

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

November 30, 2023

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, on Thursday, November 30, 2023, at 12:00 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	Terence Fontaine	7	Deanea LaFlore
3	Michael Lewis	8	John Thomas
4	Michael F. Murphy	9	Zoe Middleton
5	Al Odom		

and all the above were present except Director Thomas.

In attendance were Authority staff members: Matt Thibodeaux, Kandi Schramm, Marlon Marshall, Jeremy Rocha, Kayler Williams, Jaime Giraldo, Willie Larry, and Cynthia Alvarado; Peggy Foreman of Burney & Foreman; Barron F. Wallace and Mary Buzak of Bracewell LLP; Melissa Morton of The Morton Accounting Services; Algenita Davis, Sean Haley, Kate Ranachen and Bob Bradford of CCPPI; Roberta Burroughs of Roberta F. Burroughs & Associates; Jeri Brooks and Janice Evans of One World Strategy Group; Alex Ramirez of Design Workshop; Elena Bruess and Matt Sledge of Houston Landing; Kimberly Phipps Nichol of Bluewater Studio; Kevan Shelton of Park Street Homes, LLC; LeRon Wilson, Executive Director of TIRZ #25; and Midtown residents Scott Harbors and Betty Brooks.

Chair Odom called the meeting to order.

PUBLIC COMMENTS

Mr. Kevan Shelton of Park Street Homes, LLC, presented a summary of a proposal to amend the terms of the Development and Purchase Agreement between the Authority and Park Street Homes, LLC to increase the sale price of the homes by \$15,000 which funds would then be used to buy down the mortgage interest rate for the Homebuyer. He stated that using this strategy would assist buyers in purchasing the home given the rapid rise in interest rates over the past several months. Chairman Odom asked the Executive Director to meet with Mr. Shelton regarding this matter.

CONSENT AGENDA FOR THE AUTHORITY

MINUTES FOR OCTOBER 26, 2023

MONTHLY FINANCIAL REPORTS FOR OCTOBER 2023
ANNUAL RENEWAL OF PROFESSIONAL SERVICES AGREEMENT WITH IDS
ENGINEERING GROUP
ANNUAL RENEWAL OF PROFESSIONAL SERVICES AGREEMENT WITH
LIONHEART PLACES
RATIFICATION AND ACKNOWLEDGMENT OF AN OPTION AGREEMENT WITH
WILLIAM A. LAWSON INSTITUTE FOR PEACE AND PROSPERITY, INC

Mr. Thibodeaux presented the Consent Agenda. Director Goren made a motion to approve the Consent Agenda as presented. The motion was seconded by Director Murphy and carried by unanimous vote.

INVESTMENT REPORT QUARTER ENDING SEPTEMBER 30, 2023

Ms. Melissa Morton, CPA, of The Morton Accounting Services, presented the written investment report. She gave a summary of the interest yield in each account for the quarter ending September 30, 2023 and stated that the average interest rate was 2.8948% and the amount earned on Authority accounts was \$345,077.

Director Goren made a motion to approve the investment report as presented. The motion was seconded by Director Lewis and carried unanimously.

AFFORDABLE HOUSING OPERATIONS CAMPUS

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CHANGE ORDERS

Marlon Marshall, Senior Director of Engineering & Strategic Development, presented Change Order #12 in the amount of \$1,371.40 to disable the crash bar on the door to disallow entry from the terrace into the building and relocate the exit sign. He reported the change order was requested by Third Ward Community Cloth due to a design error and that a contractor will be mobilized to remove and replace the tenant's door for access to the terrace of the building.

Director Foster made a motion to approve Change Order #12 in the amount of \$1,371.40 to disable the crash bar on the door to disallow entry from the terrace into the building and relocate the exit sign. The motion was seconded by Director Murphy and carried by unanimous vote.

Mr. Marshall presented Change Order #13 in the amount of \$17,506.76 for the replacement of the terrace door at another location within the building. Director Murphy made a motion to approve Change Order #13 in the amount of \$17,506.76 for the replacement of the terrace door at another location within the building. The motion was seconded by Director Goren and carried by unanimous vote.

AFFORDABLE HOUSING REPORT

Sean Haley gave the affordable housing report on behalf of CCPPI. He reminded the Board that a Request for Proposals was issued for development of approximately 91 available lots. He stated that 11 responses were submitted and that after review and evaluation by the CCPPI review team, a recommendation for the award of 48 lots is being made to the Board.

Algenita Davis with CCPPI reported that work with City representatives continue relating to the proposed Affordable Housing Development Plan down payment assistance program for the 46 scattered site affordable single-family homes to be constructed on Authority owned vacant land. She reminded the Board that a Memorandum of Understanding was negotiated with the City to provide \$50,000.00 in down payment assistance directly to qualified homebuyers to assist with the purchase of these 46 single-family affordable homes. She stated that the potential qualified homebuyers must apply directly with the City and provide supporting documentation to the City to evidence their eligibility for these funds.

Chair Odom and other Board members asked questions about funding of infrastructure improvements for the 46 lots and pricing analysis of comparable 2- and 3-bedroom affordable single-family homes.

Peggy Foreman with Burney and Foreman explained that the down payment assistance will be provided directly to qualified homebuyers in lieu of the City providing funds to the developers for infrastructure costs. This structure will allow for these homes to be sold at a higher sales price that will provide funds to the developer to cover the cost of certain infrastructure improvements being made by the developer, while also assisting qualified homebuyers to purchase the home. She stated that the negotiated higher sales prices are still with the definition of affordable homes and are generally less than or equal to the maximum sales prices for other City affordable housing programs.

RECOMMENDATION TO MOVE FORWARD WITH NEGOTIATIONS OF AGREEMENTS TO AWARD AND CONVEY VACANT LOTS TO THREE (3) NOT-FOR-PROFIT AND THREE (3) FOR-PROFIT DEVELOPERS FOR DEVELOPMENT OF A TOTAL OF APPROXIMATELY 48 SINGLE-FAMILY AFFORDABLE HOMES

Ms. Davis presented the recommendation to move forward with negotiations of agreements for the development of 48 single-family affordable homes on Authority owned lots with the following developers: Lin Development, LLC, Changes Happens CDC, Houston Habitat for Humanity, Inc., Fifth Ward Community Redevelopment Corporation, Epic Homes, LLC and Titanium Builders, LLC. She stated that a written recommendation was contained in the Board Packet providing more details regarding the single-family affordable homes to be constructed.

Following all discussion, Director Murphy made a motion to proceed with negotiations with the six developers, specifically, Lin Development, LLC, Changes Happens CDC, Houston Habitat for Humanity, Inc., Fifth Ward Community Redevelopment Corporation, Epic

Homes, LLC and Titanium Builders, LLC. as recommended. The motion was seconded by Director Goren and carried by unanimous vote.

MIDTOWN CAPITAL IMPROVEMENTS PROGRAM

CAROLINE STREET RECONSTRUCTION – ESPA CORP/KCI

Mr. Marshall reported that the design team met with City representatives to review preliminary drawings of pilot areas for proposed corrections to punch list items not addressed by the TxDOT contractor. He stated that drawings will be submitted to the City's interagency group for final approval.

CHANGE ORDERS

Mr. Marshall presented Change Order #74 in the amount of \$18,469.18 for revisions to a traffic control plan for construction operations along Elgin Street between Austin and Caroline Streets, due to the addition of bike lanes and parking lanes on Austin Street since the onset of the project.

Director Goren made a motion to approve Change Order #74 in the amount of \$18,469.18 for revisions to a traffic control plan for construction operations along Elgin Street between Austin and Caroline Streets, due to the addition of bike lanes and parking lanes on Austin Street since the onset of the project. The motion was seconded by Director Murphy and carried by unanimous vote.

Mr. Marshall presented Change Order #75 in the amount of \$1,114.34 for removal of existing bushes in conflict with a new sidewalk between Webster and Gray Streets. Director Middleton made a motion to approve Change Order #75 in the amount of \$1,114.34 removal of existing bushes in conflict with a new sidewalk between Webster and Gray Streets. The motion was seconded by Director Murphy and carried by unanimous vote.

Mr. Marshall presented Change Order #76 in the amount of \$2,440.85 for bollard finish change. He advised the Board that the change order for the bollard finish change is to correct an error made by the consultant/contractor. He stated that this change order will be included in negotiations with the consultant/contractor under the errors and omissions provisions of the contract. Director Goren made a motion to approve Change Order #76 in the amount of \$2,440.85 for bollard finish change. The motion was seconded by Director Murphy and carried unanimously.

BRAZOS STREET BRIDGE LANDSCAPE IMPROVEMENTS

Mr. Marshall reported that the Brazos Street Bridge Landscape Improvements project will enhance the landscaped area at the intersection of Bagby and Elgin Streets into green space adjacent to the Brazos Bridge facing Bagby Street. He stated that the contractor is awaiting City approval of a traffic control plan to begin work.

SIDEWALK ASSESSMENT

Mr. Marshall reported that the last sidewalk assessment was completed in 2018 by the City and is currently being updated. The updated sidewalk assessment will be shared once the Authority has a copy of the document.

PERSONNEL MATTERS

No action was taken on this matter at this time.

Chair Odom provided a brief statement regarding a pending personnel matter. He reported that following an internal Authority investigation involving a former employee, the matter has been referred to law enforcement. He reminded the Board that the employee was terminated in May 2023, due to a conflict of interest involving a former Midtown vendor. As part of the Authority's internal investigation additional information was discovered that led the Authority to make a referral to law enforcement.

EXECUTIVE SESSION

No action was taken on this matter at this time.

ADJOURN

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

DocuSigned by:
Camille Foster
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Camille Foster, Assistant. Secretary

1/10/2024

Date