

MINUTES OF THE
MIDTOWN MANAGEMENT DISTRICT
BOARD OF DIRECTORS MEETING

June 1, 2016

The Board of Directors of the Midtown Management District held a meeting, open to the public, on June 1, 2016 at 11:00 a.m. in the 3rd Floor conference room of the Midtown Management District's offices, located at 410 Pierce Street, Houston, Texas 77002, inside the boundaries of the District, and the roll was called of the duly appointed members of the Board, to-wit:

Darcy John Lefsrud	Eileen J. Morris
Kim Cook	Deborah Tyler Dillard
Amar Mohite	Vacant
Vacant	Marylene Chan
Willie Coleman	William R. Franks
Nancy J.W. Darst	Vacant
Diane Cervenka	Gary Noble
Vacant	Charles Washington
Allen Douglas	

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

In addition, present at the meeting were Midtown Staff members Cynthia Alvarado, Kandi Schramm, Marlon Marshall, Vernon Williams, David Thomas and Matt Thibodeaux; Peggy Foreman of Burney & Foreman; Alyssa Hill of Carr, Riggs & Ingram; Mechelle Phillips of One World; Gary Bernard of 2016 Main; Sargent Haynes with the Precinct 7 Constables' Office and Midtown Residents - Thomas Wang and Jim Honey; and Midtown property owner, Barbara Hilburn.

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

Chair Franks called the meeting to order and welcomed everyone.

RECEIVE PUBLIC COMMENTS.

Guests in attendance were invited to introduce themselves and address the Board on any issues of concern. Midtown Resident Thomas Wang raised concerns regarding flooding on Chenevert Street and asked if there was any study being done to determine the reasons for the flooding. Executive Director Matt Thibodeaux stated that unfortunately flooding was a growing problem county-wide and that he was not aware of any study that was taking place at this time regarding flooding in Midtown. Mr. Thibodeaux reported that the Staff instructed the Midtown Field Service Team to check the drainage outlets for any trash and debris that might keep water from draining during heavy rains. Chairman Franks suggested that Mr. Lang and the Staff each call the City of Houston to report area flooding. Midtown property owner Barbara Hilburn expressed her support for Mayor Turner's efforts to get the City's TIRZs and Management Districts to return some of their funding back to the City of Houston to assist the Houston Police Department. She also suggested

that pressure should be put on DEA to go after businesses and individuals selling KUSH in Midtown. Director Douglas announced that the liquor license for the Empire Club (aka Club Myst) would be up for review by the TABC in June or July 2016 and suggested that Midtown residents and others send letters to TABC objecting to the renewal of their liquor license because of the numerous incidents at that location and the very negative impact it has had on the Midtown Community.

ELECTION OF BOARD OFFICERS

Director Noble stated that due to his travel schedule, the Committee was unable to complete its work regarding officer nominations. He reminded the Board that notices had been sent out on Thursday, April 14, 2016 and Monday, April 25, 2016. He announced that the prior deadline of May 5, 2016 at 5:00 p.m. for receiving officer nominations was being extended to June 15, 2016 at 5:00 p.m. and that officers would be elected at the July 6, 2016 Board meeting.

CONSENT AGENDA

- a. **APPROVE MINUTES FOR THE MAY 4, 2016 BOARD MEETING.**
- b. **APPROVE THE FINANCIAL REPORT FOR THE MONTH OF APRIL 2016.**
- c. **APPROVE THE PAYMENT OF INVOICES FOR MAY 2016.**
- d. **APPROVE EQUI-TAX REPORT FOR MAY 2016.**
- e. **RATIFY LETTER OF SUPPORT FOR CITY OF HOUSTON ADVANCED TRANSPORTATION AND CONGESTION MANAGEMENT TECHNOLOGIES DEPLOYMENT GRANT APPLICATION.**

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

REVIEW, DISCUSS AND TAKE NECESSARY ACTION REGARDING THE DISTRICT'S AUDIT FOR FY 2015.

Alyssa Hill of Carr, Riggs & Ingram (CRI) presented the Audit for Fiscal Year 2015. Ms. Hill reported that she had met with the Finance Committee to review the FY 2015 Audit in detail, that there were no disagreements with Management, and that the District provided all documents and information necessary to perform the audit. Ms. Hill reported that CRI found no risk or exposure during the audit process and issued an unmodified opinion. Ms. Hill also shared highlights from the audit and responded to all questions from Board members about the audit.

Director Noble made a motion to approve the FY 2015 Audit subject to any final comments from the District's attorney. The motion was seconded by Director Coleman. Following all discussion, the motion carried by unanimous vote.

REVIEW, DISCUSS AND TAKE NECESSARY ACTION REGARDING THE DISTRICT'S QUARTERLY INVESTMENT REPORT FOR THE PERIOD ENDING MARCH 31, 2016.

Executive Director Thibodeaux presented the District's Quarterly Investment Report for the Quarter ending March 31, 2016. He stated that the District's funds remain safely invested and

that the average rate of return on all accounts was 0.181935% and the amount of interest earned was \$982.92. He further stated that the written report provided in the Board Information Packet contained detailed information for each District account.

Director Mohite made a motion to accept the District's Quarterly Investment Report for the Quarter ending March 31, 2016. The motion was seconded by Director Coleman. Following all discussion, the motion carried by unanimous vote.

Mr. Thibodeaux announced that four (4) Midtown Staff members had just recently attended training classes regarding investing government funds.

RATIFY THE ISSUANCE OF A REQUEST FOR PROPOSAL TO DEVELOP A MIDTOWN CULTURAL ARTS AND ENTERTAINMENT WEBSITE.

Peggy Foreman with Burney & Foreman reported that due to timing concerns, the Request for Proposal to develop a Midtown Cultural Arts and Entertainment website had been issued and responses were due on June 12, 2016. Director Coleman made a motion to ratify the issuance of a Request for Proposal to develop a Midtown Cultural Arts and Entertainment Website. The motion was seconded by Director Cook and carried by unanimous vote.

REVIEW, DISCUSS AND TAKE NECESSARY ACTION REGARDING INTERLOCAL AGREEMENT WITH MIDTOWN REDEVELOPMENT AUTHORITY RELATING TO A GRANT FROM THE TEXAS COMMISSION ON THE ARTS TO DEVELOP A MIDTOWN CULTURAL ARTS AND ENTERTAINMENT WEBSITE.

Peggy Foreman of Burney and Foreman reminded the Board that the Midtown Management District had applied for and received a \$25,000 grant from the Texas Commission on the Arts (TCA) and that the Board previously agreed to provide a local match to develop a Midtown Cultural Arts and Entertainment website. She explained that as a condition of the grant, the District will cause the website to be developed and will manage and maintain the website once it is developed. Ms. Foreman reported that TCA issued the \$25,000 grant check to the Midtown Redevelopment Authority because it is a 501(c)(3) organization and the District is a political subdivision. Ms. Foreman confirmed that she, together with Midtown Staff members, spoke to representatives of TCA and confirmed that the Authority could deposit the check into its account and work with the District to cause the website to be developed pursuant to the terms of an Interlocal Agreement between the Authority and the District. Ms. Foreman presented the terms of the Interlocal Agreement. Director Cervenka asked whether it was necessary to develop a completely separate website for Cultural Arts and Entertainment. Ms. Alvarado explained that the website was originally proposed to bring greater awareness of Midtown's cultural arts and entertainment venues and to support economic development in Midtown by heavy promotion of cultural arts. She further stated that a Midtown Staff person would maintain the site and that it would be linked to and use a similar background and structure as the current Midtown website. Director Mohite stated that this process was similar to the way the City of Houston manages its different website sites.

Director Chan made a motion to approve the Interlocal Agreement with the Midtown Redevelopment Authority relating to a Grant from the Texas Commission on the Arts to Develop a Midtown Cultural Arts and Entertainment Website. The motion was seconded by Director Mohite. Following all discussion, the motion carried by unanimous vote.

Chair Franks stated that due to a business conflict he had to leave the meeting and asked Vice Chairman Coleman to conduct the remainder of the meeting.

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

A. Public Safety Committee – Kim Cook, Vice Chair

Director Cook reported on the activities of the Public Safety Committee. She announced that Precinct 7 Deputy Constable Alden Clopton was still recovering in an area hospital after being shot a few weeks ago. Ms. Alvarado announced that Mayor Turner attended the South Central Division's monthly PIP meeting on May 17, 2016 and responded to resident's questions. She reported that Directors Douglas, Chan and Darst, together with many other Midtown residents and stakeholders also attended the PIP meeting.

Precinct 7 Sargent Odell Haynes gave a brief report on crime stats in Midtown. He stated that all law enforcement officers and EMS personnel were battling the synthetic drug KUSH and that it is a big problem in many major Texas cities. He stated that his Deputy Constables and HPD Officers are working hard to keep the streets safe from the negative impact of this drug but that it is becoming increasingly difficult because the drug is cheap, readily available and seems to be the drug of choice for many of the homeless in Midtown.

Vice Chairman Coleman opened the floor briefly for questions and/or comments. Barbara Hilburn expressed appreciation for the printed Public Safety piece "Patrolling Midtown" and stated that she believed it was a good use of assessment money. She asked if it would be possible to distribute the piece to Midtown businesses so that it could be available to their customers. Jim Honey expressed concern about the number of arrests made in the last month. Director Douglas asked about the status of getting "No Trespass Affidavits" from Midtown property owners and about the possibility of getting the Harris County Constables to report their crime statistics to the same two websites that HPD uses. Sgt. Haynes stated that he would ask his superiors to look at the request.

B. Marketing Committee – Deborah Tyler Dillard, Chair

Director Dillard reported on the activities of the Marketing Committee. She stated that the Committee is still working on Volume 2 of the Cultural Arts and Entertainment Guide and plans to update the "Before I Die Wall" in Bagby Park.

C. Service & Maintenance Committee – Darcy Lefsrud, Chair

Director Lefsrud reported on the activities of the Service and Maintenance Committee. He stated that the Committee and the Staff is responding to the various issues reported on the SeeClickFix app since Elizabeth Powell's departure. He reported that there are 62 open issues, many of which are City of Houston matters and are being forwarded to the City for processing. Mr. Lefsrud reported that the top issues reported for the month were about trash, nuisances on property and drainage.

D. Urban Planning Committee – Allen Douglas, Chair

Director Douglas reported on the activities of the Urban Planning Committee. He stated that approximately 15 people attended the May 2016 monthly meeting. He reported that

the Committee discussed the recent City of Houston communication regarding repainting the artistic Crosswalk at Elgin and Louisiana. He further reported that the Committee reviewed and discussed the ridership data from the Midtown Circulator Pilot Project provided by The Goodman Corporation and concluded that the ridership data warranted continuing to look at ways to implement a circulator system especially for significant events. Director Douglas said that the Committee was looking at the lessons learned from the Pilot Circulator Project including the need to more broadly advertise the circulator routes. Finally, Director Douglas reported that a Mr. Sanchez was in attendance at the meeting and gave an update on the new workforce housing project proposed to be built at the intersection of Main and Wheeler Streets.

E. Finance Committee – Marylene Chan, Chair

Director Chan reported on the activities of the Finance Committee. She stated that as reported earlier, the Committee met with the District's Auditors to review the FY 2015 Audit in detail. Director Chan further reported that the District had collected 99% of its 2015 assessments. She also pointed out that it is now time for the Committees to begin work on their budgets requests for FY 2017.

F. Cultural Arts & Entertainment – Eileen Morris, Chair

Director Morris reported on the activities of the Cultural Arts & Entertainment Committee.

i. REVIEW, DISCUSS AND TAKE NECESSARY ACTION REGARDING ZAPPLICATION® ANNUAL RENEWAL.

Cynthia Alvarado reported that it was time to renew the contract with Zapplication® and that the annual renewal cost was \$1,000. She reminded Board members that this cost was included in the budget for Art in the Park.

Director Morris made a motion to approve the annual renewal of Zapplication®. The motion was seconded by Director Dillard and carried by unanimous vote.

ii. REVIEW, DISCUSS AND TAKE NECESSARY ACTION REGARDING AUTHORIZING THE EXECUTIVE DIRECTOR TO ISSUE LETTERS OF SUPPORT FOR CULTURAL ARTS ORGANIZATIONS LOCATED IN MIDTOWN SEEKING GRANT FUNDING FROM THE TEXAS COMMISSION ON THE ARTS.

Ms. Alvarado reported that June 15th is the deadline for the 14 qualified Midtown area arts organizations to apply for a TCA Project Grant. She stated that In order for an organization to have a qualifying application they must receive a letter of support from their respective cultural arts district. Ms. Alvarado stated that the Cultural Arts and Entertainment Committee received requests for letters of support from 7 of the 14 qualified Midtown organizations, specifically Lawndale Art Center, The Ensemble Theatre, Main Street Theater, Mercury, Community Artists' Collective, Catastrophic Theatre and DiverseWorks.

Director Douglas made a motion to authorize the Executive Director or Board Chair to issue Letters of Support for the Cultural Arts Organizations located in Midtown seeking grant funding from the Texas Commission on the Arts. The motion was seconded by Director Morris and carried by unanimous vote.

G. Nominating Committee – Gary Noble, Chair

i. UPDATE ON FILLING BOARD VACANCIES

Director Noble reported that the Nominating Committee is still seeking resumes from persons interested in being considered to fill the four (4) vacant Board positions. He stated that the Committee had received 15 resumes so far for consideration and will continue to use social media and “word of mouth” to encourage potential candidates to submit their resumes for consideration. He asked that Board members and everyone present assist with this effort by encouraging their friends and neighbors to get involved and submit their resumes for consideration. He announced that the deadline to submit resumes is June 15, 2016. Director Douglas asked that the social media communications include information about the process to be used to select individuals for recommendation to serve on the Board and all of the applicable deadlines.

H. Executive Committee – William Franks, Chair

Director Coleman reported that the matters discussed in the Executive Committee meeting were all previously presented by each of the Committee Chairs.

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

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

Midtown Park Project – The exterior of the underground parking garage has been completed and the Garage contractor is moving inside the garage to begin work on the tunnels and interior buildout. Staff expects the garage to be completed in August and available for use in September contingent upon obtaining a temporary occupancy permit from the City. The Park contractor is on site and drilling piers for the bayou water feature. There continues to be a significant need for coordination between the two different contractors.

Caroline Street Project - The Houston Galveston Area Council has approved a \$1.5 million grant to the Authority to assist with the increased construction costs. The design team has updated the plans which have been approved by TxDOT. TxDOT is planning to re-bid the project in mid-July with bids due in early August. Construction is anticipated to begin in the first quarter of 2017 with a projected 15 month construction schedule.

Holman Street Project – Holman Street construction of pedestrian improvements, including sidewalks, curbs, ramps, lighting and landscaping has been completed except in the area surrounding the Mid-Main Project where delays have resulted from the failure of the Mid-Main contractors to remove their scaffolding timely.

Main Street Project - The Staff and consultants are meeting with the METRO Change Control Board to discuss construction issues related to landscaping and irrigation in the esplanade. The Staff anticipates that construction will start in the next few weeks pending receipt of final approvals from METRO.

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

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

The Board did not conduct an executive session at this meeting.

ANNOUNCEMENTS


There were no announcements.

NEXT MEETING DATE

Director Franks stated that the next Midtown Management District Board of Directors meeting will be held on Wednesday, July 6, 2016, at 11:00 a.m. in the Midtown Management District's offices, in the 3rd floor conference room, 410 Pierce, Suite 355, and Houston, TX 77002.

ADJOURN

There being no other business, the meeting was adjourned.


Eileen J. Morris, Board Secretary

Date: 7/6/16