

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

March 31, 2016

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 31, 2016 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	Brandon Dudley	6	Abe Goren
2	Doug Erwing	7	Caton M. Fenz
3	Robert D. Sellingsloh	8	Vacant
4	Pamela Ngo Castleman	9	Jeremy Ratcliff
5	Al Odom		

and all of the above were present with the exception of Director Odom.

Also in attendance were Matt Thibodeaux, Kandi Schramm, Marlon Marshall, Todd Edwards, Vernon Williams, David Thomas, Araceli Rodriguez and Theresa Gilmore of the Authority; Cynthia Alvarado of the Midtown Management District; Peggy Foreman of Burney and Foreman; Barron F. Wallace of Bracewell LLP; Tim Buscha & Carol Harrison of IDS Engineering Group; Edwin Friedrichs & Rachel Ray of Walter P. Moore; Jennifer Curley and Gary Hill of the City of Houston; Jim Webb and Mariana Rashcke of the Goodman Corporation; Steven Spears and Alex Ramirez of Design Workshop; Mechelle Phillips of One World Strategy Group; Herb Carcia of Under the Radar Brewery; Theola Petteway of OST/Alameda TIRZ; Vanessa Cole of Cole/Klein Builders; Tom McCasland of CCPPI; Maya Ford of Ford Momentum; and Nancy Darst, James Holston, Barbara Hilburn, Cynthia Aceves-Lewis, Michael Lewis & Michael Holloway, Property Owners & Residents.

Chairman Sellingsloh called the meeting to order and asked the guests to introduce themselves.

CONSENT AGENDA FOR THE AUTHORITY:

- a. **MINUTES OF THE AUTHORITY FOR FEBRUARY 25, 2016;**
- b. **MONTHLY FINANCIAL REPORT OF THE AUTHORITY FOR FEBRUARY 2016;**
- c. **INVOICES OF THE AUTHORITY FROM TRUSTEE AND OPERATING ACCOUNTS FOR MARCH 2016**

Matt Thibodeaux, Executive Director, presented the various items of the consent agenda. Director Castleman made a motion to approve the consent agenda items a. through c. The motion was seconded by Director Goren, which carried by unanimous vote.

APPEARANCES BEFORE BOARD – ALL PUBLIC COMMENTS WILL BE GIVEN IN COMPLIANCE WITH BOARD POLICY AND SHALL NOT EXCEED 3 MINUTES.

Public comments were received from Barbara Hilburn regarding the possibility of the Authority hosting a forum where members of the public could meet directly with members of the Authority Board and engage in a question and answer session without time restrictions. Three other attendees indicated their agreement with Ms. Hilburn's comments.

FISCAL YEAR 2017 BUDGET

Kandi Schramm, Administrative Manager, presented the Fiscal Year 2017 Budget.

Following all discussion, Director Goren made a motion to approve the Fiscal Year 2017 Budget. The motion was seconded by Director Fenz, which carried by unanimous vote.

MIDTOWN AFFORDABLE HOUSING PROGRAM

a. CCPPI AFFORDABLE HOUSING GRANT

Barron F. Wallace presented the Center for Civic and Public Policy Improvement (CCPPI) Affordable Housing Planning Grant Agreement. Mr. Wallace noted that the Project will consist of 3 phases. Phase I shall consist of the development of a comprehensive plan to address the development of affordable housing and related community services and infrastructure enhancements in the Target Area, which would include analysis of current development, development of a plan for the coordination and support of community development corporations, businesses, non-governmental organizations and other resources to assist in the implementing the Authority's Development Plan and preparation of a plan outlining a sustainable funding mechanism to induce the construction and programming of a mixed use facility consisting of affordable housing units and office space. Phase II of the Project will include implementation of the Coordination Plan. Phase III of the Project, if approved by the Board, will include development of the mixed use development. Progress reports will be supplied to the Board approximately two months after the grant is approved and should wrap up in five months from the date of the grant.

Following all discussion and questions, Director Dudley made a motion to approve an Affordable Housing Planning Grant Agreement with the Center for Civic and Public Policy Improvement (CCPPI). The motion was seconded by Director Ratcliff, which carried by unanimous vote.

b. DEVELOPMENT AGREEMENT WITH HOU HOMES, INC RELATING TO DEVELOPMENT OF PROPERTY LOCATED AT 2002 LIVE OAK, HOUSTON, TX 77004.

Peggy Foreman of Burney and Foreman presented the terms of a proposed Development Agreement with HOU Homes, Inc. She stated that this was a pilot project and that HOU Homes, Inc., an affiliate entity of HOU Properties, Inc., would construct approximately

31 single family townhomes priced from \$170,000 to \$200,000. She advised the Board that pursuant to the proposed Agreement, the Authority would sell a 62,500 square foot tract of land, located at 2002 Live Oak, Houston, TX 77004 to HOU Homes, Inc., for \$1.50 per square foot for the purpose of developing affordable housing. Ms. Foreman further explained that under the terms of the proposed Agreement, the Authority would reimburse the Developer for certain site preparation and infrastructure costs in an amount not to exceed \$460,000 and upon completion of the project, the Authority would reimburse the developer \$30,000 for each townhouse unit sold to qualified buyers for \$170,000 and \$11,000 for each townhouse unit sold to qualified buyers for \$200,000.

Director Erwing made a motion to approve the Development Agreement with HOU Homes, Inc. for the development of affordable housing at 2002 Live Oak, Houston, TX 77004. The motion was seconded by Director Goren. Following all discussion, the motion carried by unanimous vote.

c. UPDATE ON AFFORDABLE HOUSING PROGRAM.

Mr. Edwards reported that Epic Homes was currently constructing 5 affordable homes and stated that he would be happy to make arrangements for Board Members to tour the homes and get a first-hand look at the construction.

MIDTOWN CAPITAL IMPROVEMENT PROGRAM

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

i. MIDTOWN PARK

Mr. Marshall reported on the progress happening at Midtown Park and shared pictures of the construction site with the Board and visitors. He noted that park construction had begun and was on schedule.

1. APPROVE GARAGE CHANGE ORDER – CAMDEN.

Mr. Marshall reported that there was a change order for additional concrete due to the modification of the elevator shaft in the amount of \$117,395.57.

Director Ratcliff made a motion to approve the change order in the amount of \$117,395.57. The motion was seconded by Director Goren and carried by unanimous vote.

ii. BALDWIN PARK

Mr. Marshall reported that staff was working with the City of Houston Parks Department to see if there is an opportunity to actively program Baldwin Park on the east side of the District. This opportunity could possibly include Glover Park as well.

b. HCC CAPITAL PROJECTS - IDS ENGINEERS

i. HOLMAN STREET PEDESTRIAN ENHANCEMENTS

Mr. Marshall reported that the contractor was working very quickly wrapping up the concrete work and hardscape and will then move to the Houston Community College Campus Blocks. Mr. Marshall anticipates a change order coming next month.

c. MAIN STREET ENHANCEMENTS – WALTER P. MOORE /DESIGN WORKSHOP

Mr. Marshall reported that the Main Street construction contract was bid in early March 2016. He noted that the team value engineered the specs for the project and decided to provide a base bid with 2 alternates for certain elements.

1. AWARD CONSTRUCTION CONTRACT

Following all discussion, Director Fenz made a motion to award the Main Street Enhancements contract to SER Construction for an amount not to exceed \$8 million. The motion was seconded by Director Erwing, which carried by unanimous vote.

2. APPROVE WORK ORDER FOR CONSTRUCTION MANAGEMENT AND INSPECTION SERVICES.

Director Fenz made a motion to approve the work order for IDS to provide Construction Management and Inspection Services in an amount not to exceed \$550,000. The motion was seconded by Director Erwing and carried by unanimous vote.

d. CAROLINE STREET RECONSTRUCTION – ESPA CORP/KCI

Mr. Thibodeaux and staff arranged a meeting with the City of Houston to continue discussions on the Caroline Street reconstruction from Pierce Elevated to Holman Street. The City is agreeable to a no-interest loan to the Authority in the amount of \$3.5 million. The Authority would begin paying back the loan in 2018 with a term of three years. It is anticipated the project will be bid out after August 31, 2016 and begin construction after the Super Bowl in 2017.

e. FTA GRANT PROGRAM – THE GOODMAN CORPORATION

Mr. Webb of the Goodman Corporation reported that Midtown could begin to draw down some of the funds from the Holman Street Grant in the next month.

EAST MIDTOWN DEVELOPMENT INCENTIVE PROGRAM.

Ms. Foreman reported that she is working with the Executive Director and staff to draft a development incentive program for the east side of Midtown. The goal of the program would be to encourage and incentivize developers to bring unique projects to the east side of Midtown that would include mixed use development with retail, commercial and residential components.

MORGAN GROUP PROPOSED DEVELOPMENT AGREEMENT

Mr. Wallace reported that he anticipates scheduling a meeting with the Morgan Group to negotiate terms of the Development Agreement and report on the status at the next Board meeting.

WITH RESPECT TO THE FOREGOING AGENDA ITEMS, 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 ECONOMIC DEVELOPMENT NEGOTIATIONS (SECTIONS 551.087, TEXAS GOVERNMENT CODE)**

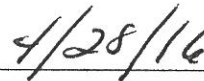
The Board did not conduct an executive session at this meeting.

ADJOURNMENT

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



Pamela N. Castleman, Secretary



Date