

**MINUTES OF JOINT MEETING OF
HARRIS COUNTY IMPROVEMENT DISTRICT NO. 1
UPTOWN DEVELOPMENT AUTHORITY AND
REINVESTMENT ZONE NUMBER SIXTEEN, CITY OF
HOUSTON**

March 26, 2014

The Board of Directors of the Harris County Improvement District No. 1 (the "District"), met in a joint session with the Uptown Development Authority (the "Authority") and Reinvestment Zone Number 16, City of Houston (the "TIRZ"), open to the public, on March 26, 2014, at 3:00 p.m. at 1980 Post Oak Blvd., Suite 1700, Houston, Texas 77056.

The roll was called of the members of the District Board, to wit:

Patty Bender	Director
Todd Casper	Director
Martin Debrovner	Director
Steven D. Lerner	Director
Kendall A. Miller	Chairman
Mary Catherine Miller	Director
John Mooz	Director
Greg Noble	Director
Lisa Simon	Secretary
Kerr Taylor	Director
Ed Wulfe	Director
Jonathan Zadok	Director

And all of the above were present, thus constituting a quorum.

The roll was called of the members of the Authority and TIRZ Boards, to wit:

Dot Cunningham	Director
Kendall A. Miller	Secretary/Treasurer
Martin Debrovner	Chairman
Judson Robinson, III	Director
Janice Hale-Harris	Director
Lisa Simon	Director
Marvin Kaplan	Director
Louis Sklar	Vice Chairman
Urban F. O'Brien, III	Director

and all of the above were present except Directors Kaplan, Hale-Harris and O'Brien, thus constituting a quorum.

Also present were John Breeding, Stephen Wood, Robert Taube, Betsy Kirkgard, Delia Mizwa, Shannon Daniels, Lauren Anderson, Katie McDonough, Lyndsey Peterson, Bob Ethington, and Rod Smith, staff members of the District; Jesus Davila of the City of Houston (the “City”); Margarita J. Dunlap, Community Outreach Representative, Service Design and Development, for the Metropolitan Transit Authority (“METRO”); Brittany Seabury of Representative John Culberson’s office; Henry Beer and Carlo Ciampoli of Stantec Inc.; Steve Done of ARUP; Mike Doyle of Mike Doyle Architecture; Robb Berg of Design Workshop; Leah Wulfthal of City Council Member Robinson’s office, Don Huml of Reinvestment Zone No. 17; Carolyn McCain and Ramesh Gunda of Gunda Corporation; Matthew C. Deal of Deal Sikes and Associates; and Yvonne Onak of Allen Boone Humphries Robinson LLP.

CALL TO ORDER DISTRICT MEETING

Director Miller called the meeting to order at 3:00 p.m.

APPROVE MINUTES OF DISTRICT MEETING

The Board of the District considered approving the minutes of the January 22, 2014 meeting of the Board. Director Lerner moved that the minutes of the meeting be approved. Director Debrovner seconded the motion, which passed unanimously. A copy of the minutes of the January 22, 2014 meeting is attached.

APPROVE THE DISTRICT QUARTERLY INVESTMENT REPORT

Ms. Daniels reviewed the quarterly investment report for the quarter ending December 31, 2013, with reference to the General Operating Fund, Capital Projects Fund, Debt Service Fund and Pledged Securities. After discussion, Director Debrovner moved that the Board approve the quarterly investment report. Director Bender seconded the motion, which passed unanimously.

REVIEW DISTRICT SECOND QUARTER BUDGET

Ms. Daniels reviewed the budget through the fiscal year second quarter. No action was taken by the Board.

RESOLUTION CONCERNING EXEMPTIONS FROM TAXATION FOR THE DISTRICT

The Board considered adopting a Resolution Concerning Exemptions from Taxation. Mr. Breeding stated that, consistent with the prior year, the Resolution

allows for a \$15,000 deduction for residents over 65 or disabled and 20% of the appraised value (but not less than \$5,000) of the residence homesteads. Following discussion, Director Wulfe moved to adopt the Resolution Concerning Exemptions from Taxation and direct that the Resolution be filed appropriately and retained in the District's official records. Director Noble seconded the motion, which passed unanimously.

ACCEPT DISCLOSURES FOR THE DISTRICT REQUIRED BY THE PUBLIC FUNDS INVESTMENT ACT

Mr. Wood explained that the disclosure statement required by the Public Funds Investment Act discloses relationships with entities or individuals who are offering, have offered, or may offer to engage in an investment transaction with the District. He also explained that the statements from the District's Bookkeeper and Investment Officer would be filed in the District's permanent records and with the Texas Ethics Commission. Following discussion, Director Bender moved to accept the disclosure statements and authorize filing of the disclosure statements with the Texas Ethics Commission. Director Noble seconded the motion, which carried unanimously.

INITIATE REVIEW OF INVESTMENT POLICY OF THE DISTRICT

Mr. Breeding said that the District's investment policy must be reviewed annually to comply with Texas law regarding the investment and security of funds of local governments. He requested that the Board review the policy for discussion at the April meeting. No action was taken on this matter.

CALL TO ORDER AUTHORITY AND TIRZ MEETINGS

Chairman Debrovner called the meetings to order.

APPROVE MINUTES OF THE TIRZ AND AUTHORITY

The Board of the TIRZ considered approving the minutes of the January 22, 2014 regular meeting of the Board. Director Sklar moved that the minutes of the meeting be approved. Director Robinson seconded the motion, which passed unanimously. A copy of the minutes of the January 22, 2014 meeting is attached.

The Board of the Authority considered approving the minutes of the January 22, 2014 regular meeting of the Board. Director Simon moved that the minutes of the meeting be approved. Director Miller seconded the motion, which passed unanimously. A copy of the minutes of the January 22, 2014 meeting is attached.

RECEIVE COMMENTS OR QUESTIONS FROM THE PUBLIC FOR THE AUTHORITY

There were no comments or questions from the public.

APPROVE THE QUARTERLY INVESTMENT REPORT FOR THE AUTHORITY

Ms. Daniels reviewed the quarterly investment report for the quarter ending December 31, 2013, with reference to the Capital Projects Fund, Infrastructure Fund, Affordable Housing Fund and Pledged Securities. No action was taken by the Board.

APPROVE INVOICES FOR THE AUTHORITY

Mr. Breeding presented to the Board of the Authority a list of current invoices from December, 2014 through March, 2014, in the amount of \$839,394.57. After discussion, Director Robinson moved that the Board approve payment of the invoices. Director Sklar seconded the motion, which passed unanimously. A copy of the list of invoices is attached.

Mr. Breeding reviewed and discussed the cumulative total of MWDBE / SBE expenditures through January, 2014 and the expenditures for the current fiscal year to date. The Board then reviewed trend graphs of MWBDE / SBE Professional Services from July, 2013 through February, 2014 and Construction Services from July, 2013 through January, 2014.

INITIATE REVIEW OF INVESTMENT POLICY OF THE AUTHORITY

Mr. Breeding said that the Authority's investment policy must be reviewed annually to comply with Texas law regarding the investment and security of funds of local governments. He requested that the Board review the policy for discussion at the April meeting. No action was taken on this matter.

FUNDING FOR LANDSCAPE AND ENGINEERING DESIGN FOR MEMORIAL PARK JOGGING TRAIL FOR THE AUTHORITY

Mr. Breeding said that the redesign of the Memorial Park jogging trail, which will include shower and restroom facilities, needs to be included in the Memorial Park Master Plan to get secure financial commitments for construction. He said that the Authority will participate in funding the redesign only if it is done properly. He said the costs will impact the Authority's Fiscal Year 2015 budget. No action was taken on this matter.

PRESENTATION ON POST OAK BOULEVARD DEDICATED BUS LANES PROJECT FOR THE AUTHORITY, TIRZ AND THE DISTRICT

Mr. Breeding updated the Boards on the funding for the Uptown dedicated bus lanes. He said that the West Loop dedicated bus lanes will be owned, designed, constructed and maintained by the Texas Department of Transportation; the Post Oak Boulevard bus lanes will be constructed on the City's right-of-way, owned by either the City or the District and maintained by the District; and the Bellaire / Uptown Transfer Center property and facilities will be owned by the District. He said that there will be no ownership of any facilities by METRO. In addition, he said that the bus project is the ultimate form of transit service to Uptown, and that it is not a precursor to light rail transit.

He reviewed the draft of the proposed revisions to the Memorandum of Understanding relating to the Post Oak Boulevard Reconstruction with Dedicated Bus Lanes, and Bellaire Uptown Transit Center Projects, redefining the responsibilities of METRO and the Authority, the TIRZ, and the District (collectively, "Uptown"). He briefly reviewed a letter to Ted Houghton, Chairman of the Texas Transportation Commission, confirming Uptown's commitment to participate in the funding of the IH 610 Dedicated Bus Lanes project, and a letter to United States Representative John Culberson confirming that there will be no METRO ownership of any land or facilities, as discussed at a congressional hearing on December 19, 2013.

Mr. Breeding said that the Authority has received environmental clearance from the U.S. Department of Transportation, allowing the Authority to move forward with the acquisition of right-of-way.

No action was taken on these matters.

REVIEW CONSULTANT PROCUREMENT PROCESS FOR THE AUTHORITY AND THE DISTRICT

Mr. Breeding discussed the City's procurement process, by which the consultants for the for civil design, urban design, right-of-way acquisition, and engineering involving environmental design, roadway / pavement design, hydraulic design, bridge / connector design and associated planning services, will be selected. He gave the Board the names of the firms who responded with their qualifications within the deadline for each required service. He said that contracts will be awarded at the April Board meeting. The Board took no action on this matter.

AUTHORIZE LOCAL MATCHING FUNDS FOR BELLAIRE / UPTOWN TRANSIT CENTER FOR THE AUTHORITY, TIRZ AND THE DISTRICT

Mr. Breeding requested the Boards of the Authority and the TIRZ and the Board of the District to authorize local matching funds of \$10,000,000 for the grant to fund construction of the Bellaire / Uptown Transit Center. After discussion, Director Miller moved for the Authority / TIRZ and Director Bender moved for the

District that the Boards authorize matching funds in the amount of \$10,000,000. Director Cunningham seconded the motion for the Authority / TIRZ and Director Lerner seconded the motion for the District. The motion passed unanimously.

REVIEW SCHEMATIC DESIGN OF PROPOSED POST OAK BOULEVARD DEDICATED BUS LANE PROJECT FOR THE AUTHORITY AND DISTRICT

Mr. Beer discussed the design of the “Grand Boulevard” and “Garden District” in terms of preserving and honoring the work done in the District from the beginning while committing to designing for the future. He said that the bus stations should be seen as places of safety and comfort, protected from vehicular traffic by a 12” to 14” barrier wall and bollards on the ramp edges, and from the sun by a roof designed to deflect the sun. He discussed with the Board the possibility of air conditioning the bus stations. Chairman Debrovner said that accommodation needs to be made for people on bicycles and that people need to be able to get from Uptown to Memorial Park. The Board took no action on this matter.

Mr. Beer also discussed the laminated glass columns for lighting the sidewalks in addition to uplighting the trees at night. He said that the lights can be programmed for different colors and illumination levels. He also noted that the twelve-foot wide sidewalks will have bands of contrasting color. The Board took no action on this matter.

REVIEW ANALYSIS OF RECOMMENDED STREET TREE SPECIES FOR THE AUTHORITY AND DISTRICT

Mr. Berg reviewed for the Boards the trees under consideration for the project. He said that the Texas live oak was chosen for its adaptability to an initial 12-foot, 6 inch branch height to enable traffic to pass beneath and to enable people to see the retail businesses. He said the trees need to be able to fit inside 42-inch by 65-inch boxes. The Board took no action on this matter.

REVIEW TREE PRESERVATION AND ENHANCEMENT PLAN FOR POST OAK BOULEVARD AND PROPOSED STREET TREE PROCUREMENT PROCESS FOR THE AUTHORITY AND DISTRICT

Mr. Berg discussed “tree salvage” whereby 125 to 150 trees already on the street can be removed, grown and brought back to be replanted. To achieve a uniform look, he said that a number of trees can be propagated from a single tree by cloning them. He said that, over time, plant material will tie the trees and arches together. He said that plants are to be integrated into the design of the stations and the barrier wall. The Board took no action on this matter.

ADJOURNMENT OF THE DISTRICT

There being no further business, Director Miller adjourned the District meeting.

ADJOURNMENT OF THE AUTHORITY AND TIRZ

There being no further business, Chairman Debrovner adjourned the Authority and TIRZ meetings.

Respectfully submitted,

Kendall A. Miller, Secretary
Board of Directors, Authority/TIRZ

Lisa Simon, Secretary
Board of Directors, District

Attachments:

Minutes of the January 22, 2014 District Meeting
Minutes of the January 22, 2014 TIRZ Meeting
Minutes of the January 22, 2014 Authority Meeting
List of Invoices