

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

**January 25, 2024**

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, January 25, 2024, 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	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 Directors Thomas, Goren, and Foster.

In attendance were Authority staff members: Matt Thibodeaux, Kandi Schramm, Vernon Williams, Marlon Marshall, Jeremy Rocha, Kayler Williams, Araceli Adame, David Thomas, Willie Larry, and Cynthia Alvarado; Melissa Morton of The Morton Accounting Services; Peggy Foreman of Burney & Foreman; Mary Buzak of Bracewell LLP, Algenita Davis, Angie Gomez, Linda Mitchell, Lorenzo Salinas, Bob Bradford and Sean Haley of CCPPI; Roberta Burroughs of Roberta F. Burroughs & Associates; Alex Ramirez of Design Workshop; Carol Harrison of IDS Engineering Group; Jennifer Curley of City of Houston; Sandy Crego and Andrea Moore of Partners Real Estate; Muhammed Ali and Taylor Risien of Gauge Engineering; David Manuel of Walter P. Moore; Tony Henshaw of Rashieyeid Engineering; Zack Martin of MCMD and Scott Harbors, Midtown resident.

Chair Odom called the meeting to order.

**PUBLIC COMMENTS**

No public comments were presented at this meeting.

**CONSENT AGENDA FOR THE AUTHORITY**

**MINUTES FOR DECEMBER 14, 2023**  
**MONTHLY FINANCIAL REPORTS FOR NOVEMBER AND DECEMBER 2023**

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

### **INVESTMENT REPORT FOR QUARTER ENDING DECEMBER 31, 2023**

Ms. Melissa Morton of The Morton Accounting Services presented the 2<sup>nd</sup> Quarter Investment Report for FY2024. She stated that the average yield rate on all accounts was 3.11375% with the highest yield rate from the Logic accounts at 5.55% on average. The amount of interest earned for the 2<sup>nd</sup> Quarter was \$446,714. Ms. Morton stated that the detailed written Investment Report was included in the Board packet.

Director Murphy made a motion to approve the Investment Report as presented. The motion was seconded by Director Lewis and carried by unanimous vote.

### **AFFORDABLE HOUSING PROGRAM**

#### **AFFORDABLE HOUSING OPERATIONS CAMPUS**

##### **CHANGE ORDERS**

Marlon Marshall, Sr. Director of Engineering & Strategic Development reported that there were no change orders for the Affordable Housing Operations Campus for consideration at this meeting.

Mr. Marshall reported the build-out for the Third Ward Community Cloth Cooperative lease space is moving forward with framing and HVAC.

#### **2024 BUDGET FOR AFFORDABLE HOUSING OPERATIONS CENTER**

Ms. Andrea Moore of Partners Real Estate provided an overview of occupancy at One Emancipation Center. The 2023 reforecast operating expenses are \$1,067,677 with an average occupancy rate of 55%. The 2024 budgeted operating expenses are \$997,057 based on a projected average occupancy rate of 90%.

Ms. Moore stated there are presently six tenants in the building. She noted that tenant relations activities are planned for the spring and fall to engage current and prospective tenants.

Director Murphy made a motion to accept the report as presented. He stated that his motion did not include approval of the 2024 Operating Budget and that the budget should be considered at a future meeting after further review. The motion to accept the report as presented was seconded by Director Fontaine and carried by unanimous vote.

Mr. Sean Haley of CCPPI mentioned that from a best practice standpoint, the annual budget for the new year should be prepared and circulated by November of the previous year so that there is a clear projection of expenses in advance of the new year. He noted that there are no operational issues at the building at this time. Sandy Crego of Partners Real Estate confirmed that a delay in approving the 2024 budget will not disrupt building operations. Algenita Davis of CCPPI reported that there are pending leases of 2,100 sq. ft. on the 3rd floor and 4,400 sq. ft. on the 4th floor with leasing progress going well for 2024.

Following this discussion, the Board tabled consideration of the 2024 budget for One Emancipation Center pending further review of the projections on which the budget is based.

### **AFFORDABLE HOUSING UPDATE**

Directors Lewis and Odom requested more background about the 20-year affordability period in Midtown's affordable housing program. Peggy Foreman of Burney & Foreman explained that the purpose of the affordability period is to maintain long-term affordability that will benefit not just the initial homebuyer but also future homebuyers, which fosters community development. Ms. Foreman responded to Board members' questions and shared some background information as to why the then-sitting Board adopted the 20-year affordability period several years ago.

Ms. Foreman noted that Midtown's affordable housing program does provide options to homebuyers, who can either sell to another qualified homebuyer to maintain the affordability restrictions, reconvey the property to Midtown, or sell the property at market value and pay Midtown a certain portion of the sale proceeds in exchange for a release of the affordability restrictions.

Director Thibodeaux stated that Midtown will review affordability programs in other cities and provide this information to the Board.

## **MIDTOWN CAPITAL IMPROVEMENT PROGRAM**

### **CAROLINE STREET RECONSTRUCTION**

Mr. Marshall reported the design team is working to complete the drawings of ponding areas identified on the proposed corrections to punch list items not addressed by TxDOT's contractor.

### **CHANGE ORDERS**

Mr. Marshall reported that Change Order #59 is a credit in the amount of (\$22,135.34) for work removed from the contract. Director Murphy made a motion to approve Change Order #59 as a credit amount of (\$22,136.34) for work removed from the contract. The motion was seconded by Director Middleton and carried by unanimous vote.

Mr. Marshall reported that Change Order #73 in the amount of \$9,708.49 is for adjustment to elevation of grate inlets in the rain gardens. Director Murphy made a motion to approve Change Order #73 in the amount of \$9,708.49 to adjust the elevation of grate inlets in the rain gardens due to third-party contractor's damages. The motion was seconded by Director Middleton and carried by unanimous vote.

Mr. Marshall reported that Change Order #77 in the amount of \$8,432.95 is to salvage historical bricks on Webster Street between Caroline Street and Austin Street. Director LeFlore made a motion to approve Change Order #77 in the amount of \$8,432.95 for salvaging the historical bricks on Webster Street between Caroline Street and Austin Street not addressed by third-party contractor. The motion was seconded by Director Fontaine and carried by unanimous vote.

Director Fontaine suggested change order costs should be charged to the third-party contractor and that the applicable contract should be amended to reflect the chargebacks for corrections to be a cost of the third-party contractor.

Mr. Marshall reported that Change Order # 78 in the amount of \$1,391.25 is for reinstallation of gate sensors at driveway between Rosalie Street and Anita Street due to third-party contractor's damages. Director Murphy made a motion to approve Change Order #78 in the amount of \$1,391.25 for reinstallation of gate sensors at driveway between Rosalie Street and Anita Street.

The motion was seconded by Director Middleton and carried by unanimous vote.

## **BRAZOS STREET BRIDGE LANDSCAPE IMPROVEMENTS**

Mr. Marshall reported the Brazos Street Bridge Landscape Improvements project will enhance the landscaped area at the intersection of Bagby Street and Elgin Street. The project is scheduled to be installed in early March and is partially funded by Councilmember Abbie Kamin's office.

## **BRAZOS STREET RECONSTRUCTION**

Mr. Marshall reported the updated design work for the Brazos Street Reconstruction Project is being reviewed by the City of Houston. Public engagement for the project will begin at the end of February.

## **SIDEWALK ASSESSMENT**

Mr. Marshall reported that Gauge Engineering is working on an assessment of current sidewalk conditions in Midtown. The last Midtown sidewalk assessment report was done in 2018. Gauge Engineering has reviewed aerial imagery and visited sites to identify and verify current conditions of sidewalks within Midtown's boundaries.

Muhammed Ali of Gauge Engineering compared the 2018 sidewalk assessment report against a current field study of the conditions of sidewalks and throughfares within Midtown's boundaries. He noted that existing mature trees have damaged the sidewalks and recommended improvements to these conditions, which can be implemented in phases.


Director Fontaine stated that this project requires further research and follow-up. He suggested contacting METRO for more details regarding its responsibility for certain sidewalk improvement costs.

## **EXECUTIVE SESSION**

The Board did not enter into an Executive Session.

## **ADJOURN**

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

DocuSigned by:  
  
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Camille Foster, Assistant Secretary

3/7/2024

Date