

**MINUTES OF REGULAR MEETING OF
HARRIS COUNTY IMPROVEMENT DISTRICT #1**

MARCH 24, 2010

THE STATE OF TEXAS §
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COUNTY OF HARRIS §

The Board of Directors of Harris County Improvement District #1 (the "District") held a meeting of the Board of Directors at 2:30 p.m. on the 24th day of March, 2010 at Two Post Oak Central, 1980 Post Oak Boulevard, Suite 1580, Houston, Texas, 77056, within the boundaries of the District, and the roll was called of the members of the Board, to wit:

- David Anderson
- Patty Bender
- Todd H. Casper
- Martin Debrovner
- Steven D. Lerner
- Kendall A. Miller
- Mary Catherine Miller
- John Mooz
- John Nash
- Lisa Simon
- Kerr Taylor
- Ed Wulfe

and all of said directors were present except Directors Nash and Taylor, thus constituting a quorum. Also present at the meeting were Mr. John Breeding, President of Harris County Improvement District #1, Mr. Robert Taube, Ms. Delia Mizwa, Ms. Shannon Daniels, Ms. Katie Butler, and Ms. Betsy Kirkgard of Harris County Improvement District #1.

APPROVE MINUTES OF JANUARY 27, 2010 BOARD OF DIRECTORS MEETINGS

Kendall A. Miller, Chairman, called the meeting to order and asked the members to read the Minutes of the January 27, 2010 meeting. Director Wulfe moved that the Board approve the Minutes as written. Director Lerner seconded the motion, which was approved by unanimous consent

ADOPT A RESOLUTION CONCERNING TAX COLLECTION PROCEDURES;
ADOPT A RESOLUTION CONCERNING EXEMPTION OF RESIDENCE
HOMESTEADS FROM TAXATION, ADOPT A RESOLUTION PROVIDING FOR
ADDITIONAL PENALTY FOR TAX COLLECTION COSTS

Mr. Breeding asked the Board to consider the following three annual resolutions required by the County Tax Assessor-Collection's office: Resolution Concerning Tax Collection Procedures, Resolution Concerning Exemption of Residence Homesteads from Taxation, and a Resolution Providing for Additional Penalty for Tax Collection Costs. After a discussion of the three resolutions, Director Bender moved that the Board adopt the three resolutions. Director Lerner seconded the motion, which was approved by unanimous consent.

ACCEPT DISCLOSURE MEMORANDUM OF INVESTMENT OFFICER

Mr. Breeding presented his annual Disclosure Memorandum as Investment Officer to the Board.

REVIEW THE DISTRICT'S INVESTMENT POLICY

Ms. Daniels presented the District's Investment Policy, advising the Board that there were no changes from the previous year.

RECEIVE A TRANSPORTATION UPDATE

Mr. Breeding discussed with the Board the status of talks with METRO regarding Rail on Post Oak Boulevard as well as discussions with area merchants.

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

(SEAL)

Secretary, Board of Directors