

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

October 31, 2024

A regular meeting of the Board of Directors (the “Board”) of the Midtown Redevelopment Authority (the “Authority”) was held at 410 Pierce Street, First Floor Conference Room, Houston, Texas 77002 and via videoconference on Thursday, October 31, 2024, at 12:30 p.m. The meeting agenda is attached hereto and incorporated herein. 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	Terence Fontaine	7	Deanea LeFlore
3	Michael Lewis	8	James Gilford
4	Michael T. Murphy	9	Zoe Middleton
5	Al Odom		

and all of the above were present in person at the meeting location except Directors Goren and Middleton, who were absent.

In attendance were Authority staff members Matt Thibodeaux, Kandi Schramm, Vernon Williams, Marlon Marshall, Jeremy Rocha, Kayler Williams, David Thomas, and Amaris Salinas; Melissa Morton of The Morton Accounting Services; Barron Wallace and Mary Buzak of Bracewell LLP; Peggy Foreman of Burney & Foreman; Algenita Davis and Sean Haley of CCPPI; Roberta F. Burroughs of Roberta F. Burroughs & Associates; Carol Harrison of IDS Engineering; Alex Ramirez of Design Workshop and Wanda Williams, a resident of the Third Ward.

In attendance via video conference were Ashley Segura of Medley, Inc.; Authority staff members Sally Adame and Chrystal Robinson-Davis; Katie Johnson of Binkley & Barfield/DCCM; Angie Gomez of CCPPI; Mark D. Gribble of Aguirre & Fields; Lynda Guidry of Super Neighborhood #62; and one additional attendee who was not identified by first and last name.

Director Odom called the meeting to order.

PUBLIC COMMENT

Ms. Wanda Williams explained that she lives in the University Park area of Third Ward and purchased her home through the Authority’s affordable housing program approximately two years ago. Ms. Williams provided details regarding the significant increase in property taxes for her home resulting from a substantial increase in assessed value as determined by the Harris County Appraisal District (“HCAD”). She emphasized

that this increase is financially unsustainable for her and her neighbors. Ms. Williams noted that the 20-year affordability period prevents her and her neighbors from selling their homes at market value without having to repay the land value of the property. She stated that the affordability period and the high property taxes, has caused a financial strain for homebuyers. She asked the Board to consider modifying the affordability period for the homes.

The Board Chair pointed out that Board members are aware of the issue with the appraised values as determined by HCAD and indicated that efforts are being made to assist homebuyers. He stated that state legislative action is needed to address the issue of high property taxes. He stressed the importance of ensuring that HCAD take into account the affordability period and other restrictions on these properties in making its determination of appraised value.

CONSENT AGENDA FOR THE AUTHORITY

MINUTES FOR SEPTEMBER 26, 2024

MONTHLY FINANCIAL REPORTS FOR SEPTEMBER 30, 2024

RATIFICATION AND ACKNOWLEDGMENT OF DEVELOPMENT AND PURCHASE AGREEMENT WITH MORS DEVELOPMENT PARTNERS, SERIES LLC FOR DEVELOPMENT OF SINGLE-FAMILY AFFORDABLE HOMES

ANNUAL RENEWAL OF PROFESSIONAL SERVICES AGREEMENT WITH IDS ENGINEERING GROUP

RATIFICATION AND ACKNOWLEDGMENT OF GRANT AGREEMENTS WITH CHANGE HAPPENS CDC FOR THE DEVELOPMENT OF 10 SINGLE-FAMILY AFFORDABLE HOMES (AHDP)

RATIFICATION OF SECOND AMENDMENT TO OPTION AGREEMENT WITH WILLIAM A. LAWSON INSTITUTE FOR PEACE AND PROSPERITY (WALIPP) FOR DEVELOPMENT OF MULTI-FAMILY SENIOR HOUSING

RATIFICATION AND ACKNOWLEDGMENT OF GRANT AGREEMENT WITH CHANGE HAPPENS CDC FOR DEVELOPMENT OF 12 SINGLE-FAMILY AFFORDABLE HOMES

Executive Director Matt Thibodeaux presented the Consent Agenda.

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

SECOND AMENDMENT TO DEVELOPMENT AGREEMENT WITH PEARL RESIDENCES AT MIDTOWN OWNER, LLC

Marlon Marshall, Senior Director of Engineering/Strategic Development, provided an update on the Development Agreement with Pearl Residences at Midtown Owner, LLC, which involved a two-phase project, including a Whole Foods Market and a multi-family residential project. The Whole Foods Market was completed in October 2019, but the store closed in October 2023.

Director Fontaine made a motion to table discussion of the item pending consultation with legal counsel in executive session. The motion was seconded by Director Murphy and carried by unanimous vote.

This item was discussed in executive session. Upon reconvening in open session, Director Fontaine made a motion to authorize the Authority's legal counsel and Executive Director to take all necessary steps to protect the Authority's rights under the Development Agreement with Pearl Residences at Midtown Owner, LLC and to enter into any supplemental agreements with Pearl Residences at Midtown Owner, LLC necessary to protect the interest of the Authority. The motion was seconded by Director Murphy and approved unanimously.

AFFORDABLE HOUSING PROGRAM

Sean Haley, Executive Director of CCPPI, explained the efforts to date to address the issue of the substantial increases in assessed value and property taxes for homes purchased through the Authority's affordable housing program. He stated that each homeowner who purchased homes through the Southeast Houston Affordable Housing Initiative must annually submit a form signed by the Authority and the Houston Area Urban League to HCAD during the property tax protest period to ensure their property taxes are assessed correctly.

Peggy Foreman of Burney and Foreman provided background on the Authority's affordable housing program and noted that the 20-year affordability period was implemented to ensure long-term affordability and discourage homeowners from flipping houses for a quick profit.

Certain members of the Board suggested that the current 20-year affordability period should be reconsidered. After further discussion, the Board directed Authority staff to put together a proposal for potential modification of the affordability period for discussion at a future Board meeting.

AFFORDABLE HOUSING OPERATIONS CAMPUS

CHANGE ORDERS

Mr. Marshall reported that there were no change orders.

INTERIOR DESIGN SERVICES WORK ORDER – SMITH & COMPANY ARCHITECTS

Mr. Marshall presented a professional architectural and engineering services proposal from Smith & Company Architects for the 3rd floor tenant build-out at One Emancipation Center for Iridium Specialty Pharmacy in the amount of \$55,000.

Director Foster made a motion to approve a professional architectural and engineering services work order for Smith & Company Architects in the amount of \$55,000 for the 3rd floor tenant build-out at One Emancipation Center for Iridium Specialty Pharmacy. The motion was seconded by Director Murphy. Following all discussion, the motion carried by unanimous vote.

CAPITAL IMPROVEMENTS PROGRAM

CAROLINE STREET RECONSTRUCTION

CHANGE ORDERS

Mr. Marshall reported that there were no change orders.

REMEDIAL DRAINAGE PILOT PROJECT

CHANGE ORDERS

Mr. Marshall provided an update on the Caroline Street Remedial Drainage Pilot Project Change Order #1 in the amount of \$12,277.60 for removal and replacement of existing sidewalk to address an issue with the existing junction box location.

Director Murphy made a motion to approve Caroline Street Remedial Drainage Pilot Project Change Order #1 in the amount of \$12,277.60 for removal and replacement of existing sidewalk to address an issue with the existing junction box location. The motion was seconded by Director Fontaine and carried by unanimous vote.

FTA AND HUD GRANT PROJECTS

CONCEPT DESIGN SERVICES WORK ORDER – THE GOODMAN CORPORATION

Mr. Marshall discussed the allocation of FTA and HUD grant funds for concept design development and additional analysis for various projects, including improvements to Caroline Street and Cleburne Street. The HUD funding previously appropriated through late

Congresswoman Sheila Jackson Lee's office for roadway rehabilitation and sidewalk improvements on Isabella and Truxillo Streets in the amount of \$1,142,857.00 must be spent in District 18.

The Goodman Corporation work order in the amount of \$45,893.00 includes concept design development and additional analyses required to advance the projects forward for City of Houston approval. The projects include: Cleburne Street Multimodal Improvements (FTA Funded) - (Main Street to La Branch Street); Caroline Street Sharrow Improvements (FTA Funded) - (Wheeler Avenue to Hermann Drive); Isabella and Truxillo Roadway Rehabilitation Project (HUD Funded) – overlay and sidewalks - Isabella Street (Main Street to Fannin Street, and San Jacinto Street to Alameda Street) and Truxillo Street (Main Street to just west of IH-69) (\$1,142,858 - FY 23 HUD Earmark/ Community Project Funds from Sheila Jackson Lee for Mobility improvements east of Main Street)

Director Murphy made a motion to approve the work order for The Goodman Corporation to provide concept design development and additional analyses for various projects, in the amount of \$45,893.00. The motion was seconded by Director Lewis and carried by unanimous vote.

URBAN REDEVELOPMENT PLAN

Mr. Marshall summarized the feedback from the first developer engagement workshop held at the ION on September 25th. There were 12 developers in attendance. The developers discussed and highlighted the barriers to development in North Midtown and potential incentives to attract developers. An additional workshop and public survey are planned to gather more input.

A developer's survey will be released to specific developers, and a public survey will be released via email and social media to the community to obtain additional feedback and recommendations.

The next meeting is scheduled for December.

**NORTH HOUSTON HIGHWAY IMPROVEMENT PROJECT (NHHIP) –
CAROLINE/WHEELER DECK PARK**

Mr. Marshall announced that the HGAC’s Transportation Advisory Committee (TAC) and Transportation Policy Council (TPC) have approved the \$78.8M request for the NHHIP Segment 3A caps and 3B-2 bridges along IH-69/US-59.

The Authority anticipates receiving a grant for the Caroline-Wheeler Cap Park and other related projects, which will save the Authority approximately \$20 million on infrastructure improvements in connection with the North Houston Highway Improvement Project. The \$20 million represents Midtown’s approximate proposed investment in the NHHIP Segment 3A caps and 3B-2 bridges along IH-69/US-59.

PERSONNEL, COMPENSATION AND REVIEW PROCESS

No action was taken on this matter at this time.

EXECUTIVE SESSION

The Board entered a closed executive session for this meeting at 1:30 p.m. to consult with its attorneys regarding the Second Amendment to Development Agreement with Pearl Residences at Midtown Owner, LLC pursuant to Section 551.071, Texas Government Code. The Board returned to open session at 2:03 p.m.

ADJOURN

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

DocuSigned by:

Camille Foster

Camille Foster, Assistant Secretary

12/7/2024

Date

AGENDA OF OCTOBER 31, 2024

[attached]



**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 **regular** meeting, open to the public, with the Board of Directors of the Midtown Reinvestment Zone on Thursday, October 31, 2024, at 12:30 p.m. at 410 Pierce Street, 1st Floor Conference Room (enter at the Pierce St. and Brazos St. door) Houston, Texas 77002. The meeting location will be open to the public during open portions of the meeting. Members of the public may attend and/or offer comments in person as provided on the agenda and as permitted by the presiding officer during the meeting, or may view the meeting through the following link:

https://teams.microsoft.com/join/19%3ameeting_MTFIYjI2NGYtYjI3Yi00YTVILWJkZmltNDE1Zjk4NmQ1Y2Jh%40thread.v2/0?context=%7b%22Tid%22%3a%2264ae36a4-5920-4081-bbb2-c3260f4221e0%22%2c%22Oid%22%3a%223a154e90-eb27-484b-a1b2-2674d18d9a0e%22%7d

Meeting ID: 247 576 862 826 Passcode: GddGFQ

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 September 26, 2024.
4. Consent Agenda for the Authority:
 - a. Minutes for September 26, 2024;
 - b. Monthly financial reports for September 30, 2024;
 - c. Ratification and acknowledgment of Development and Purchase agreement with MORS Development Partners, Series LLC for development of single-family affordable homes.
 - d. Annual renewal of Professional Services Agreement with IDS Engineering Group.

- e. Ratification and acknowledgment of Grant Agreements with Change Happens CDC for development of 10 single-family affordable homes (AHDP).
 - f. Ratification of Second Amendment to Option Agreement with William A. Lawson Institute for Peace and Prosperity (WALIPP) for development of multi-family senior housing.
 - g. Ratification and acknowledgement of Grant Agreement with Change Happens CDC for development of 12 single-family affordable homes.
5. Second Amendment to Development Agreement with Pearl Residences at Midtown Owner, LLC.
6. Affordable Housing Program:
- a. Affordable Housing Operations Campus;
 - i. Change Orders;
 - ii. Interior Design Services Work Order - Smith & Company Architects
7. Capital Improvements Program
- a. Caroline Street Reconstruction
 - i. Change Orders
 - ii. Remedial Drainage Pilot Project
 1. Change Orders
 - b. FTA and HUD Grant Projects
 - i. Concept Design Services Work Order – The Goodman Corporation
 - c. Urban Redevelopment Plan
 - d. North Houston Highway Improvement Project (NHHIP) - Caroline/Wheeler Deck Park
8. Personnel, Compensation and Review Process.
9. With respect to the foregoing agenda items, the Authority may conduct an executive session with regards 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.

10. Adjourn



Matt Thibodeaux

Executive Director MT/ks