

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

June 1, 2017

A special 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, June 1, 2017 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	Vacant	6	Abe Goren
2	Doug Erwing	7	Caton M. Fenz
3	Robert D. Sellingsloh	8	John Thomas
4	Pamela Ngo Castleman	9	Brandon Dudley
5	Al Odom		

and all of the above were present with the exception of Directors Erwing and Thomas.

Also in attendance were Matt Thibodeaux, Kandi Schramm, Marlon Marshall, Todd Edwards, David Thomas, Araceli Rodriguez, Cynthia Alvarado, Michelle Ashton, Mark Sullivan, Jalisa Hurst, Amaris Salinas, TaMarr Daniels and Jonathan Smith of Midtown; Peggy Foreman of Burney and Foreman; Barron F. Wallace of Bracewell, LLP; Carol Harrison and Tim Buscha of IDS Engineering Group; Edwin Friedrich, Joseph Boley and Rachel Ray of Walter P. Moore; Alex Ramirez of Design Workshop; Mechelle Phillips of One World Strategy Group; Mariana Raschke of The Goodman Corporation; Eoles Whittaker of State Representative Coleman’s Office; Harry Klein of Cole Klein Builders; Ken Burge of J.D. Abrams; Joseph Smith of A.O. Phillips; Lindsey Kellam of Intern with Wilson, Cribbs & Goren Bob Schultz of RHS Interests, LLC; Robert Axelson of I.C.I./Midtown Lofts; Kent Collins, Carl Darus & Chris Spellman of Centro Partners, LTD; Ed Pettitt and Bianca Mahmood of The Emancipation Economic Development Council; and Cynthia Aceves-Lewis, Dan Barnum, and Allen Douglas, Midtown Residents.

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

PUBLIC COMMENTS

Dan Barnum reported to the Directors that he felt the construction of the new sidewalks on Main Street was insufficient. Mr. Marshall responded that he would look into the matter and get back in touch with Mr. Barnum.

Cynthia Aceves-Lewis asked the Directors what the next steps would be regarding the survey conducted by Ford Momentum. Mr. Williams responded that Ms. Ford is currently working on II and will present her findings at a future Board meeting in the next couple of months.

CONSENT AGENDA FOR THE AUTHORITY:

- a. **MINUTES FOR APRIL 13, 2017;**
- b. **MONTHLY FINANCIAL REPORT FOR APRIL 2017;**
- c. **INVOICES FROM TRUSTEE AND OPERATING ACCOUNTS FOR MAY 2017.**

Matt Thibodeaux, Executive Director, presented the various items on the consent agenda. Director Odom made a motion to approve the consent agenda as presented. . The motion was seconded by Director Dudley, which carried by unanimous vote.

INVESTMENT REPORT FOR QUARTER ENDING MARCH 31, 2017.

Mr. Thibodeaux presented the Investment Report for the Quarter ending March 31, 2017, noting that a total of \$87,016.16 in interest was earned during the Quarter. Director Castleman made a motion to accept the Investment Report for the Quarter ending March 31, 2017. The motion was seconded by Director Goren and carried by unanimous vote.

FISCAL YEAR 2018 BUDGET.

Kandi Schramm, the Authority's Administrative Manager, presented the Fiscal Year 2018 Budget. Ms. Schramm reported that staff had discussed and reviewed the budget several times. She noted that the increment revenues are anticipated to increase by \$2,000,000 in Fiscal Year 2018. Midtown additionally anticipates receiving Federal Transit Administration Grant Funds for Holman and Main Streets and HGAC Grant Funds for Caroline Street. Ms. Schramm pointed out that the budget contained increases in audit expenses due to the need for a Single Line Audit for Federal Transit Funding and increases in insurance expenses due to the addition of coverage for the Midtown Park and Garage. Director Castleman made a motion to approve the Fiscal Year 2018 Budget as presented. The motion was seconded by Director Dudley. Following all discussion, the motion carried by unanimous vote.

MID-MAIN DEVELOPER AGREEMENT REQUEST - MID-MAIN PARTNERS

Marlon Marshall reviewed the request for reimbursement from Mid-Main Partners', the developer of the Mid-Main Lofts and Parking Garage, for certain public right-of-way improvements. Mr. Marshall stated that Mid-Main Partners has requested reimbursement for landscape and other improvements on Main Street in the amount of \$133,259.00, on Travis Street in the amount of \$175,608.00 and on Winbern Street in the amount of \$39,418.00, for a total of \$348,284.00. He further stated that in addition to landscaping, the improvements on each street would include benches, trash receptacles and bike racks. Mr. Marshall reminded the Board that Midtown is currently working on improvements along Main Street. He also stated that, if approved, no money would be payable until the Mid-Main project was completed or listed on the tax rolls for one (1) year. Mr. Schultz of Mid-Main Partners reported that the retail portion of the project would consist of a fitness center, a bakery, a pizza shop and a dental office and was approximately 65% leased.

Director Castleman made a motion to approve a Mid-Main Developer Agreement for public right-of-way improvements on Travis and Winbern Streets in the amount of \$215,026.00. The

motion was seconded by Director Goren. Following all discussion, the motion carried by unanimous vote.

MIDTOWN AFFORDABLE HOUSING PROGRAM

a. **REAL ESTATE RESOLUTION**

Director Odom made a motion to approve the Resolution Authorizing the Authority to enter into various Real Estate Contracts for Acquisition of Certain Properties; Authorizing the Authority or its Agent to Take All Necessary Actions Regarding Same; Approving Various Findings and Other Matters Incidental to Such Contracts; and Authorizing and Committing Funds Related Thereto. The motion was seconded by Director Goren, which carried by unanimous vote.

b. **AMENDMENT TO DEVELOPMENT AND PURCHASE AGREEMENT WITH EPIC HOMES, LLC;**

Todd Edwards reported that Epic Homes had requested an amendment to the its Development and Purchase Agreement, dated January 12, 2017, that would reduce the affordability period from 20 years to 10 years for the five (5) single family residences to be constructed. Mr. Edwards reminded the Board that just prior to approving the Development and Purchase Agreement with Epic Homes, LLC., it authorized the Staff to increase the affordability period. Epic Homes asked for reconsideration because it believed that a 20 year affordability period would put Epic Homes at a competitive disadvantage to other builders who were approved under the old policy requiring only a 10 year affordability period. Several Board members asked questions regarding the request and stated that they would not be inclined to reduce the affordability period. Director Goren suggested that Mr. Edwards talk with the other developer’s about voluntarily agreeing to amend their respective previously executed development agreements to increase the affordability periods from 10 to 20 years.

c. **UPDATE ON AFFORDABLE HOUSING PROGRAM**

Mr. Edwards gave an update on the status of construction for the HOU Homes, Inc. townhouse project at 2002 Live Oak. He also reported that that the staff had met with CCPPI and that the comprehensive plan is ready for presentation to the Board at the June 29, 2017 Board meeting.

MIDTOWN CAPITAL IMPROVEMENT PROGRAM

b. **PARKS AND GREENSPACE – WALTER P. MOORE/DESIGN WORKSHOP**

i. **MIDTOWN PARK**

Marlon Marshall reported on the highlights of the International Garage Operators conference where he, Walter P. Moore and WinPark gave a presentation.

GARAGE CHANGE ORDERS – CAMDEN

Mr. Marshall reported that the garage was open for daily business. He advised the Board that the pavilion lid had begun cracking and that the design and construction management teams have reviewed options ranging from repairing to replacing. The team has monitored the situation for several months and observed that the cracking appears to have gotten worse and seems to be the result of construction deficiencies. After discussions with Camden, Walter P. Moore and staff, Camden has agreed to remove and replace the pavilion lid, however there will be an additional cost to Midtown of \$40,608.75 to protect work in place and provide access to the construction areas. In an effort to keep the construction moving forward, Mr. Marshall asked that the Board approve the \$40,608.75 expense. Director Goren asked Barron Wallace to review the contract to better understand who has responsibility for the additional expenses and whether the Authority would be entitled to be reimbursed for these costs under the contract.

Director Goren made a motion to approve Change Order #27 for protection of in-place work during the removal and replacement of the pavilion lid concrete in the amount of \$40,608.75. The motion was seconded by Director Dudley. Following all discussion, the motion carried by unanimous vote.

PARK CHANGE ORDERS – MILLIS.

Mr. Marshall reported that several tours of Midtown Park had taken place with design professionals and representatives of NRG, who purchased the naming rights to the dog park. Mr. Marshall updated the Board on the construction schedule and stated that, after accounting for demobilization for Super Bowl, weather delays, and change order delays, he anticipates that Midtown Park will be completed in August 2017 with programming to begin sometime in late September 2017. He stated that certain art installations will occur after completion of Park construction. Mr. Marshall presented Change Orders #16, 17 & 18.

Director Castleman made a motion to approve Change Order #16 in the amount of \$111,456.51 for design modifications to the pavilion, stair/elevator enclosure, and drainage, A/V allowance and additional work for the garage; Change Order #17 in the amount of \$121,177.35 for work items and activities related to opening the park for Super Bowl activities (construction impact, maintenance, permits and overtime work) and Change Order #18 in the amount of \$58,189.66 for design modifications to the bayou to relocate the overflow drain inlet from the irrigation vault. The motion was seconded by Director Fenz. Following all discussion, the motion carried by unanimous vote.

ADDITIONAL SERVICES REQUEST FOR DESIGN AND CONSTRUCTION ADMINISTRATION (PARK) – WALTER P. MOORE.

Mr. Marshall advised the Board that there would be additional design costs related to the use of a generator for garage sump pumps, adding a restroom in the garage for the Operator's staff and Midtown staff, parking signage and installing a B-Cycle pad, together with additional construction administration costs. Director Fenz made a motion to approve the additional services request for design and construction administration costs from Walter P. Moore in the amount of \$286,820.00. The motion was seconded by Director Dudley and carried by unanimous vote.

ADDITIONAL SERVICES REQUEST FOR CONSTRUCTION MANAGEMENT AND INSPECTION (PARK) – IDS ENGINEERING.

Mr. Marshall presented the additional services request from IDS Engineering for construction management and inspection services. He stated that the request covers an extension of the agreement through May 2018.

Director Dudley made a motion to approve the additional services request for construction management and inspection from IDS Engineering in the amount of \$799,750 including an extension of the agreement through May 2018. The motion was seconded by Director Odom. Following all discussion, the motion carried by unanimous vote.

ii. **ENTRY PORTALS**

Mr. Marshall reported that construction at the Bagby Street at St. Joseph Parkway Entry Portal is wrapping up with Center Point bringing power to the portal. He stated that the Staff is reconsidering the entry portal at Gray and Webster due to the potential for damage from vehicular traffic at that location.

c. **HCC CAPITAL PROJECTS - IDS ENGINEERS**

i. **HOLMAN STREET PEDESTRIAN ENHANCEMENTS**

Mr. Marshall reported that the Holman Street project is substantially complete and the team is working on required bike and parking signage changes.

APPROVE CHANGE ORDERS – SER

There were no change orders for this meeting.

d. **MAIN STREET ENHANCEMENTS – WALTER P. MOORE /DESIGN WORKSHOP**

Mr. Marshall reported that the contractor is wrapping up sidewalks on the eastern block faces and will be moving to the west side of Main Street in June. Work in the rail median

is pending approval by METRO of evening work. The Contractor has replaced some of the sidewalks that were not up to specifications.

i. **APPROVE CHANGE ORDERS - SER**

There are no Change Orders at this time.

ii. **ADDITIONAL SERVICE REQUEST FOR DESIGN AND CONSTRUCTION ADMINISTRATION – WALTER P. MOORE**

Director Castleman made a motion to approve the additional services request for design and construction administration for Walter P. Moore in the amount of \$26,000 for landscape design work, revising drawings for the City, construction administration associated with the Mid-Main **Project** the additional services request in the amount of \$15,450 for additional coordination with METRO and construction administration for rail median irrigation and landscape improvements along Main Street. The motion was seconded by Director Fenz. Following all discussion, the motion carried by unanimous vote.

e. **CAROLINE STREET RECONSTRUCTION – ESPA/KCI**

Mr. Marshall reported that TxDot awarded the contract to J. D. Abrams in the amount of \$13,919,285.07. He reported that Midtown’s funding responsibility is \$8,497,182.96, of which \$5,344,757.02 was paid to TxDot in 2014. Construction is expected to begin in late 2017.

i. **PAYMENT TO TXDOT FOR AWARD OF CONSTRUCTION CONTRACT.**

Director Goren made a motion to approve payment to TxDot in the amount of \$3,152,425.94. The motion was seconded by Director Castleman and carried by unanimous vote.

f. **FTA GRANT PROGRAM – THE GOODMAN CORPORATION**

The Goodman Corporation is working with the Federal Transit Administration on the Transportation Improvement Program call for projects.

g. **MWDBE Compliance Contract - A.O. Phillips & Associates**

Matt Thibodeaux made a presentation regarding the need for assistance with MWDBE compliance monitoring and shared information regarding A.O. Phillips & Associates. Peggy Foreman presented the proposed contract and advised the Board of the contract terms.

Director Castleman made a motion to approve an MWDBE Compliance Contract with A.O. Phillips & Associates for an amount not to exceed \$150,000. The motion was seconded by Director Dudley. Following all discussion, the motion carried by unanimous vote.

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.



Al Odom, Asst. Secretary



Date