitary Point of Connection (POC) to Main Street (POC). COP-00226-07</u>					
Scope:	Bulletin No. 32 - Change original McGowen Sanitary Point of Connection (POC) to Main Street (POC).				
Justification:	Changes per Bulletin No. 32				
Time:	Zero (0) days added to the contract				
576	1	LS	\$100,289.09	Bulletin No. 32 - Change original McGowen Sanitary Point of Connection (POC) to Main Street (POC). COP-00226-07	\$100,289.09

Vent Pipe Relocation - COP-00233

Scope:	Relocate Vent Pipe in Service Driveway to adjacent stair rail and extend 6' above grade as directed by WPM & Owner				
Justification:	Vent pipe is in the wrong location				
Time:	Zero (0) days added to the contract				
577	1	LS	\$2,003.32	Vent Pipe Relocation - COP-00233	\$2,003.32

TOTAL AMOUNT OF CHANGE ORDER NO. 37 \$102,292.41

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ATTACHMENT B

Form of Work Order

WORK ORDER NO. 006

This Work Order No. 006 (this "Work Order") is issued subject to and is governed by that certain professional services agreement between Midtown and Consultant dated as of November 16, 2010 (the "PSA").

Work Order Date: April 29, 2019

Consultant: IDS Engineering Group

Type of Compensation: Cost Plus, Time & Materials, Firm Fixed Price, Lump Sum (Circle and set forth price if Firm Fixed Price or Lump Sum)

Compensation: \$140,508

Location of Services: Midtown District- Bagby Park

Description of Services: Construction Management, Inspection Services and Construction Materials Testing for Bagby Park Renovations

Schedule Requirements: Commencement of Services: 05-01-2019
Completion of Services: 11-15-2019 (estimated)

Midtown:

MIDTOWN REDEVELOPMENT
AUTHORITY

By: _____

Mathias T. Thibodeaux
Executive Director
Printed Name and Title

Date

Consultant:

IDS ENGINEERING GROUP

By: Timothy E. Buscha

Timothy E. Buscha, P.E.
President
Printed Name and Title

April 29, 2019
Date



April 25, 2019

Mr. Mathias Thibodeaux
Executive Director
Midtown Redevelopment Authority
410 Pierce, Ste. 355
Houston, Texas 77002

Reference: Proposal to Perform Professional Engineering Services
Construction Management and Inspection Services for Bagby Park Renovations
Houston, Texas
IDS Project No. 1174-005-12

Dear Mr. Thibodeaux:

IDS Engineering Group (IDS) is pleased to present our proposal to perform professional engineering services in connection with the above referenced project for the Midtown Redevelopment Authority (Owner). IDS has built a team with demonstrated experience in driving a project to completion and ability to manage a project with complex construction elements. Our Construction Management Team will consist of IDS and AGCM working in tandem in the Construction Manager role, HVJ Associates will perform construction materials testing, and we will retain an agreed to MWBE or DBE certified firm to provide field observation services.

IDS, AGCM and HVJ Associates each have a past working history with Midtown. AGCM has been engaged and will work under IDS, with staff actually located in IDS offices. AGCM provides specific technical support with vertical construction components, construction scheduling and construction project delivery.

Specifically, our services will include the following items:

1. CONSTRUCTION PROJECT MANAGEMENT SERVICES

- A. Discuss design clarifications and recommendations with Owner and Design Team to assist in resolving field problems relating to the construction.
- B. Perform, together with the Owner's representatives, observations of the construction site to determine the dates of substantial and final completion of the work. Construction Project Manager shall make a recommendation to the Owner as to the proper date for the issuance of the final certificate of payment.
- C. Observe the construction site, together with the Owner, no less than thirty days and no more than forty-five days before the expiration of the correction period established by

the Contract Documents. Further, the Construction Project Manager, within fourteen days after such observation, shall furnish the Owner with a written report enumerating items that require repair or replacement as provided under the correction period provisions of the Contract Documents.

- D. Monitor construction progress and schedule. Review the Contractor's schedule to ensure that it indicates duration, sequencing for major construction activities, and identifies critical activities. Monitor and report the status of key decisions and issues influential to the progress of the work.
- E. Ensure that closeout documents are submitted and processed in a timely fashion, including coordination of the final estimate.
- F. Conduct the pre-construction conference, and record and distribute the meeting minutes.
- G. Prepare and process construction contract change orders. Maintain a record of all field orders, directives, time extensions, and requests for information, proposals, and change orders. Evaluate and negotiate change orders as authorized and approved by the Owner and make recommendations regarding change orders to the Owner.
- H. Assist with the analysis and defense of claims relating to the Project and maintain Project records to support this effort.
- I. Assist in the completion and acceptance procedures and tests required for the Project.
- J. Administer the construction contract to achieve timely completion of the construction of the Project.
- K. Provide advice, reviews, and assistance to the Owner and Design Team in connection with the construction of the Project.
- L. Assist Owner and Design Team with all utility corporations and governmental agencies regarding crossings, closings, and/or relocations. These shall include but not be limited to: railroads, transit lines, power companies, telephone and telegraph companies, gas line corporations, adjacent municipalities, county agencies, water supply and sewerage districts, drainage and levee districts, and other local public entities.
- M. Perform review, coordination, and liaison work between Owner and Design Team, and interested public or private entities to achieve maximum efficiency and continuity in the construction of Project.
- N. Familiarization with studies, reports, etc., prepared in advance of or during design of the Project.

- O. Review of working drawings and specifications related to the Project design where appropriate. Provide advice and consultation concerning such documents, including particularly their adequacy, accuracy and constructability.
- P. Conduct meetings that include the Owner, Design Team and others prior to and during the construction phase of the Project and/or coordinate the above-mentioned parties.
- Q. Administer the testing laboratory contract(s). Monitor the required testing to assure that sufficient testing is performed, secure and distribute (or cause to be distributed) information from the testing laboratories to the Owner regarding necessary field and laboratory tests, and review the results of such tests with the Owner for compliance with the Construction Documents for the Project, assisting the Owner when necessary.

2. CONSTRUCTION ADMINISTRATION SERVICES

- A. Processing of product submittals, laboratory, shop, and mill tests of material and equipment for general conformity with Construction Document requirements and report to the Owner in writing on such matters.
- B. Processing of all Request for Information (RFI) and maintain a log of all such documents for the duration of the construction process.
- C. Establish and Maintain Document Control (Filing) System to include all records, certificates, guarantees, warranties and releases required from the construction contractor(s). Maintain an all-inclusive file for transmittal to the Owner at the completion of the Project.

3. PROJECT CONTROLS SERVICES

- A. Prepare and distribute, as required, monthly status reports to include budget information, current estimates of Construction Cost and schedule, obligations and action items required, status of change orders, anticipated change orders, expenditures and estimated cost at completion, contractor payment reports, and other information necessary to define the current Project status.
- B. Maintain a record of all field orders, directives, time extensions, and requests for information, proposals, and change orders.

4. CONSTRUCTION INSPECTION SERVICES

Such services shall consist of the close, technical, on-site examination of the materials, structures, equipment and workmanship and methods used by the construction contractor to ensure that the Project is constructed in compliance with the Construction Documents and

according to good construction practices. Such services shall include, but not be limited to, the following:

- A. Provide on-site observation of the progress and quality of work for the construction contract. Advise the Owner of any observed deviations from the Construction Documents in a timely manner so as to minimize delay in the progress of the work.
- B. Inspect and observe the construction contractor's activities to verify that the work complies with the Construction Documents for the Project. Notify the Owner if the construction contractor's work is not in compliance with Construction Documents including all addendums and change orders and notify the Owner of any failure of the construction contractor to take measures to place such work in compliance.
- C. Inspect and observe the materials and equipment being incorporated into the work to assure that they are handled, stored and installed properly and adequately and are in compliance with the Construction Documents for the Project.
- D. Identify problems encountered in accomplishing the work and recommend the appropriate action to the Owner for resolution of problems to minimize impact on timely completion of the Project.
- E. Attend and participate in meetings with the Owner and the construction contractor(s) when requested by the Owner.
- F. Maintain a daily progress report to record work performed and significant job events.
- G. Assemble and maintain notes, comments, sketches and supportive data relative to the Project in order to facilitate the revisions of tracings to conform to the construction records. Provide a copy of the daily progress reports to the Owner.
- H. Verify the quantities contained in the construction contractor's pay request and make recommendations to the Owner regarding payment of periodic and final requests for payment.
- I. Services to be performed based upon an average of 18 hours per week for a 38-week period.

EXCLUDED SERVICES

The following services are excluded from this proposal, but may be provided under a separate proposal.

- 1) Environmental investigations or development of remediation plans.
- 2) Preparation of storm water management plan reports or maintenance of storm water management practices.

- 3) Project review and evaluations during post construction warranty period.

FEE SUMMARY

The following fees are provided below for the scope of services described herein. These services will be invoiced monthly based on progress reported by us, subject to your verification and consistent with the terms of our existing Master Services Agreement with Midtown. Subconsultant fees include the allowed 8% markup for IDS for administrative burden, coordination and management efforts.

In general lump sum services will be billed based upon the level of completion as correlated to the level of project completion by the Contractor following the Contractor achieving 10% completion on the project.

Construction Engineering Support and Coordination

IDS Engineering Group – Construction Management	\$ 52,615 Fee
HVJ Associates - Material Testing	\$ 22,173 Hourly or Unit
Field Observation Services (Firm TBD)	\$ 63,720 Hourly
Reimbursable Expenses	\$ 2,000

Total Fees: \$ 140,508

We appreciate the opportunity to submit this proposal to you and look forward to working with you on this project. Should you have any questions, please contact either of us.

Sincerely,



Timothy E. Buscha, P.E.
President



Carol D. Harrison, P.E.
Project Manager

X:\1100\117400508 Midtown PSA WO 005 Main St CM\PM\00 Proposal\117400508 Proposal for Main Street Enhancements CM.docx

Project Production Budget



Project Name: CM for Bagby Park Renovations
 Project Number: 1174-005-12
 Date: 4/18/2019

Utilization Codes													
05		15		25		35		45		55		65	
MGR /		SMGR		SENG		EIT		SR		PROD		MGR	
ENG /		S		E		I		P		M		A	
\$185		\$225		\$139		\$149		\$100		\$158		\$125	
ADMIN		ADMIN		ADMIN		ADMIN		ADMIN		ADMIN		ADMIN	

Option A - Suggest Effort

Center	Task	Task Description	Design Manager	Roll Up To	Task Type	SMGR	SENG	EIT	SR	PROD	PROD	MGR	OBS	ADMIN	Reim. Expenses	Reim. Consultant/Expenses	HVJ GEO-Mat Testing Reimb	Pending Inspection/Sub Contract Reimb	Labor Cost
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75	Construction																			
450	Construction Phase Services	Harrison, Carol			Fee	5	38					190		152						52,615
460	Construction Observation	Sellers, Travis			Hourly															
EXP	Reimbursable Expenses	Sellers, Travis													2,000					2,000
SUB	Reimbursable Sub Consultants	Harrison, Carol														59,000				63,720
SUB	Reimbursable Sub Consultants	Harrison, Carol															20,531			22,173
SUBTOTAL																2,000	20,531	59,000		140,508

38 Weeks (30 weeks construction for substantial, 4 weeks to final; 4 weeks contingency for weather delays, change orders & closeout documents)
 Const Mgr - 5 hours per week
 Const Admin - 4 hours per week
 Proj Mgr - 1 hours per week
 Principal - 1/2 hour per month
 Field Observation (Hourly)-13 hours per week (1/3 time) =494 hours (TBD + 8% Markup)
 Materials Testing (Hourly or Unit) - HVJ + 8% Markup
 Assumes (2) coordination meetings per month (2hrs per)

TOTAL	5	38	0	0	0	0	0	0	0	0	0	190	0	152		2,000	20,531	59,000		140,508
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CONTRACT ID: 091271003
PROJECT: C 912-71-3
CONTRACT: 04173038
AWARD AMOUNT: \$12,380,276.54
PROJECTED AMOUNT: \$12,438,632.54
ADJ PROJECTED AMT: \$12,786,469.71
PEND ADJ PROJ AMT: \$12,786,469.71
CONTRACTOR: J.D. ABRAMS, L.P.
CO AMOUNT: \$41,591.52
CO TYPE: NON-PARTICIPATING
3RD PARTY AMOUNT: \$41,591.52
APPRV LEVEL: OVERRIDE

HIGHWAY: CS
DISTRICT: 12
COUNTY: HARRIS
AREA ENGINEER: John Elam, P.E.
AREA NUMBER: 056

Functions:

<input checked="" type="checkbox"/> Extra Work	<input type="checkbox"/> Force Account
<input type="checkbox"/> Zero Dollar	<input type="checkbox"/> Final Quantity
<input type="checkbox"/> Overrun/Underrun	<input type="checkbox"/> Change Project Limits
<input type="checkbox"/> Time Adjustment	<input type="checkbox"/> Delete/Add CSJ
<input type="checkbox"/> Stock Account	

DESCRIPTION: Concrete Collars
REASON: 1A - 1A-INCORRECT PS&E (TXDOT DESIGN)
SECONDARY REASON(S):

DESCRIBE THE REASON FOR THE CHANGE ORDER AND WHAT IS BEING CHANGED. WHEN NECESSARY, INCLUDE EXCEPTIONS TO THIS AGREEMENT:

This project plans call for the reconstruction of a concrete roadway consisting of a 2-lane roadway with curb and gutter, curb side parking lanes, storm sewer, water lines, sanitary sewer lines, bike lanes, landscape and street lighting improvements.

During the construction of the Drainage system on Caroline Street a request for information (RFI) was requested by the contractor to the department regarding the storm sewer lateral connections. In response to the RFI the department revised the drainage plan to include concrete collar/lateral connections to existing storm sewer on Austin Street. This change order is to compensate the contractor for the additional concrete work done to install the concrete collars/lateral connections as per the revised drainage plan.

The following item added to the contract has no low bid amount and based upon pricing back up documentation submitted from the contractor the item has been determined fair and reasonable.

New Item added		
ITEM: 9608-2004 UNIQUE CHANGE ORDER ITEM 4	9EA	\$4,621.28/EA
CO #8		
(Additional Concrete Collar Work) (DOL=EA)		
(NO LOW BID PRICE)		

The revisions covered by this proposed change order are estimated to result in overrun of \$41,591.52. This change order will be associated with a third party amount as per the advanced funding agreement. Midtown Management District will be covering 100% of the total change order. The Engineering and contingencies on this project is 4.95% and the total the third party amount will result in \$ 43,650.30.

ADDITIONAL TIME NOT NEEDED

"By signing this change order, the contractor agrees to waive any and all claims for additional compensation due to any and all other expenses; additional changes for time, overhead and profit; or loss of compensation as a result of this change and that this agreement is made in accordance Item 4 and the Contract. Exceptions should be noted in explanation above."

THE CONTRACTOR

BY: _____ **DATE**

TYPED/PRINTED NAME: _____ **DATE**

TYPED/PRINTED TITLE: _____ **DATE**

AREA ENGINEER: _____ **DATE**

AREA ENGINEER'S SEAL: _____ **DATE**

DISTRICT ENGINEER: _____ **DATE**

DIRECTOR, CONSTRUCTION DIVISION: _____ **DATE**

DEPUTY EXECUTIVE DIRECTOR: _____ **DATE**

FHWA: _____ **DATE**



CONTRACT ID 091271003

CHANGE ORDER NBR. 8

Page 3 of 3

CONTRACT ITEMS

PROJECT NBR 091271003 (C-912-71-3 NOT ELIGIBLE FOR FEDERAL PARTICIPATION)

CATG NBR	LINE ITEM	ITEM CODE	SP NBR	DESCRIPTION	UNIT	UNIT PRICE	ORIG + PREV REV QTY	QTY THIS CO	NEW QTY	AMOUNT THIS CO
001	4023	96082004		UNIQUE CHANGE ORDER ITEM 4	DOL	4,621.28000	0.000	9,000	9,000	\$41,591.52

ADDTL CO DESCR 1

ADDTL CO DESCR 2

CO #8

(Additional Concrete Collar Work) (DOL=EA)

CHANGE ORDER AMOUNT \$41,591.52



DRAFT



CHANGE ORDER NBR. 9

REPORT DATE: 4/15/2019 8:47:01AM

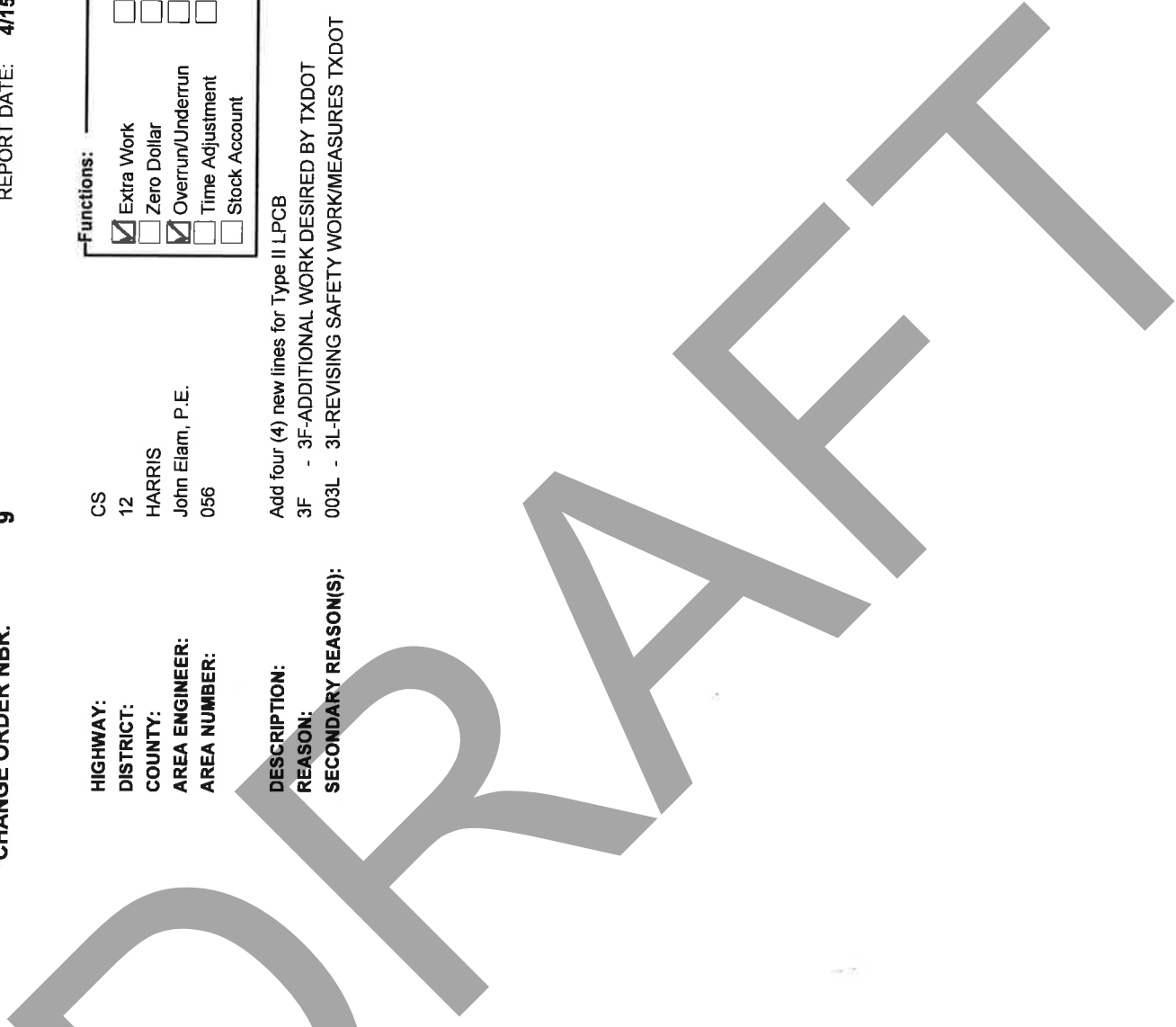
CONTRACT ID: 091271003
PROJECT: C 912-71-3
CONTRACT: 04173038
AWARD AMOUNT: \$12,380,276.54
PROJECTED AMOUNT: \$12,438,632.54
ADJ PROJECTED AMT: \$12,786,469.71
PEND ADJ PROJ AMT: \$12,786,469.71
CONTRACTOR: J.D. ABRAMS, L.P.
CO AMOUNT: \$40,868.40
CO TYPE: NON-PARTICIPATING
3RD PARTY AMOUNT: \$40,868.40
APPRV LEVEL: OVERRIDE

HIGHWAY: CS
DISTRICT: 12
COUNTY: HARRIS
AREA ENGINEER: John Elam, P.E.
AREA NUMBER: 056

Functions:

<input checked="" type="checkbox"/> Extra Work	<input type="checkbox"/> Force Account
<input type="checkbox"/> Zero Dollar	<input type="checkbox"/> Final Quantity
<input checked="" type="checkbox"/> Overrun/Underrun	<input type="checkbox"/> Change Project Limits
<input type="checkbox"/> Time Adjustment	<input type="checkbox"/> Delete/Add CSJ
<input type="checkbox"/> Stock Account	

DESCRIPTION: Add four (4) new lines for Type II LPCB
REASON: 3F - 3F-ADDITIONAL WORK DESIRED BY TXDOT
SECONDARY REASON(S): 003L - 3L-REVISING SAFETY WORK/MEASURES TXDOT



DESCRIBE THE REASON FOR THE CHANGE ORDER AND WHAT IS BEING CHANGED. WHEN NECESSARY, INCLUDE EXCEPTIONS TO THIS AGREEMENT:

The project plans call for the reconstruction of a concrete roadway consisting of a 2-lane roadway with curb and gutter, curb side parking lanes, storm sewer, water lines, sanitary sewer lines, bike lanes, landscape and street lighting improvements.

The subject change order will add four (4) new items to the contract for Type 2 LPCB from two different sources due to availability.

The original Traffic Control Plan (TCP) included in the plan set was designed by KCI; however, TxDOT had to redesign the TCP after the original TCP was repeatedly rejected by the City of Houston (COH). J.D. Abrams requested that Low Profile Concrete Barrier (LPCB) be added to the revised TCP for safety reasons. The following three line items were previously added to the contract for Type 1 LPCB:

Line 320 0512-2017 PORT CTB (DES SOURCE)(LOW PROF)(TY 1)
\$7.00/LF 2,000.00 LF \$14,000.00

Line 325 0512-2026 PORT CTB (MOVE)(LOW PROF)(TY 1)
\$3.50/LF 2,000.00 LF \$7,000.00

Line 330 0512-2035 PORT CTB (STKPL)(LOW PROF)(TY 1)
\$6.00/LF 2,000.00 LF \$12,000.00

J.D. Abrams originally submitted pricing and backup for the Type 2 LPCTB to be sourced from the same TxDOT yard as the Type 1 LPCB located at IH 610 and Long Drive. The submittal included line items to source (Long Drive), move, and stockpile (Long Drive) the Type 2 LPCB. It was determined that there was not enough material at the TxDOT Long Drive yard to supply the required amount of Type 2 LPCB for the project. The contractor was then asked to provide additional pricing for the Type 2 LPCB to be sourced from the TxDOT yard located at SH 146 and Attwater Avenue.

The pricing provided is higher than average low bid because there is an additional cost to haul the small amount of LPCTB necessary for this project compared to the larger amount normally supplied in other TXDOT projects. This price includes the cost of hauling picking equipment to and from the supply yard. The cost for the yard located at SH 146 at Attwater Avenue is further increased because of long distance the yard is from the project. Furthermore, the additional cost includes the contractor supplying trucks to haul loads that are not filled to capacity.

The following four (4) line items for the Type 2 LPCB were inadvertently left off the revised TCP and will be added with this Change Order No. 9:

Line 321 0512-2018 PORT CTB (DES SOURCE)(LOW PROF)(TY 2) IH 610 at Long Drive
\$26.06/LF 290.00 LF \$7,557.40

Line 322 0512-2018 PORT CTB (DES SOURCE)(LOW PROF)(TY 2) SH 146 at Attwater Avenue
\$30.75/LF 290.00 LF \$8,917.50

Line 326 0512-2027 PORT CTB (MOVE)(LOW PROF)(TY 2)
\$6.59/LF 1,720.00 LF \$11,334.80

Line 331 0512-2036 PORT CTB (STKPL)(LOW PROF)(TY 2) IH 610 at Long Drive
\$45.03/LF 290.00 LF \$13,058.70

This change order will result in an overrun of funds authorized for this contract in the amount of \$40,868.40 and has been approved by the North Harris Area Office and is submitted for your review, and further handling.

ADDITIONAL TIME NOT NEEDED

"By signing this change order, the contractor agrees to waive any and all claims for additional compensation due to any and all other expenses; additional changes for time, overhead and profit; or loss of compensation as a result of this change and that this agreement is made in accordance Item 4 and the Contract. Exceptions should be noted in explanation above."

THE CONTRACTOR

BY: _____ DISTRICT ENGINEER: _____ DATE _____
TYPED/PRINTED NAME: _____ DIRECTOR, CONSTRUCTION DIVISION: _____ DATE _____
TYPED/PRINTED TITLE: _____ DEPUTY EXECUTIVE DIRECTOR: _____ DATE _____
AREA ENGINEER: _____ FHWA: _____ DATE _____
AREA ENGINEER'S SEAL: _____ DATE _____



CONTRACT ID

091271003

CHANGE ORDER NBR. 9

CONTRACT ITEMS

(C 912-71-3 NOT ELIGIBLE FOR FEDERAL PARTICIPATION)

PROJECT NBR 091271003

CATG NBR	LINE ITEM	ITEM CODE	SP NBR	DESCRIPTION	UNIT	UNIT PRICE	ORIG + PREV REV QTY	QTY THIS CO	NEW QTY	AMOUNT THIS CO
001	321	05122018		PORT CTB (DES SOURCE)(LOW PROF)(TY 2)	LF	26.06000	0.000	290.000	290.000	\$7,557.40
001	322	05122018		PORT CTB (DES SOURCE)(LOW PROF)(TY 2)	LF	30.75000	0.000	290.000	290.000	\$8,917.50
001	326	05122027		PORT CTB (MOVE)(LOW PROF)(TY 2)	LF	6.59000	0.000	1,720.000	1,720.000	\$11,334.80
001	331	05122036		PORT CTB (STKPL)(LOW PROF)(TY 2)	LF	45.03000	0.000	290.000	290.000	\$13,058.70
CHANGE ORDER AMOUNT										\$40,868.40

