

MINUTES OF THE
MIDTOWN MANAGEMENT DISTRICT
BOARD OF DIRECTORS MEETING

June 3, 2015

The Board of Directors of the Midtown Management District held a meeting, open to the public, on June 3, 2015 at 11:00 a.m. in the 3rd floor conference room located at 410 Pierce Street, Houston, Texas 77002, inside the boundaries of the District, and the roll was called of the duly appointed members of the Board, to-wit:

Roger Neal
Monte Large
Willie H. Coleman, Jr.
Eileen Morris
Kim Cook
John Castillo

Marylene Chan
William R. Franks
Debra McGaughey
Gary Noble
Charles Washington
Amar Mohite
Nancy J.W. Darst

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

In addition, present at the meeting were Matt Thibodeaux, Cynthia Alvarado, Elizabeth Powell, Marlon Marshall, Vernon Williams and Kandi Schramm; Peggy Foreman of Burney & Foreman; Clark Lord of Bracewell & Giuliani; Pat Hall of Equi-Tax Inc., Darcy Lefsrud; Samuel Horn; Joanne Love; Cynthia Aceves-Lewis

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.

Cynthia Aceves-Lewis, a Midtown resident, expressed her appreciation for the work of the District and her support for the goals set out in the proposed Service and Improvement and Assessment Plan ("Service Plan"). She also shared her concern about the District's administrative costs as set out in the Service Plan and asked the Board to work to reduce those costs to the extent possible. Ms. Aceves-Lewis also addressed public safety concerns and provided the Midtown Staff with emails from other Midtown property owners and residents relating to public safety issues.

APPROVE BOND, OATH AND SWORN STATEMENT FOR NEW BOARD MEMBERS.

Chair Franks acknowledged the newly appointed Board members. Kandi Schramm administered the oath of office to Diane Cervanka, Jacques Fox and Deborah Tyler Dillard and

J. Allen Douglas.

Director Coleman made a motion to approve the Bond, Oath and Sworn Statement of the new Board members. Director Morris seconded the motion which carried by unanimous vote.

CONSENT AGENDA

- a. Approve Minutes for the May 6, 2015 Board meeting.
- b. Approve the financial report for the month of March 2015.
- c. Approve the payment invoices for May 2015.
- d. Approve Equi-Tax Report for April 2015.
- e. Ratify and Confirm re-appointments of Board members to Positions 2,3,4,5 and 6.

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

REVIEW, DISCUSS AND TAKE NECESSARY ACTION REGARDING THE DISTRICT QUARTERLY INVESTMENT REPORT FOR THE PERIOD ENDING MARCH 31, 2015

Matt Thibodeaux, Executive Director, gave the District's investment report for the period ending March 31, 2015. He stated that the average interest rate on all accounts for the 1st quarter of 2015 was 0.1785% and that the amount earned was \$1,193.55.

Director Coleman made a motion to approve the District's Quarterly Investment Report for the period ending March 31, 2015. The motion was seconded by Director Mohite and carried by unanimous vote.

REVIEW, DISCUSS AND TAKE NECESSARY ACTION REGARDING THE TRI-PARTY AGREEMENT BETWEEN THE DISTRICT, MIDCOPE AND THE MIDTOWN REDEVELOPMENT AUTHORITY FOR CERTAIN MANAGEMENT AND MAINTENANCE SERVICES

Peggy Foreman stated that the Tri-Party Agreement between the Midtown Redevelopment Authority, Midtown Management District and MidCorp (the "Agreement") was almost complete, but that there remained a few terms that were still being negotiated. She gave an overview of the proposed terms of the Agreement. Ms. Foreman stated that, subject to approval by the Boards of each entity, the District will pay a certain amount of money to MidCorp each year and in exchange MidCorp will assume responsibility for maintenance of certain improvements in the District. She further stated that maintenance of Baldwin and Glover Parks and the Field Services Program will continue to be managed by the District. Ms. Foreman said that no action was required at this meeting, but that the final Agreement will be presented at the July 1, 2015 Board meeting for consideration and approval. Ms. Foreman answered questions from Board members regarding the Agreement.

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

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

Director Castillo reported on the activities of the Public Safety Committee. He stated that according to the crime statistical reports from the Houston Police Department (HPD) overall crime is down by approximately 31%, however there has been an increase in auto thefts in Midtown and throughout the City of Houston. Director Castillo stated that burglary of a motor vehicle (BMV) in Midtown is down. Director Castillo stated that Midtown property owners and residents continue to express concerns about the Empire Club and that the Committee is working with HPD to address the concerns that have been raised. Cynthia Alvarado stated that she is researching information about the Empire Club and has been surprised to find that the recent shootings were the first major incident reported to HPD in recent years.

Director Castillo also invited attendees to the next Public Safety Committee meeting on Tuesday, June 16, 2015 at 6:00 p.m. at Central Bank located at 2217 Milam Street.

B. Marketing Committee – Vacant

Elizabeth Powell, District Coordinator, reported on the activities of the Marketing Committee. She stated Phase 2 of the Website development is on track to be finished by the July 2015 Board meeting. Ms. Powell also stated that the Committee is continuing to work on the Cultural Arts and Entertainment Guide.

C. Service & Maintenance Committee – Roger Neal, Chair

Director Neal reported on the activities of the Service and Maintenance Committee. He stated that because of the unusually wet weather the planting season is extended and that the Committee is looking to plant 25 new oak trees in the public right-of-ways in June. He further reported that approximately 1500 linear feet of new sidewalks have been installed but that pricing was coming in higher than expected so installation of the remaining sidewalks has been temporarily halted. Director Neal reported that he was not aware of any major flooding of homes in Midtown following the recent heavy rains in Houston. He asked that in the future, the Staff instruct the Field Service Team to check and clear the storm drains before expected heavy rains to help reduce the possibility of street flooding.

Finally, Director Neal reported that plants and lights have gone missing in Baldwin Park and that the District is working to replace these items.

D. Urban Planning Committee – Monte Large, Chair

Elizabeth Powell reported on the activities of the Urban Planning Committee. She reported that a survey has been ordered of property owned by the Authority to determine if the property would be a suitable location for a new Houston B-Cycle Station. Cynthia Alvarado advised the Board that Midtown currently has 3 B-Cycle stations at which there have been approximately 900 rentals of bikes in the last 3 months. Director Mohite announced that the City of Houston is working on its bike plan and is hosting meetings around the City to get public input on the plan. He encouraged everyone from Midtown to attend and weigh in on the proposed plan.

Elizabeth Powell also reported that the Committee has been working with The Goodman Corporation on developing a survey to be distributed in Midtown to get public feedback on whether a circulator plan is needed or desired in Midtown.

Cynthia Alvarado announced that Chairman Franks and Director Large led a bus tour of Midtown as part of the ULI National Conference that was held in Houston in May. Chairman Franks announced that, at the request of the City of Houston Planning and Development Department, Director Large and Elizabeth Powell led a tour of Midtown for millennials in connection with the Neighborhoods USA Conference held in Houston. Ms. Alvarado also reported on the publicity Midtown received regarding its Art Crosswalk Project at the intersection of Elgin and Louisiana and congratulated the Urban Planning Committee on the project.

E. Finance Committee – Marylene Chan, Chair

Director Chan reported on the District's finances. Director Chan stated that approximately 96% of 2014 assessments have been collected. She reported that the Committee was closely monitoring the District's expenditures and is considering whether to ask the Board to amend the FY 2015 Budget.

F. Cultural Arts & Entertainment – Eileen Morris, Chair

Director Morris reported on the activities of the Cultural Arts & Entertainment Committee. She reported the Committee did not have a meeting in May but that the Committee had received a draft of the Cultural Arts Master Plan (CAMP) and was continuing to work on the CAMP.

G. Nominating Committee – Debra McGaughey, Chair

Director McGaughey welcomed the new Board members and encouraged them to actively participate and to ask any questions they may have about the District operations.

Director McGaughey announced that Mayor Parker had signed off on the Board's recommendations and that the recommendations would be put on the City Council agenda for consideration and approval in the next couple of weeks.

Chair Franks complimented Director McGaughey and thanked her for her diligent work as Chair of the Nominating Committee.

H. Service and Improvement Plan – Willie Coleman, Chair

- i. Update regarding the Petitions requesting Services and Improvements from the Midtown Management District.

Director Coleman stated that the District has secured 55 signed petitions from Midtown property owners whose properties had a combined assessed value of approximately \$72,000,000. Director Coleman asked the Board and Staff to continue working hard to obtain more signed petitions from Midtown property owners. Director Noble announced that he would pay for dinner (up to \$100) at Artisans Restaurant for the Board member who secures the largest number of signed petitions.

- ii. Authorize Executive Director to take necessary and appropriate action and incur reasonable, necessary and appropriate expenses in connection with preparations for the public hearing on the Proposed Service and Improvement Plan and Assessment Plan (2015-2024)

Director Coleman made a motion to approve authorizing the Executive Director to take necessary and appropriate action and incur reasonable, necessary and appropriate expenses in connection with preparations for the public hearing on the Proposed Service and Improvement Plan and Assessment Plan (2015-2024). The motion was seconded by Director McGaughey. Cynthia Alvarado reminded the Board that \$25,000 had been budgeted for the public hearing and other related costs. Peggy Foreman and Clark Lord advised the Board that the costs would most likely exceed the amount budgeted, however they were unable to give a more precise cost estimate. Ms. Foreman stated that she would keep the Board informed regarding expenses and would come back for further approval once a better estimate of cost can be made. Following all discussion, the motion carried by unanimous vote.

I. Executive Committee – William Franks, Chair

Director Franks reported that the Executive Committee meeting was canceled due to inclement weather.

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

Kandi Schramm gave the following report on the status of the current MRA capital improvement projects:

Bagby Park Project – The kiosk tenant continues with tenant improvements and anticipates completion of the kiosk build out and opening by end of June 2015. The park opening event will be scheduled to coordinate with opening of the kiosk.

Midtown Park Project – A successful groundbreaking event was held on May 28, 2015. The event was attended by several Board members and received great media coverage including an article in the Houston Chronicle. Construction continues with excavation for the underground parking garage. The recent rainfall has delayed much of the work, however AT&T has completed relocation of the fiber optics/phone duct bank to the perimeter of the worksite.

Caroline Street Project – The Midtown Staff and consultants will be meeting with City of Houston representatives next week to further discuss the possibility of the City providing some funding for the project. TxDOT has delayed the decision to award the project until more information is available regarding additional funding.

Holman Street Project – The Holman Street project was advertised for bid on May 20, 2015 and the pre-bid meeting was held on May 27, 2015. Bid opening is scheduled for June 22, 2015. with plans to award the construction contract at the June 25, 2015 MRA Board meeting. Construction is anticipated to begin in August 2015.

Main Street Improvements Project – Consultants continue to work on project design.

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

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

There was no executive session.

ANNOUNCEMENTS

Clark Lord of Bracewell & Giuliani reported that the legislation session has ended and that no significant legislation passed that would impact the District. Mr. Lord noted that there were legislative efforts which targeted Special Districts and Tax Increment Reinvestment Zones and that it would be very important for the District to continue to educate its assessment payers and the public generally about the benefits of having a management district in their community.

Chairman Franks and Cynthia Alvarado made presentations to Director Neal who term is ending and the entire Board thanked Director Neal for his dedication, commitment and tireless efforts on behalf of the Midtown. Ms. Alvarado pointed out that Director Neal had given more than 10 years of volunteer service to the Midtown community.

NEXT MEETING DATE

Chairman Franks announced that the next Midtown Management District Board meeting will be held on Wednesday, July 1, 2015, at 11:00 a.m. at Midtown Management District Offices, 410 Pierce, 3rd floor conference room, Houston, Texas 77002.

ADJOURN

There being no other business, the meeting was adjourned.



Eileen J. Morris, Board Secretary

Date: 7/1/15