

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

FEBRUARY 27, 2013

THE STATE OF TEXAS §
 §
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 22nd day of February, 2012 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:

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

and all of said directors were present except Directors Bender, Simon 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, Mr. Stephen Wood, Ms. Delia Mizwa, Ms. Shannon Daniels, and Ms. Betsy Kirkgard of Harris County Improvement District #1; Mr. Bob Ethington, Mr. Rod Smith, and Ms. Lauren Anderson, Consultants to the District; Ms. Jessica Holoubek of Allen Boone Humphries Robinson; Mr. Eugene Shepherd of RBC Capital Markets, and Ms. Margarita Dunlap of METRO.

APPROVE MINUTES OF JANUARY 23, 2013 BOARD OF DIRECTORS MEETINGS

Kendall A. Miller, Chairman, called the meeting to order and asked the members to read the Minutes of the January 23, 2013 meeting. Director Lerner moved that

the Board approve the Minutes as amended. Director Wulfe seconded the motion, which was approved by unanimous consent.

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 annual resolution required by the County Tax Assessor-Collection's office: Resolution Concerning Exemption of Residence Homesteads from Taxation. After a discussion of the resolution, Director Wulfe moved that the Board adopt the 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. Director Lerner moved that the Board accept the Disclosure. Director Casper seconded the motion, which was approved by unanimous consent.

REVIEW THE DISTRICT'S INVESTMENT POLICY

Mr. Breeding then discussed the District's Investment Policy. Ms. Daniels presented the policy requirements and she pointed out the addition of CapNet Securities Corporation. The Board then declared the review complete.

RECEIVE A REPORT FROM THE DISTRICT'S FINANCIAL ADVISOR REGARDING THE DISTRICT'S BOND SALE

Mr. Eugene Shepherd, the District's Financial Advisor from RBC Capital Markets, gave a final report on the District's refunding bond sale. He presented the final Official Statement.

CONSIDER APPROVAL OF A LETTER OF INTENT BETWEEN THE UPTOWN DEVELOPMENT AUTHORITY, HARRIS COUNTY IMPROVEMENT DISTRICT #1, AND THE CITY OF HOUSTON

Mr. Breeding reviewed with the Board a draft Letter of Intent regarding the creation of Memorial Park Partnership to carry out development and implementation of the Memorial Park Master Plan. After review and discussion, Director Lerner moved that the Board approve the Letter of Intent. Director Wulfe seconded the motion, which was approved by unanimous consent.

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

Secretary, Board of Directors

(SEAL)