

MINUTES
REINVESTMENT ZONE NUMBER TWENTY-SEVEN, CITY OF HOUSTON, TEXAS

April 15, 2019

The Board of Directors (the "Board") of Reinvestment Zone Number Twenty-Seven, City of Houston, Texas (the "Zone") met in regular session, open to the public, on April 15, 2019, at the St. Stephen's Episcopal Church, Pecore Hall, 1805 W. Alabama, Houston, Texas 77098, inside the boundaries of the Zone, and the roll was called of the members of the Board:

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|-------------------|--------------------------------|
| Lisa W. Hunt | Position 1 |
| Randy Mitchmore | Position 2 Chairman |
| Joe D. Webb | Position 3 Secretary |
| Sherry Weesner | Position 4 Vice-Chair |
| Paul Dickerson | Position 5 |
| Jacqueline Martin | Position 6 Assistant Secretary |
| Kathy Hubbard | Position 7 |

and all of the above were present, except Directors Weesner, Dickerson, and Hubbard, thus constituting a quorum.

Also present at the meeting were Carnell Emanuel of the City of Houston (the "City"); Damon Williams of Knudson, LP ("Knudson"); Kay Warhol, Greg LeGrande, Linda Trevino, and Steve Longmire, members of the public; Geoff Carleton of Traffic Engineers, Inc. ("TEI"); Derek St. John and Muhammad Ali of Gauge Engineering; and Alia Vinson, Sanjay Bapat, and Alyssa Ollwerther of Allen Boone Humphries Robinson LLP ("ABHR").

ESTABLISH QUORUM AND CALL TO ORDER

Chairman Mitchmore called the meeting to order at 6:02 p.m.

MINUTES

The Board considered approving the minutes of the February 18, 2019, regular meeting. After review and discussion, Director Hunt moved to approve the minutes as presented. Director Martin seconded the motion, which passed by unanimous vote.

RECEIVE PUBLIC COMMENT

There were no public comments.

RECEIVE COMMITTEE REPORTS

The Board reviewed reports from the Projects and Planning Committee and Affordable Housing Committee, copies of which are attached.

RENEWAL OF INSURANCE

Ms. Vinson stated that the Zone has received a renewal proposal for errors and omissions liability coverage for Directors of the Zone from the Texas Municipal League. After review and discussion, Director Martin moved to accept the insurance renewal proposal from Texas Municipal League. Director Webb seconded the motion, which carried unanimously.

REVIEW FINANCIAL INFORMATION AND AUTHORIZE PAYMENT OF INVOICES

The Board discussed the invoices submitted by Texas Municipal League, ABHR, eLsqrd Media Group, Equi-Tax, Inc., Jones & Carter, and Knudson. After review and discussion, and based on the recommendation of the Finance Committee, Director Hunt moved to approve the invoices submitted. Director Webb seconded the motion, which passed by unanimous vote.

UPDATE ON REDEVELOPMENT AUTHORITY CREATION AND DISCUSS REQUEST FOR QUALIFICATIONS FOR FINANCIAL ADVISORY SERVICES

Ms. Vinson and Mr. Emanuel updated the Board on the status of the creation of the Redevelopment Authority.

DISCUSS REQUEST FOR QUALIFICATIONS FOR FINANCIAL ADVISORY SERVICES

The Board discussed the issuance of a request for qualifications for financial advisory services for the Zone, noting that submissions are due by April 26, 2019. The Board noted that it previously designated an ad hoc committee comprised of Chair Mitchmore, Director Dickerson, and Director Hubbard to review the submissions and make a recommendation to the Board at the June meeting.

REPORT FROM KNUDSON, L.P.

The Board discussed the possibility of engaging a freelance writer to incorporate editorials, on an as needed basis, on the Zone website. After discussion, the Board requested that Knudson present a proposal for a freelance writer for the Board's consideration at the June meeting.

Mr. Williams updated the Board on the Pedestrian/Bicycle Mobility Program for the Zone and communications with The Menil Collection. Discussion ensued.

Mr. Williams reported that the Zone received eight responses to the request for qualifications for engineering services. He stated that the Projects and Planning Committee recommended that the Board engage Gauge Engineering and approve a Professional Engineering Services Agreement (the "Agreement") with Gauge Engineering. Mr. Ali, Mr. St. John, and Mr. Carleton gave a presentation on the services provided by Gauge Engineering and TEI. Ms. Vinson reviewed provisions included the Agreement. Messrs. Ali, St. John, and Carleton then left the meeting.

Mr. Williams reviewed a draft Public Engagement Strategy with the Board. After discussion, the Board concurred to further discuss a public engagement plan at the June meeting.

The Board discussed preparing a policy regarding developer agreements. After discussion, the Board requested that Knudson prepare a draft policy regarding developer agreements for the Board's consideration at the June meeting.

Ms. Vinson, Mr. Emanuel, and Mr. Williams updated the Board on 2019 legislative session matters.

Discussion continued regarding engineering services for the Zone. After review and discussion, Director Webb moved to engage Gauge Engineering, with TEI as a subconsultant, and approve and authorize execution of the Agreement. Director Hunt seconded the motion, which carried unanimously.

DISCUSS CONFLICT OF INTEREST REPORT AND CORRESPONDENCE REGARDING SAME

Ms. Vinson reported that the Zone is in receipt of correspondence from the City requesting a Conflict of Interest Report. She stated that the City requests that the Zone report (i) any disclosures signed in the current year, (ii) a statement from the attorney acknowledging that the board member recused himself/herself from the agenda item that presented conflict, and (iii) a copy of the minutes that further confirms the board member's recusal. After discussion, Director Webb moved to authorize ABHR to prepare and file the Conflict of Interest Report, as requested by the City. Director Hunt seconded the motion, which carried unanimously.

REPORT FROM KNUDSON, L.P. CONT'D

Messrs. Ali, St. John, and Carleton entered the meeting and responded to questions from Board members.

ANNOUNCEMENTS REGARDING WORKSHOPS, SEMINARS, AND PRESENTATIONS RELATING TO ZONE MATTERS

There were no announcements regarding workshops, seminars, and presentations relating to Zone matters.

RENTAL AGREEMENT WITH ST. STEPHENS EPISCOPAL CHURCH

The Board deferred any action on this agenda item.

ADOPT RESOLUTION ESTABLISHING OFFICES AND IN-ZONE MEETING PLACE(S)

The Board deferred any action on this agenda item.

DISCUSS MEETING SCHEDULE

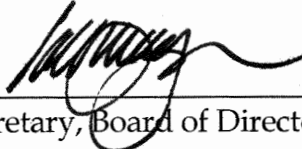
The Board concurred to meet on June 17, 2019, at 6:00 p.m. at Pecore Hall.

CONVENE IN EXECUTIVE SESSION PURSUANT TO SECTION 551.072, TEXAS GOVERNMENT CODE, TO DISCUSS ECONOMIC DEVELOPMENT NEGOTIATION OF THE ZONE

The Board did not convene in executive session.

ADJOURN

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



Secretary, Board of Directors

LIST OF ATTACHMENTS TO MINUTES

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Projects and Planning Committee and Affordable Housing Committee reports.....2

Tax Increment Reinvestment Zone (TIRZ) #27 – Montrose
Committee Report Form

Committee Name: Projects and Planning **Date of Meeting:** 3/28/2019

Chairperson: Dr. Randy Mitchmore

Attendees:

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|------------------------|-----------------------|
| <u>Randy Mitchmore</u> | <u>Alia Vinson</u> |
| <u>Joe Webb</u> | <u>Damon Williams</u> |
| <u>Sherry Weesner</u> | <u>Sanjay Bapat</u> |

Points of Discussion:

1. The Committee members conducted interviews with four (4) candidate firms having been selected from the eight (8) total respondents to the TIRZ 27 SOQ for Engineering Services.
2. Discussion of potential submission for grant funding for the Safe Routes to Schools-Infrastructure (SRTS) Program through TxDOT.

Items for Board Consideration/Action:

1. Recommendation that Gauge Engineering be selected in response to the TIRZ 27 SOQ for Engineering Services.
2. The Projects and Planning Committee decided not to pursue grant funding under the Safe Routes to Schools-Infrastructure (SRTS) Program.

Agenda for Affordable Housing Committee

March 27, 2019

4 p.m.

Committee members present: Lisa Hunt, chair; Joe Webb, Jacqueline Martin

Support: Damon Williams, Sanjay Bapat, Alia Vinson

The Affordable Housing Committee of the Montrose TIRZ met on March 27, 2019 at 4 p.m. in the offices of Allen, Boone, and Humphries.

The purpose of the meeting was to begin to define what the committee means by 'affordable housing' as a TIRZ and how best to engage the full Board and community in a process to determine need and community support. The agenda also was to determine what model of support for affordable housing the TIRZ's redevelopment authority might employ to accomplish this goal of the Montrose TIRZ.

The outcomes of the meeting were:

- The Committee recommends to the Board that the Montrose TIRZ adopt a subsidy model to achieve the affordable housing goal of the TIRZ.
 - The Committee considered the possibility of doing development of housing on our own (as is done by the Midtown TIRZ) and the approach of doing cash grants to facilitate private/public partnerships.
 - The Committee felt that the TIRZ would be in a better position to engage this goal more quickly and sustainably by leveraging and partnering with the funds of other private and public entities.
 - An apparent need in Montrose is to preserve small multi-family units that are scattered throughout the TIRZ, which will not be replicable under current policies.
 - Cash incentives will encourage owners and developers to invest and preserve this stock, helping to mitigate gentrification
 - The TIRZ would avoid having to hire extra staff to manage housing projects on its own.
- The Committee recommends that the Board charge Knudson with the task of creating a rough housing needs assessment using demographic data for the Montrose area to inform the direction of our plan. This would not supplant the work of the Livable Centers Study, but would assist the committee in its education in the shorter term.
- The Committee would like to meet with the City of Houston Director of Housing, Tom McCasland, to begin a conversation of how the Montrose TIRZ might work with the City's funds and programs to meet the affordable housing needs we discover. The Committee would also like to meet with Councilmember Ellen Cohen to seek her input on this process and to seek her support.
- The Committee recommends the creation of a survey to be given to the TIRZ Board members to begin a discussion about the meaning of 'affordable housing' so that the Committee is working in concert with the whole Board.

Actions for the Board

- Decision on Committee's recommendation to pursue a subsidy model of affordable housing development.
- Approval to charge Knudson with the task of crafting a demographic study of housing needs in the TIRZ

- Authorization to represent the Board at meetings with Tom McCasland and Ellen Cohen.
- Authorization to survey the Board to begin process of defining 'affordable housing' for Montrose TIRZ.