

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

May 28, 2014

The Board of Directors of the Uptown Development Authority (the "Authority") and Reinvestment Zone Number 16, City of Houston (the "TIRZ") met in a joint session with the Board of Directors of Harris County Improvement District No. 1 (the "District"), open to the public, on May 28, 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 except Directors Noble and Taylor, 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 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, Sarah Newbery, Bob Ethington, and Rod Smith, staff members of the District; Ketan Inamdar 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; Trey McCord of Frost Bank; Don Huml and Ann Givens of City of Houston Tax Increment Reinvestment Zone No. 17; James Vick of SWA Group; Ray Gutierrez of Houston Wifi, LTD., Co.; Kim Pettit of Cosmopolitan Condominium Owners Association; Tom Grieco of Environmental Consulting Services, Inc.; Roxann Chargois, Board Member, Texas Civil Rights Project; Jim Scarbrough, Gayla Hamilton, Daphne Scarbrough and Albert Singer, District residents / visitors; and Yvonne Onak of Allen Boone Humphries Robinson LLP.

CALL TO ORDER DISTRICT MEETING

Director Miller called the meeting to order at 3:01 p.m.

APPROVE MINUTES OF DISTRICT MEETING

The Board of the District considered approving the minutes of the March 26, 2014 meeting of the Board. Director Bender moved that the minutes of the meeting be approved. Director Debrovner seconded the motion, which passed unanimously. A copy of the minutes of the March 26, 2014 meeting is attached.

REVIEW THE QUARTERLY INVESTMENT REPORT OF THE DISTRICT

Ms. Daniels reviewed the quarterly investment report for the quarter ending March 31, 2014, with reference to the General Operating Fund, Capital Projects Fund, Debt Service Fund and Pledged Securities. There was no action on this matter.

REVIEW THE DISTRICT'S INVESTMENT POLICY

Ms. Daniels stated that the Board must annually review its investment policy in accordance with the Public Funds Investment Act. She described the changes to the broker-dealer list and updates to the provisions for fund groups and for securing deposits. After discussion, Director Wulfe moved that the Investment Policy be approved with the recommended changes. Director Sklar seconded the motion, which passed unanimously.

RESOLUTION APPROVING DISADVANTAGED BUSINESS ENTERPRISE (“DBE”) PLAN, DBE GOALS AND A TITLE VI PLAN FOR THE DISTRICT

Mr. Breeding said that, in order for the District to receive Federal Transit Administration grants, it must adopt policies to comply with rules governing grant recipients. He stated that the policies must be reviewed every three years. He said that the District has exceeded the goals for DBE hiring. He then discussed with the Board the following: (a) the Uptown Houston DBE Program, (b) the Title VI Compliance Plan, and (c) the Texas Unified Certification Program Letter of Agreement, and recommended that the Board adopt the resolution approving the program, the plan and the agreement. Following discussion, Director Lerner moved to adopt the Resolution Approving a Disadvantaged Business Enterprise Plan and Disadvantaged Business Enterprise Goals and a Title VI Plan for the District, subject to review and comment by the public, the Federal Transit Administration, and other governmental agencies. Director Simon seconded the motion, which passed unanimously.

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 March 26, 2014 regular meeting of the Board. Director Simon moved that the minutes of the meeting be approved. Director Robinson seconded the motion, which passed unanimously. A copy of the minutes of the March 26, 2014 meeting is attached.

The Board of the Authority considered approving the minutes of the March 26, 2014 regular meeting of the Board. Director Cunningham moved that the minutes of the meeting be approved. Director Kaplan seconded the motion, which passed unanimously. A copy of the minutes of the March 26, 2014 meeting is attached.

RECEIVE COMMENTS OR QUESTIONS FROM THE PUBLIC FOR THE AUTHORITY

Mr. Scarbrough, a resident of the District and member of the Uptown Houston PAC, requested that copies of any documents illustrating the property to be acquired for the bus lanes along Post Oak Boulevard be made available to the public.

POST OAK BOULEVARD UPDATE

Mr. Breeding said that the grant application for federal highway funds is being finalized. He said that the preliminary engineering report has been submitted to the City and to

METRO. He also discussed the trees that will line Post Oak Boulevard and the specific nature of their cultivation.

Ms. Newbery, as the primary contact for the management, scope, scheduling and budget matters relating to Memorial Park, gave a brief summary of the networking approach to renovation and restoration.

At this time, Director Zadok joined the meeting.

AUTHORIZE ADVERTISEMENT FOR BIDS FOR AUTHORITY'S TREE PROCUREMENT

Mr Breeding recommended to the Board to advertise for bids for the procurement and custom growing of 840 live oak trees for eventual planting along Post Oak Boulevard. He said that the budget for the installation-ready trees is \$2.94 million, of which 80% may be reimbursable through the federal grant for the Post Oak Boulevard Dedicated Bus Lanes and Street Reconstruction Project. After discussion, Director Simon moved that the Board authorize staff to advertise for bids for the tree procurement and contract growing. Director Robinson seconded the motion, which passed unanimously.

APPROVE THE AUTHORITY'S QUARTERLY INVESTMENT REPORT

Ms. Daniels reviewed the quarterly investment report for the quarter ending March 31, 2014, with reference to the Capital Projects Fund, Infrastructure Fund, Affordable Housing Fund and Pledged Securities. Director Miller moved that the report be approved by the Board. Director Sklar seconded the motion, which passed unanimously.

APPROVE INVOICES FOR THE AUTHORITY

Mr. Breeding presented to the Board of the Authority a list of current invoices from April, 2014 through May, 2014, in the amount of \$2,100,420.49. After discussion, Director Sklar moved that the Board approve payment of the invoices. Director Kaplan 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 April, 2014 and Construction Services from July, 2013 through March, 2014.

REVIEW THE AUTHORITY'S INVESTMENT POLICY

Ms. Daniels stated that the Board must annually review its investment policy in accordance with the Public Funds Investment Act. She described the changes to the broker-dealer list and updates to the provisions for fund groups and for securing deposits. After discussion, Director Miller moved that the investment policy be approved with the recommended changes. Director Sklar seconded the motion, which passed unanimously.

APPROVE AUTHORITY'S FISCAL YEAR 2015 PROPOSED BUDGET

Mr. Breeding briefly reviewed the Fiscal Year 2013-2014 budget. He then discussed the 2015-2019 fiscal years' proposed budget and 5-year capital improvement program with the Board. He summarized the core projects, regional mobility projects and Memorial Park improvements proposed to be accomplished by the Authority. He reviewed the Fiscal Years' 2015-2019 cash flow summary. After discussion, Director Simon moved that the Board approve the Authority's proposed Fiscal Year 2015 budget and authorize submission of the same to the City. Director Miller seconded the motion, which passed unanimously.

AUTHORITY'S HALLMARK STREET RECONSTRUCTION

Mr. Breeding said that the reconstruction of 800 feet of Hallmark Drive between San Felipe Street and the IH 610 southbound frontage road will increase access from Uptown to the West Loop. He said that the proposed reconstruction will eliminate street parking and create a three-lane roadway to accommodate left turning vehicles. He also said that the Authority's capital budget has funding for the project and that the anticipated construction cost is \$800,000. Additionally, he said that the City requires the installation of a 12" water line to accommodate fire protection and future development. After discussion, Director Cunningham moved that the Board authorize staff to advertise for bids for the rehabilitation / reconstruction of Hallmark Drive, subject to approval by the City of the design drawings. Director Miller seconded the motion, which passed unanimously.

ADJOURNMENT

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

ADJOURNMENT

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 March 26, 2014 Joint Meeting of the District, Authority and TIRZ
List of Invoices