

MEMORIAL-HEIGHTS REDEVELOPMENT AUTHORITY

JOINT MEETING OF THE BOARDS OF DIRECTORS

OCTOBER 27, 2022

REINVESTMENT ZONE NUMBER FIVE, CITY OF HOUSTON, TEXAS

MEMORIAL-HEIGHTS REDEVELOPMENT AUTHORITY
TIRZ NO. 5
MEETING OF OCTOBER 27, 2022

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MEMORIAL-HEIGHTS REDEVELOPMENT AUTHORITY
Director Attendance Record

MEETING DATE	A. LENTS	A. COLOM	B. BROWN	J. HALE- HARRIS	C. MANRIQUEZ	R. STEIN	M. PIERRE	M. ZEVE
02/27/20	X	Y	Y	Y	Y	Y	X	
04/23/20	Y	Y	Y	Y	Y	Y	Y	
06/25/20	Y	X	Y	Y	Y	Y	Y	
09/24/20	Y	Y	Y	Y	Y	Y	X	
10/22/20	Y	Y	Y	Y	Y	Y	X	
01/28/21	Y	Y	Y	X	Y	Y	Y	
03/04/21	Y	Y	Y	Y	Y	Y	X	
04/22/21	Y	Y	Y	Y	Y	Y	X	
06/24/21	Y	X	Y	Y	Y	Y	X	
08/23/21	Y	Y	Y	X	Y	Y	Y	
09/23/21	Y	X	Y	Y	Y	Y	X	
10/28/21	Y	X	Y	Y	Y	Y	Y	
12/09/21	Y	Y	Y	Y	Y	Y	X	
04/28/22	Y	Y	Y	Y	X	Y	X	
07/14/22	Y	Y		Y	Y	Y	X	Y
09/22/22	Y	Y		X	Y	Y	X	X

Y = Attended

X = Did not attend

**NOTICE OF JOINT MEETING
MEMORIAL-HEIGHTS REDEVELOPMENT AUTHORITY
AND
REINVESTMENT ZONE NUMBER FIVE, CITY OF HOUSTON, TEXAS**

**THIS MEETING WILL BE CONDUCTED IN-PERSON AND
BY TELEPHONE/VIDEOCONFERENCE**

TO: THE BOARDS OF DIRECTORS OF THE MEMORIAL-HEIGHTS REDEVELOPMENT AUTHORITY AND REINVESTMENT ZONE NUMBER FIVE, CITY OF HOUSTON, TEXAS, AND TO ALL OTHER INTERESTED PERSONS:

Notice is hereby given that the Board of Directors of the Memorial-Heights Redevelopment Authority (the "Authority") will hold a joint meeting with the Board of Directors of the Reinvestment Zone Number Five, City of Houston, Texas, (the "Zone"), open to the public, on **THURSDAY, OCTOBER 27, 2022, at 10:00 A.M., at 1980 POST OAK BOULEVARD, SUITE 1380, HOUSTON, TEXAS 77056**, outside the boundaries of the Authority. This meeting will also be conducted electronically, as provided below. Electronic copies of the meeting materials are available at <https://memorialheightstirz5.com/meetings/> at such time as the meeting occurs or by contacting Audrey Lyons at alyons@SKLaw.us.

TO ATTEND VIA VIDEO:

LINK: <https://us02web.zoom.us/j/83117938630?pwd=RUpvcTJleVd0aHpzcWVyQUhoWnlaQT09>

Meeting ID: 831 1793 8630

Passcode: 425115

TO ATTEND VIA AUDIO ONLY:

Dial: 1-346-248-7799

Meeting ID: 831 1793 8630

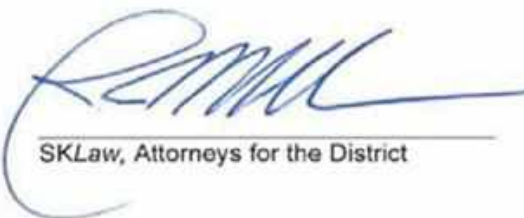
Passcode: 425115

At the meeting the following items will be considered and acted on:

1. **CALL TO ORDER:**
 - a. Receive comments and questions from the public;
2. **CONSENT AGENDA:**
 - a. **Minutes of previous meetings:**
 - i) Approve Authority minutes of September 22, 2022; **4**
 - ii) Approve Zone minutes of September 22, 2022; **8**
 - b. Developer Reports (*Authority only*):
 - i) Quarterly GID update; **10**
 - c. **Financial matters** (*Authority only*):
 - i) Receive Financial Report Summary, including account and fund activity statements; **15**
 - ii) Receive investment report; **24**
3. **CHAIR REPORT** (*Authority only*);
4. **PRESIDENT REPORT** (*Authority only*);
 - a. Approve revised Project Plan and Reinvestment Zone Financing Plan [8th Amendment]; **25**
5. **FINANCIAL MATTERS** (*Authority only*):
 - a. Receive Finance Committee Report;
 - b. Authorize payment of invoices;
 - c. Authorize other appropriate action;
6. **PROJECTS AND ENGINEERING** (*Authority only*): **36**
 - a. Receive Projects Committee Report;
 - b. **North Canal Project** [CIP Project T-0525]:
 - i) Update on project development;
 - c. **Yale and Center Street Intersection** [CIP Project T-0529]:
 - i) Update on project development;
 - d. **Heights Boulevard Bicycle and Pedestrian Safety Improvements, West Dallas Restriping, Trail Segment between White Oak Bayou and Memorial Park** [CIP Project T-0531] [Teamwork Construction Services];

- i) Update on project construction;
 - ii) Approve expenditure to Houston Parks Board for tree replacement on trail extension;
- e. **Little Thicket** [CIP Project T-0521]:
 - i) Approve Interlocal Agreement with the City of Houston; **37**
- f. **Zone Wide Safety and Mobility Projects** [CIP Project T-5032];
- g. **Shepherd/Durham and Selected Cross Streets - Phase 1** [CIP Project T-0523A] [SER Construction Partners, LLC]:
 - i) Update on project construction;
- h. **Shepherd/Durham and Selected Cross Streets - Phase 2** [CIP Project T-0523A]:
 - i) Update on project development;
- i. Approve related pay estimates or change orders, or other design, construction, or management contract administration items, and authorize other appropriate action;
- 7. **COMMUNICATIONS** (*Authority only*);
 - a. Receive update from Communications Committee;
- 8. **EXECUTIVE SESSION** (*Authority only, the Zone will recess for duration of closed session*):
 - a. **Convene executive session** for attorney consultation on authorized matters pursuant to Open Meetings Act, § 551.071, Government Code; deliberations regarding purchase, exchange, lease, or value of real property pursuant to Open Meetings Act, §551.072, Government Code; and/or deliberations regarding economic development negotiations pursuant to Open Meetings Act, §551.087, Government Code;
 - b. **Reconvene public session** and authorize appropriate action regarding executive session discussion;
- 9. **CONSIDER, CONFIRM, OR RATIFY ACTIONS OF THE AUTHORITY, AS NECESSARY** (*Zone only*);
- 10. **ADJOURN.**

The ongoing COVID-19 pandemic may cause an inability for members of the Authority's Board of Directors to convene in one location. This could result in a public necessity for immediate action by the Board in providing the Authority's services and functions. If necessary, this Notice also constitutes notice for a teleconference meeting pursuant to Section 551.125, Government Code.



SKLaw, Attorneys for the District

Construction Neighborhood Report

September 1, 2022



3515 West Dallas St. Regent Square Update

Construction Activities: September 2022

- Units are being completed.
- Retail space is open and operational
- No update on blocks A, C, or D

Traffic Routing & Road Closures

- No road closures or underground utilities for the balance of 2022.
- Future work is anticipated within Regent Square in 2023 will be announced accordingly

What to expect this month:

- Trucks delivering appliances and furnishings.

Contact Information

For more information or questions,
please contact Walter Morris.

Phone: 713.463.8200

Email: wmorris@knudsonlp.com

Project Information

Block B Schedule:

Estimated Completion Move-In Date
December 2022

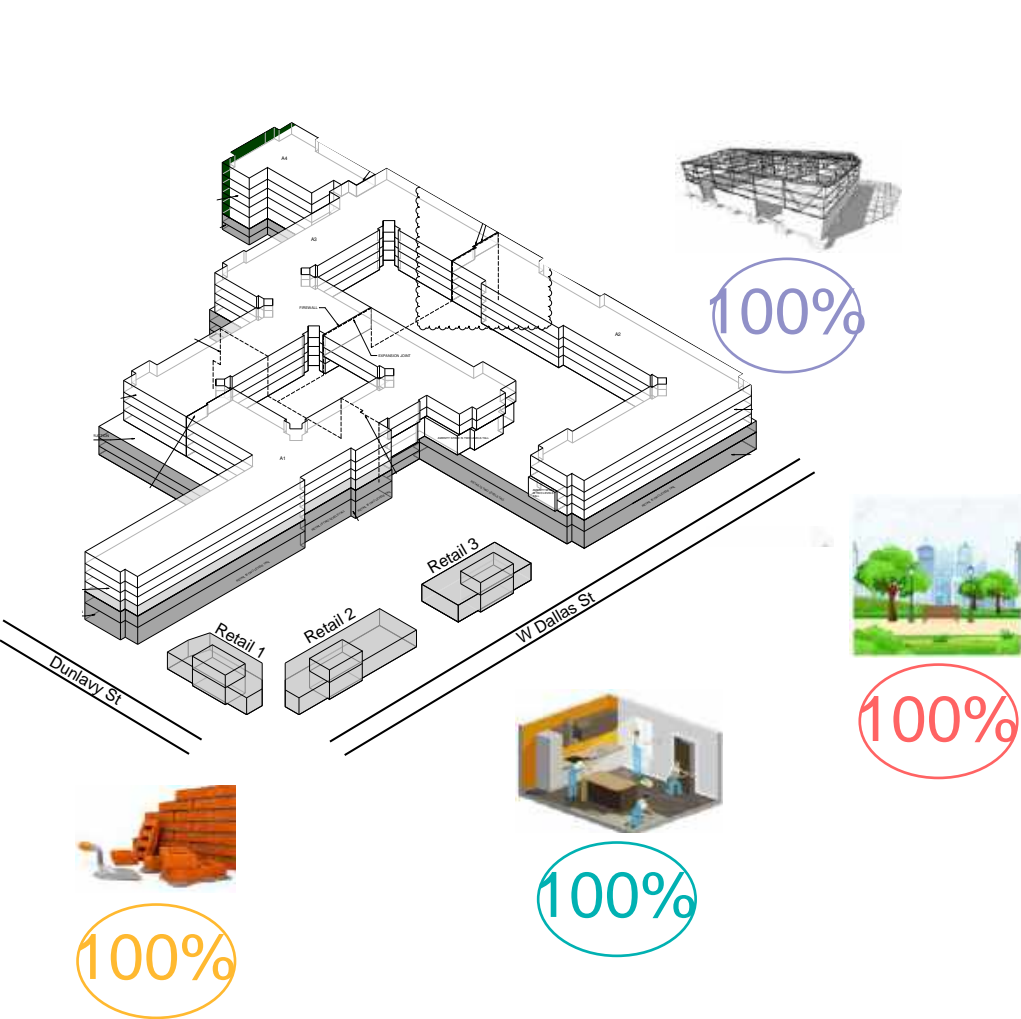
Monthly Progress Pictures

September 1, 2022





Regent Square Project Schedule



- ① - Concrete Structure:
Jan 2020 - Dec 2020
- ② - Building Framing:
Sept 2020 - June 2021
- ③ - Building Exterior:
Feb 2021 - Nov 2021
- ④ - 4th Floor Courtyard:
April 2021 - Dec 2021
- ⑤ - Interiors:
Mar 2021 - Oct 2022
- ⑥ - Landscaping:
June 2021- Oct 2022
- ⑦ - Retail Shell Build Out:
July 2021 - Dec 2021
- ⑧ - Multifamily Building:
Dec 2019 - Oct 2022



03 Building Exterior

The exterior of the building consists of stucco, windows, masonry, roof and siding.



05 Building Interiors

Unit finishes such as flooring, cabinets, painting, window covering, appliances, and etc.



06 Landscape/ Hardscape

Includes driveways, sidewalks, pavers, planters, plants, trees, and benches



08 Multifamily Building

The multifamily building consist of a seven story apartment complex with three retail buildings.



**Memorial Heights Redevelopment Authority
Monthly Financial Report Summary
October Board Meeting
Thursday, October 27, 2022**

At the beginning of September, the Memorial Heights Redevelopment Authority (TIRZ #5) beginning Operating Fund Balance was \$62,894,353. TIRZ #5 received a total of \$937,530, mainly from Grant Income (\$831,246). During the period, TIRZ #5 processed \$5,736,729 in disbursements during the period. 91% of the disbursements related to disbursements to Regions for the debt payment (\$1,487,613) and to SER Construction for CIP Projects (\$1,178,718 and \$2,558,442). The ending balance as of month end September 31, 2022 was \$58,095,154.

The invoices pending approval total \$2,132,622. See attached "Unpaid Bills Detail" Report for invoices pending approval and invoices paid in between board meetings.

There was \$4,663,093 spent for Capital Projects for the period. The projects that utilized the majority of the funding was T-0523A Shepherd/Durham Reconstruction (\$4,639,452). See attached "Capital Improvement Projects" Report on page 3.

**Memorial Heights Redevelopment Authority
General Operating Fund
As of September 30, 2022**

General Operating Fund

BEGINNING BALANCE \$ 62,894,353.18

REVENUE

Frost Money Market Interest	79.90	Interest
TexPool	35,343.45	Interest
FHWA Treas	718,873.27	Grant Income
FHWA Treas	112,372.37	Grant Income
Regions Project Fund	67,081.94	Interest
Regions Debt Service Fund	3,779.23	Interest

Total Revenue 937,530.16

DISBURSEMENTS

ACH Goodman Corporation	15,811.67	Engineering Consultant
ACH Quiddity Engineering LLC	71,825.29	Capital Projects
ACH Equitax Inc.	2,621.70	Tax Consultants
ACH Quickbooks Payroll Service	10,237.62	Admin Payroll
ACH SER Construction	1,178,718.42	Capital Projects
ACH United States Treasury	6,119.50	Payroll Taxes
ACH Teamwork Construction Services	167,759.71	Capital Projects
ACH Regions Corporate Trust	1,487,612.51	Debt Service Payment
ACH CDM Smith Inc	184,829.69	Capital Projects
ACH Schwab Retirement	3,000.00	Retirement
ACH Sanford Kuhl Hagan Kugle	18,895.92	Legal Invoices
ACH The Morton Accounting Services	3,902.58	CPA Services
ACH Medley Inc	4,180.00	Monthly Retainer
ACH Goodman Corporation	18,188.83	Engineering Consultant
ACH SER Construction	2,558,442.43	Capital Projects
ACH Regions Corporate Trust	3,000.00	Annual Fee
ACH Teamwork Construction Services	1,583.34	Capital Projects
ACH Quickbooks Payroll Service	0.00	Admin Payroll

Total Disbursements 5,736,729.21

ENDING BALANCE \$ 58,095,154.13

September 30, 2022

Balance

LOCATION OF ASSETS

Frost Checking	861,060.24
Frost Money Mkt	1,000,357.29
Frost Project Fund	465.00
Regions Debt Service Fund	638,356.51
Regions Project Fund	37,736,335.21
TexPool Investment	17,858,579.88

Total Account Balance \$ 58,095,154.13

Memorial Heights Redevelopment Authority
Unpaid Bills Detail
As of October 21, 2022

Type	Date	Num	Memo	Due Date	Open Balance
CDM Smith Inc.					
Bill	09/01/2022	90160667	Project: Shepherd & Durham Major Investment Project	09/11/2022	119,910.53
Bill	09/30/2022	90162689	Project: Shepherd & Durham Major Investment Project	10/10/2022	127,188.31
Total CDM Smith Inc.					247,098.84
Goodman Corporation					
Bill	09/30/2022	9-2022-38	MRA109 General Planning Support	10/10/2022	2,213.91
Bill	09/30/2022	9-2022-39	MRA113 Project - Phase I Construction Phase Grant Mngt	10/10/2022	9,468.96
Bill	09/30/2022	9-2022-40	MRA115 Project - Phase II Design and Bid	10/10/2022	8,002.60
Total Goodman Corporation					19,685.47
McCall Gibson Swedlund Barfoot PLLC					
Bill	09/01/2022	2022 Audit In...	2022 Audit Interim	09/11/2022	8,000.00
Bill	10/12/2022	2022 Audit Fi...	2022 Audit Final	10/22/2022	5,250.00
Total McCall Gibson Swedlund Barfoot PLLC					13,250.00
Medley Inc.					
Bill	10/01/2022	972	Monthly Digital Retainer and Survey Creation	10/11/2022	2,000.00
Total Medley Inc.					2,000.00
Quiddity Engineering, LLC					
Bill	09/30/2022	00347870	Work Order 1 - Through Sept 23, 2022	10/10/2022	592.50
Bill	09/30/2022	00347871	T0523A Shepherd Durham Grant Coordination - Through Sept...	10/10/2022	255.00
Bill	09/30/2022	00347872	T0523A Shepherd Durham Cross Streets Phase 2 Through S...	10/10/2022	7,455.84
Bill	09/30/2022	00347873	T0523A Shepherd Durham Cross Streets - Phase 2 Through ...	10/10/2022	49,899.03
Bill	09/30/2022	00347874	T0523A Shepherd Durham Cross Streets - Phase 1 CPS Thro...	10/10/2022	15,251.60
Bill	09/30/2022	00347875	Pedestrian & Bicycle Safety Impr Construction - Through Sep...	10/10/2022	4,215.00
Bill	09/30/2022	00347876	Yale Street at Center Street Intersection - Sept 23, 2022	10/10/2022	405.04
Total Quiddity Engineering, LLC					78,074.01
Sanford Kuhl Hagan Kugle Parker Kahn					
Bill	08/01/2022	22-0951	Admin/Meeting through August 2022	08/11/2022	260.00
Bill	08/01/2022	22-0952	Legal services through August 2022	08/11/2022	1,619.82
Bill	08/01/2022	22-0953	Legal services through Aug 2022	08/11/2022	143.75
Bill	08/01/2022	22-0954	Legal services through Aug 2022	08/11/2022	325.00
Bill	08/01/2022	22-0955	Legal services through Aug 2022	08/11/2022	530.00
Bill	08/01/2022	22-0956	Legal services through Aug 2022	08/11/2022	81.25
Bill	09/30/2022	22-1062	Admin/Meeting through September 2022	10/10/2022	1,805.00
Bill	09/30/2022	22-1063	Legal services through September 2022	10/10/2022	3,199.45
Bill	09/30/2022	22-1064	Legal services through September 2022	10/10/2022	406.25
Bill	09/30/2022	22-1065	Legal services through September 2022	10/10/2022	885.00
Total Sanford Kuhl Hagan Kugle Parker Kahn					9,255.52
SER Construction					
Bill	09/30/2022	Pay Estimate...	Shepherd Dr, Durham Dr, Selected Cross Streets Phase 1	10/10/2022	1,750,694.99
Total SER Construction					1,750,694.99
Teamwork Construction Services Inc.					
Bill	09/30/2022	Pay App #7	Bike/Ped Safety Improvements	10/10/2022	10,612.14
Total Teamwork Construction Services Inc.					10,612.14
The Morton Accounting Services					
Bill	09/30/2022	2341	September CPA Services	10/10/2022	1,951.29
Total The Morton Accounting Services					1,951.29
TOTAL					2,132,622.26

11:55 AM

10/21/22

Accrual Basis

Memorial Heights Redevelopment Authority
Capital Improvement Projects
September 2022

Type	Date	Num	Name	Memo	Amount
Capital Improvement Plan					
T-0521 Little Thicket Park Impr					
Bill	09/30/2022	22-1064	Sanford Kuhl Hagan Kugle Parker Kahn	Little Thicket Park	406.25
Total T-0521 Little Thicket Park Impr					406.25
T-0523A Shepherd Durham & Cross					
Bill	09/01/2022	90160667	CDM Smith Inc.	Project: Shepherd & Durham Major...	119,910.53
Bill	09/02/2022	Pay Estim...	SER Construction	Shepherd Dr, Durham Dr, Selected...	2,558,442.43
Bill	09/30/2022	00347871	Quiddity Engineering, LLC	T0523A Shepherd Durham Grant C...	255.00
Bill	09/30/2022	00347872	Quiddity Engineering, LLC	Total Fee - \$310,660	7,455.84
Bill	09/30/2022	00347873	Quiddity Engineering, LLC	T0523A Shepherd Durham Cross S...	49,899.03
Bill	09/30/2022	00347874	Quiddity Engineering, LLC	Total Fee - \$364,200	15,251.60
Bill	09/30/2022	Pay Estim...	SER Construction	Shepherd Dr, Durham Dr, Selected...	1,750,694.99
Bill	09/30/2022	90162689	CDM Smith Inc.	Project: Shepherd & Durham Major...	127,188.31
Bill	09/30/2022	22-1065	Sanford Kuhl Hagan Kugle Parker Kahn	Shepher/Durham Recon	885.00
Bill	09/30/2022	9-2022-39	Goodman Corporation	-MULTIPLE-	9,468.96
Total T-0523A Shepherd Durham & Cross					4,639,451.69
T-0529 Yale @ Center					
Bill	09/30/2022	00347876	Quiddity Engineering, LLC	Yale Street at Center Street Interse...	405.04
Total T-0529 Yale @ Center					405.04
T-0531 Pedestrian Improv. Const					
Bill	09/30/2022	Pay App #7	Teamwork Construction Services Inc.	Bike/Ped Safety Improvements	10,612.14
Bill	09/30/2022	00347875	Quiddity Engineering, LLC	Pedestrian & Bicycle Safety Impr C...	4,215.00
Total T-0531 Pedestrian Improv. Const					14,827.14
Capital Improvement Plan - Other					
Bill	09/30/2022	9-2022-40	Goodman Corporation	Federal and TxDOT	8,002.60
Total Capital Improvement Plan - Other					8,002.60
Total Capital Improvement Plan					4,663,092.72
TOTAL					4,663,092.72

Memorial Heights Redevelopment Authority

Profit & Loss Prev Year Comparison

July through September 2022

	Jul - Sep 22	Jul - Sep 21	\$ Change	% Change
Ordinary Income/Expense				
Income				
Grant Income	831,245.64	0.00	831,245.64	100.0%
Interest Income	226,356.14	1,030.34	225,325.80	21,869.1%
Interest Income - CIP	0.00	2,688.17	-2,688.17	-100.0%
Tax Increment - City	0.00	0.00	0.00	0.0%
Total Income	1,057,601.78	3,718.51	1,053,883.27	28,341.6%
Cost of Goods Sold				
Capital Improvement Plan				
T-0521 Little Thicket Park Impr	731.25	0.00	731.25	100.0%
T-0523A Shepherd Durham & Cross	5,890,249.07	484,320.29	5,405,928.78	1,116.2%
T-0525 North Canal	0.00	2,967.50	-2,967.50	-100.0%
T-0528 West Dallas Restriping	0.00	5,815.00	-5,815.00	-100.0%
T-0529 Yale @ Center	821.29	256.25	565.04	220.5%
T-0530 White Oak Bayou & Memori	0.00	2,407.50	-2,407.50	-100.0%
T-0531 Pedestrian Improv. Const	194,893.06	0.00	194,893.06	100.0%
T-0532 Zone Wide Safety & Mob	0.00	44,986.13	-44,986.13	-100.0%
T-0533 Zone Wide Local Stormwat	0.00	29,698.00	-29,698.00	-100.0%
T-0599 Concrete Panel Replace	81.25	0.00	81.25	100.0%
Capital Improvement Plan - Other	20,006.50	0.00	20,006.50	100.0%
Total Capital Improvement Plan	6,106,782.42	570,450.67	5,536,331.75	970.5%
Total COGS	6,106,782.42	570,450.67	5,536,331.75	970.5%
Gross Profit	-5,049,180.64	-566,732.16	-4,482,448.48	-790.9%
Expense				
Developer Reimbursement	420,490.14	310,126.17	110,363.97	35.6%
Interest Expense	652,612.51	492,696.46	159,916.05	32.5%
Payroll Expenses				
Payroll Taxes	3,708.75	3,725.06	-16.31	-0.4%
Retirement Expense	4,500.00	0.00	4,500.00	100.0%
Salary Payroll	45,000.00	45,000.00	0.00	0.0%
Payroll Expenses - Other	5.61	71.91	-66.30	-92.2%
Total Payroll Expenses	53,214.36	48,796.97	4,417.39	9.1%
Program and Project Consultants				
Engineering Consultants	4,451.25	10,831.25	-6,380.00	-58.9%
Legal Expense	12,891.07	12,089.95	801.12	6.6%
Planning Consultants	16,952.59	1,307.30	15,645.29	1,196.8%
Total Program and Project Consultants	34,294.91	24,228.50	10,066.41	41.6%
TIRZ Administration & Overhead				
Accounting	5,853.87	4,135.67	1,718.20	41.6%
Administration	3,960.00	2,350.00	1,610.00	68.5%
Auditing	8,000.00	6,500.00	1,500.00	23.1%
Office Expenses				
Bank Service Charges	3,154.55	190.16	2,964.39	1,558.9%
Office Expenses - Other	125.51	0.00	125.51	100.0%
Total Office Expenses	3,280.06	190.16	3,089.90	1,624.9%
Tax Consultant	2,621.70	1,730.40	891.30	51.5%
Total TIRZ Administration & Overhead	23,715.63	14,906.23	8,809.40	59.1%
Total Expense	1,184,327.55	890,754.33	293,573.22	33.0%
Net Ordinary Income	-6,233,508.19	-1,457,486.49	-4,776,021.70	-327.7%
Net Income	-6,233,508.19	-1,457,486.49	-4,776,021.70	-327.7%

Memorial Heights Redevelopment Authority

Balance Sheet Prev Year Comparison

As of September 30, 2022

	Sep 30, 22	Sep 30, 21	\$ Change	% Change
ASSETS				
Current Assets				
Checking/Savings				
Frost Bank Checking	861,060.24	77,859.15	783,201.09	1,005.9%
Frost Bank Money Mkt	1,000,357.29	1,150,000.00	-149,642.71	-13.0%
Frost Bank Project Fund	465.00	1,999,924.70	-1,999,459.70	-100.0%
Prosperity - Money Market	0.00	-20.00	20.00	100.0%
Regions Debt Service Fund	638,356.51	0.00	638,356.51	100.0%
Regions Project Fund	37,736,335.21	37,550,133.40	186,201.81	0.5%
TexPool Investment	17,858,579.88	19,272,132.13	-1,413,552.25	-7.3%
Total Checking/Savings	58,095,154.13	60,050,029.38	-1,954,875.25	-3.3%
Total Current Assets	58,095,154.13	60,050,029.38	-1,954,875.25	-3.3%
TOTAL ASSETS	58,095,154.13	60,050,029.38	-1,954,875.25	-3.3%
LIABILITIES & EQUITY				
Liabilities				
Current Liabilities				
Accounts Payable				
Accounts Payable	2,125,372.26	217,521.44	1,907,850.82	877.1%
Total Accounts Payable	2,125,372.26	217,521.44	1,907,850.82	877.1%
Other Current Liabilities				
Payroll Liabilities	5,975.50	13,560.56	-7,585.06	-55.9%
Retainage Payable	27,292.62	0.00	27,292.62	100.0%
Total Other Current Liabilities	33,268.12	13,560.56	19,707.56	145.3%
Total Current Liabilities	2,158,640.38	231,082.00	1,927,558.38	834.1%
Long Term Liabilities				
Bond Payable	38,190,000.00	39,025,000.00	-835,000.00	-2.1%
Premium on Bonds Payable	2,872,124.50	2,872,124.50	0.00	0.0%
Total Long Term Liabilities	41,062,124.50	41,897,124.50	-835,000.00	-2.0%
Total Liabilities	43,220,764.88	42,128,206.50	1,092,558.38	2.6%
Equity				
Retained Earnings	21,107,897.44	19,379,309.37	1,728,588.07	8.9%
Net Income	-6,233,508.19	-1,457,486.49	-4,776,021.70	-327.7%
Total Equity	14,874,389.25	17,921,822.88	-3,047,433.63	-17.0%
TOTAL LIABILITIES & EQUITY	58,095,154.13	60,050,029.38	-1,954,875.25	-3.3%

Memorial Heights Redevelopment Authority

Profit & Loss Detail

Accrual Basis

July through September 2022

Type	Date	Num	Adj	Name	Memo	Amount
Ordinary Income/Expense						
Income						
Grant Income						
Deposit	09/27/2022				Deposit	718,873.27
Deposit	09/28/2022				Deposit	112,372.37
Total Grant Income						831,245.64
Interest Income						
Deposit	07/31/2022				Interest	17,764.05
Deposit	07/31/2022				Interest	79.38
Deposit	07/31/2022				Interest	32,148.33
Deposit	08/31/2022				Interest	20.72
Deposit	08/31/2022				Interest	48,984.79
Deposit	08/31/2022				Interest	2,759.94
Deposit	08/31/2022				Interest	18,314.41
Deposit	09/30/2022				Interest	35,343.45
Deposit	09/30/2022				Interest	67,081.94
Deposit	09/30/2022				Interest	3,779.23
Deposit	09/30/2022				Interest	79.90
Total Interest Income						226,356.14
Tax Increment - City						
General J...	07/01/2022	CP...	*	City of Houston Cust.	FY22 Increment due from City	-9,348,878.41
Deposit	08/05/2022			City of Houston Cust.	Annual increment	9,348,878.41
Total Tax Increment - City						0.00
Total Income						1,057,601.78
Cost of Goods Sold						
Capital Improvement Plan						
T-0521 Little Thicket Park Impr						
Bill	08/01/2022	22-...		Sanford Kuhl Hagan Kugle Park...	Little Thicket Park	325.00
Bill	09/30/2022	22-...		Sanford Kuhl Hagan Kugle Park...	Little Thicket Park	406.25
Total T-0521 Little Thicket Park Impr						731.25
T-0523A Shepherd Durham & Cross						
General J...	07/01/2022	CP...	*	SER Construction	Record retainage for project	-77,118.87
Bill	07/31/2022	7-2...		Goodman Corporation	Task 1 - \$127,929	3,070.30
Bill	07/31/2022	7-2...		Goodman Corporation	Task 2 - \$172,439	4,655.85
Bill	07/31/2022	7-2...		Goodman Corporation	Task 3 - \$72,617	1,742.81
Bill	07/31/2022	22-...		Sanford Kuhl Hagan Kugle Park...	Shepher/Durham Recon	1,218.75
Bill	07/31/2022	003...		Quiddity Engineering, LLC	T0523A Shepherd Durham Grant Coordination - Through July 22, 2022	900.00
Bill	07/31/2022	003...		Quiddity Engineering, LLC	T0523A WO3 Shepherd Durham Cross Streets Phase 1 Through Jul...	2,697.40
Bill	07/31/2022	003...		Quiddity Engineering, LLC	Total Fee - \$310,660	26,841.02
Bill	07/31/2022	003...		Quiddity Engineering, LLC	T0523A Shepherd Durham Cross Streets - Phase 2 Through July 22,...	15,450.62
Bill	07/31/2022	003...		Quiddity Engineering, LLC	Total Fee - \$364,200	4,079.04
Bill	07/31/2022	Pay...		SER Construction	Shepherd Dr, Durham Dr, Selected Cross Streets Phase 1	1,178,718.42
Bill	07/31/2022	901...		CDM Smith Inc.	Project: Shepherd & Durham Major Investment Project	78,543.08
Bill	08/01/2022	22-...		Sanford Kuhl Hagan Kugle Park...	Shepher/Durham Recon	530.00
Bill	08/31/2022	8-2...		Goodman Corporation	Task 1 - \$127,929	3,070.30
Bill	08/31/2022	8-2...		Goodman Corporation	Task 2 - \$172,439	4,655.85
Bill	08/31/2022	8-2...		Goodman Corporation	Task 3 - \$72,617	1,742.81
Bill	09/01/2022	901...		CDM Smith Inc.	Project: Shepherd & Durham Major Investment Project	119,910.53
Bill	09/02/2022	Pay...		SER Construction	Shepherd Dr, Durham Dr, Selected Cross Streets Phase 1	2,558,442.43
Bill	09/30/2022	003...		Quiddity Engineering, LLC	T0523A Shepherd Durham Grant Coordination - Through Sept 23, 20...	255.00
Bill	09/30/2022	003...		Quiddity Engineering, LLC	Total Fee - \$310,660	7,455.84
Bill	09/30/2022	003...		Quiddity Engineering, LLC	T0523A Shepherd Durham Cross Streets - Phase 2 Through Sept 23...	49,899.03
Bill	09/30/2022	003...		Quiddity Engineering, LLC	Total Fee - \$364,200	15,251.60
Bill	09/30/2022	Pay...		SER Construction	Shepherd Dr, Durham Dr, Selected Cross Streets Phase 1	1,750,694.99
Bill	09/30/2022	901...		CDM Smith Inc.	Project: Shepherd & Durham Major Investment Project	127,188.31
Bill	09/30/2022	22-...		Sanford Kuhl Hagan Kugle Park...	Shepher/Durham Recon	885.00
Bill	09/30/2022	9-2...		Goodman Corporation	Task 1 - \$127,929	3,070.30
Bill	09/30/2022	9-2...		Goodman Corporation	Task 2 - \$172,439	4,655.85
Bill	09/30/2022	9-2...		Goodman Corporation	Task 3 - \$72,617	1,742.81
Total T-0523A Shepherd Durham & Cross						5,890,249.07
T-0529 Yale @ Center						
Bill	07/31/2022	003...		Quiddity Engineering, LLC	Yale Street at Center Street Intersection - July 22, 2022	416.25
Bill	09/30/2022	003...		Quiddity Engineering, LLC	Yale Street at Center Street Intersection - Sept 23, 2022	405.04
Total T-0529 Yale @ Center						821.29

Memorial Heights Redevelopment Authority

Profit & Loss Detail

Accrual Basis

July through September 2022

Type	Date	Num	Adj	Name	Memo	Amount
T-0531 Pedestrian Improv. Const						
Bill	07/31/2022	Pay...		Teamwork Construction Services...	Bike/Ped Safety Improvements	167,759.71
Bill	07/31/2022	22-...		Sanford Kuhl Hagan Kugle Park...	Heights Blvd	130.00
Bill	07/31/2022	003...		Quiddity Engineering, LLC	Pedestrian & Bicycle Safety Impr Construction - Through July 22, 20...	10,592.87
Bill	08/31/2022	Pay...		Teamwork Construction Services...	Bike/Ped Safety Improvements	1,583.34
Bill	09/30/2022	Pay...		Teamwork Construction Services...	Bike/Ped Safety Improvements	10,612.14
Bill	09/30/2022	003...		Quiddity Engineering, LLC	Pedestrian & Bicycle Safety Impr Construction - Through Sept 23, 2...	4,215.00
Total T-0531 Pedestrian Improv. Const						194,893.06
T-0599 Concrete Panel Replace						
Bill	08/01/2022	22-...		Sanford Kuhl Hagan Kugle Park...	Safe Sidewalk Program	81.25
Total T-0599 Concrete Panel Replace						81.25
Capital Improvement Plan - Other						
Bill	07/31/2022	7-2...		Goodman Corporation	Federal and TxDOT	4,001.30
Bill	08/31/2022	8-2...		Goodman Corporation	Federal and TxDOT	8,002.60
Bill	09/30/2022	9-2...		Goodman Corporation	Federal and TxDOT	8,002.60
Total Capital Improvement Plan - Other						20,006.50
Total Capital Improvement Plan						6,106,782.42
Total COGS						6,106,782.42
Gross Profit						-5,049,180.64
Expense						
Developer Reimbursement						
Bill	07/02/2022	Rei...		Sovereign Regent Square LLC	Developer Reimbursement 2022(Construction Cost)	420,490.14
Total Developer Reimbursement						420,490.14
Interest Expense						
Bill	08/31/2022	100...		Regions Corporate Trust	Debt Service Payment	652,612.51
Total Interest Expense						652,612.51
Payroll Expenses						
Payroll Taxes						
Paycheck	07/29/2022	DD...		Sherry Weesner	Direct Deposit	1,023.00
Paycheck	07/29/2022	DD...		Sherry Weesner	Direct Deposit	239.25
Paycheck	07/29/2022	DD...		Sherry Weesner	Direct Deposit	0.00
Paycheck	07/29/2022	DD...		Sherry Weesner	Direct Deposit	0.00
Bill	08/03/2022	EFT		Texas Workforce Commission		15.00
Paycheck	08/31/2022	DD...		Sherry Weesner	Direct Deposit	1,023.00
Paycheck	08/31/2022	DD...		Sherry Weesner	Direct Deposit	239.25
Paycheck	08/31/2022	DD...		Sherry Weesner	Direct Deposit	0.00
Paycheck	08/31/2022	DD...		Sherry Weesner	Direct Deposit	0.00
Paycheck	09/30/2022	DD...		Sherry Weesner	Direct Deposit	930.00
Paycheck	09/30/2022	DD...		Sherry Weesner	Direct Deposit	239.25
Paycheck	09/30/2022	DD...		Sherry Weesner	Direct Deposit	0.00
Paycheck	09/30/2022	DD...		Sherry Weesner	Direct Deposit	0.00
Total Payroll Taxes						3,708.75
Retirement Expense						
Paycheck	07/29/2022	DD...		Sherry Weesner	Direct Deposit	1,500.00
Paycheck	08/31/2022	DD...		Sherry Weesner	Direct Deposit	1,500.00
Paycheck	09/30/2022	DD...		Sherry Weesner	Direct Deposit	1,500.00
Total Retirement Expense						4,500.00
Salary Payroll						
Paycheck	07/29/2022	DD...		Sherry Weesner	Direct Deposit	15,000.00
Paycheck	08/31/2022	DD...		Sherry Weesner	Direct Deposit	15,000.00
Paycheck	09/30/2022	DD...		Sherry Weesner	Direct Deposit	15,000.00
Total Salary Payroll						45,000.00
Payroll Expenses - Other						
Liability C...	07/28/2022			QuickBooks Payroll Service	Fee for 1 direct deposit(s) at \$1.75 each	1.75
Liability C...	07/28/2022			QuickBooks Payroll Service	Sales Tax for TX	0.12
Liability C...	08/30/2022			QuickBooks Payroll Service	Fee for 1 direct deposit(s) at \$1.75 each	1.75
Liability C...	08/30/2022			QuickBooks Payroll Service	Sales Tax for TX	0.12
Liability C...	09/29/2022			QuickBooks Payroll Service	Fee for 1 direct deposit(s) at \$1.75 each	1.75
Liability C...	09/29/2022			QuickBooks Payroll Service	Sales Tax for TX	0.12
Total Payroll Expenses - Other						5.61
Total Payroll Expenses						53,214.36

Memorial Heights Redevelopment Authority

Profit & Loss Detail

Accrual Basis

July through September 2022

Type	Date	Num	Adj	Name	Memo	Amount
Program and Project Consultants						
Engineering Consultants						
Bill	07/31/2022	003...		Quiddity Engineering, LLC	Work Order 1 - Through July 22, 2022	3,858.75
Bill	09/30/2022	003...		Quiddity Engineering, LLC	Work Order 1 - Through Sept 23, 2022	592.50
Total Engineering Consultants						4,451.25
Legal Expense						
Bill	07/31/2022	22-...		Sanford Kuhl Hagan Kugle Park...	Legal services through July 2022	7,540.55
Bill	07/31/2022	22-...		Sanford Kuhl Hagan Kugle Park...	Regents Square GID	387.50
Bill	08/01/2022	22-...		Sanford Kuhl Hagan Kugle Park...	Legal services through August 2022	1,619.82
Bill	08/01/2022	22-...		Sanford Kuhl Hagan Kugle Park...	Regents Square GID	143.75
Bill	09/30/2022	22-...		Sanford Kuhl Hagan Kugle Park...	Legal services through September 2022	3,199.45
Total Legal Expense						12,891.07
Planning Consultants						
Bill	07/07/2022	942		Medley Inc.	Monthly Digital Retainer - July	2,000.00
Bill	07/07/2022	942		Medley Inc.	Shepherd Durham PR Launch	5,500.00
Bill	07/31/2022	7-2...		Goodman Corporation	Task 1- \$50,000.00	2,341.41
Bill	08/31/2022	949		Medley Inc.	Monthly Digital Retainer	2,000.00
Bill	08/31/2022	8-2...		Goodman Corporation	Task 1- \$50,000.00	717.27
Bill	09/01/2022	961		Medley Inc.	September Retainer	2,000.00
Bill	09/01/2022	961		Medley Inc.	Survey Creation	180.00
Bill	09/30/2022	9-2...		Goodman Corporation	Task 1- \$50,000.00	2,213.91
Total Planning Consultants						16,952.59
Total Program and Project Consultants						34,294.91
TIRZ Administration & Overhead						
Accounting						
Bill	08/31/2022	2329		The Morton Accounting Services	July and August CPA Services	3,902.58
Bill	09/30/2022	2341		The Morton Accounting Services	September CPA Services	1,951.29
Total Accounting						5,853.87
Administration						
Bill	07/31/2022	22-...		Sanford Kuhl Hagan Kugle Park...	Admin/Meeting through July 2022	1,895.00
Bill	08/01/2022	22-...		Sanford Kuhl Hagan Kugle Park...	Admin/Meeting through August 2022	260.00
Bill	09/30/2022	22-...		Sanford Kuhl Hagan Kugle Park...	Admin/Meeting through September 2022	1,805.00
Total Administration						3,960.00
Auditing						
Bill	09/01/2022	202...		McCall Gibson Swedlund Barfoo...	2022 Audit Interim	8,000.00
Total Auditing						8,000.00
Office Expenses						
Bank Service Charges						
Check	07/31/2022				Service Charge	134.48
Bill	07/31/2022	100...		Regions Corporate Trust	Annual Fee	3,000.00
Check	08/31/2022				Service Charge	20.07
Total Bank Service Charges						3,154.55
Office Expenses - Other						
Bill	08/03/2022	Aug...		Commerce Bank	August 2022	125.51
Total Office Expenses - Other						125.51
Total Office Expenses						3,280.06
Tax Consultant						
Bill	07/01/2022	587...		Equi Tax Inc.	July 1 - December 2022 Tax Consulting	2,621.70
Total Tax Consultant						2,621.70
Total TIRZ Administration & Overhead						23,715.63
Total Expense						1,184,327.55
Net Ordinary Income						-6,233,508.19
Net Income						-6,233,508.19

Memorial Heights Redevelopment Authority – TIRZ 5

Investment Report

October 2022

TEXPOOL

Date	Balance	Interest	Average Daily Yield
July 31, 2022	\$13,504,922.02	\$17,764.05	1.5206%
August 31, 2022	\$17,823,236.43	\$18,314.41	2.1627%
September 30, 2022	\$17,858,579.88	\$35,343.45	2.6131%

Regions Project Fund

Date	Balance	Income	Average Yield at Market
July 31, 2022	\$37,588,120.15	\$32,148.33	1.03%
August 30, 2022	\$37,699,253.27	\$48,984.79	1.56%
September 30, 2022	\$37,736,335.21	\$67,081.94	2.14%

This report and the Authority's investment portfolio are in compliance with the investment strategies expressed in the Authority's Investment Policy and the Public Funds Investment Act.

Sherry F Weesner

Sherry F. Weesner, Investment Officer

**MINUTES OF REGULAR MEETING
OF
MEMORIAL-HEIGHTS REDEVELOPMENT AUTHORITY**

SEPTEMBER 22, 2022

The Board of Directors (the “Board”) of Memorial-Heights Redevelopment Authority (the “Authority”), convened in regular session, open to the public, at 1980 Post Oak Boulevard, Suite 1380, Texas 77056, on the 22nd day of September, 2022, and the roll was called of the duly constituted officers and members of the Board, to-wit:

Ann Lents	Chair
Alejandro Colom	Vice Chair
Janice Hale-Harris	Secretary
Christopher David Manriquez	Director
Dr. Robert Stein	Director
Marvin Pierre	Director
Matt Zeve	Director

and all of said persons were present, except Directors Pierre, Zeve, and Hale-Harris, thus constituting a quorum.

Also present at the meeting were Sherry Weesner, President of the Authority; Jennifer Curley of the City of Houston (the “City”); Matt Kainer, Erin Williford, and Kristen Hennings of Quiddity-1, Inc. (“Quiddity”); Jim Webb of The Goodman Corporation (“TGC”); Melissa Morton of The Morton Accounting Services (“TMAS”); British Solomon and Emily Anderson of Medley; Julia McCain of McCall Gibson Swedlund Barfoot, PLLC (“MGSB”); Linda Trevino of Ride Metro; Emily Guyre of Houston Heights Association (“HHA”); Mark Williamson; Aaron Moore; Kaelan Henze; Thomas Smith; Michael Grimes; Kelli Lines; and Laura Davis and Audrey Lyons of Sanford Kuhl Hagan Kugle Parker Kahn LLP (“SKLaw”).

DETERMINE QUORUM; CALL TO ORDER

Chair Lents noted that a quorum was present and called the meeting to order. She advised that the meeting was being recorded.

Receive comments or questions from the public

The Board first received comments and questions from the public. There were no comments or questions from the public.

CONSENT AGENDA

- a. Approve Authority minutes of July 14, 2022;
- b. Receive Developer Reports;
- c. Approve Financial Report Summary and Quarterly Investment Report;

Ms. Weesner noted that the GID report was not received prior to the meeting, and consequently will be deferred. Upon motion by Director Stein, seconded by Director Manriquez, and after full discussion, the Board voted unanimously to approve the remaining Consent Agenda items.

CHAIR REPORT

No report was presented.

PRESIDENT REPORT

No report was presented.

APPROVE AUDIT FOR FISCAL YEAR ENDING JUNE 30, 2022

The Board then considered acceptance of the audit for the fiscal year ended June 30, 2022. Ms. McCain reviewed a draft audit report with the Board and answered questions. Upon motion by Stein, seconded by Director Manriquez, and after full discussion, the Board voted unanimously to accept the audit for the fiscal year ended June 30, 2022, subject to any final staff or legal modifications, and to authorize filing of the final audit with the City.

ADOPT FY 2023 BUDGET [CONFIRM COH APPROVAL]

Ms. Weesner advised that the City has approved the budget.

Upon motion by Director Stein, seconded by Director Manriquez, and after full discussion, the Board voted unanimously to adopt the City's current version of the FY 2023 budget.

FINANCIAL MATTERS

Receive Finance Committee Report

Vice Chair Colom next reported to the Board on financial matters.

Authorize Payment of Invoices

(Are you sure this is what was said? Alejandro would normally say the finance committee has approved)The Board next reviewed the invoices submitted for payment. Vice Chair Colom advised that the Projects Committee had reviewed the project-related invoices, and recommended approval. Ms. Weesner advised that the Finance Committee had reviewed the invoices put before it and recommended approval. Following discussion of the invoices, a motion was made by Director Stein, seconded by Director Manriquez, and approved unanimously by the Board to authorize the payment of all invoices.

Approve Order Evidencing Review of Investment Policy

Ms. Davis reviewed with the Board an Order Evidencing Review of Amended and Restated Order Designating Investment Officer and Establishing Rules, Policies, and Code of Ethics for the Investment of Authority Funds (the "Order"). She advised that the Authority is required by the Public Funds Investment Act to review the investment policy annually, and no changes are recommended at this time. Upon motion by Director Stein, seconded by Director Manriquez, and after full discussion the Board voted unanimously to adopt the Order.

Approve Order Adopting List of Qualified Brokers

The Board then considered approval of a proposed Order Adopting List of Qualified Brokers. Ms. Davis submitted to and reviewed with the Board the proposed Order, advising that such Order lists all qualified brokers with which the Authority could engage in investment transactions, in compliance with Section 2256.025 of the Texas Government Code.

Director Stein queried regarding new Comptroller requirements regarding review of certain entities with which public funds are handled. Discussion ensued regarding the requirements.

Upon motion by Director Stein, seconded by Director Manriquez, and after full discussion, the Board voted unanimously to approve the Order Adopting List of Qualified Brokers.

PROJECTS AND ENGINEERING

Receive Projects Committee Report

On behalf of the Projects Committee, Ms. Weesner updated the Board on Authority projects.

North Canal Project

Update on project development

Ms. Weesner updated the Board on ongoing preliminary planning for the North Canal Project and stated that internal discussion continue at the City and State of Texas to ascertain the path forward[CIP Project T-0525].

Yale and Center Street Intersection

Update on project development

Ms. Hennings updated the Board on the Yale and Center Street Intersection project [CIP Project T-0529], advising that the project is being bid with other projects in the TXDoT HISP grant. She noted that complete construction documents will be ready to turn over to the City in October.

Heights Boulevard Bicycle and Pedestrian Safety Improvements, West Dallas Restriping Project, Trail Segment between White Oak Bayou and Memorial Park

Update on project

Mr. Kainer updated the Board on the Heights Boulevard Bicycle and Pedestrian Safety Improvements, West Dallas Restriping Project, Trail Segment between White Oak Bayou and Memorial Park [CIP Project T-0531], discussing progress on the trail extension and striping components. He stated that fencing will be added to prevent access to the train rails and drainage ditch.

Approve Expenditure to Houston Parks Board for Tree Replacement on Trail Extension

Ms. Weesner discussed a possible expenditure to Houston Parks Board for tree replacement on the trail extension. She noted that the Parks Board has not sent over a quote yet.

Little Thicket

Approve Amendment to Interlocal Agreement with the City of Houston

Ms. Weesner discussed ongoing coordination with the City's Parks Department and General Services Department regarding Little Thicket Park and stated that the Amendment to the Interlocal Agreement is being reviewed by the City.

Zone Wide Safety and Mobility Projects

Update on project development

Ms. Hennings updated the Board on the Zone Wide Safety and Mobility Projects [CIP Project T-0532]. She noted that a survey on the website is active and asking participants for information regarding future project analysis.

Shepherd/Durham and Selected Cross Streets – Phase 1 [SER Construction Partners, LLC ("SER")]

Update on project

Mr. Kainer updated the Board on Shepherd/Durham and Selected Cross Streets - Phase 1 [CIP Project T-0523A]. He advised that the project website is updated every Friday with the next week's plans, lane closures, and other related information. He noted that CenterPoint is attempting to address the utilities issues, and that a related SER Change Order will be proposed. He also reviewed photos of construction activity to date. He noted that approximately 4,100 feet of water main, 1,500 feet of storm sewer, 33 manholes, and 350 yards of pavement have been installed since the last meeting. He also noted supply chain issues that are presenting issues.

Mr. Kainer also noted a gas leak that occurred on a gas line under Shepherd, as the line was believed to be 4 feet deep, but was only 4 inches deep. He noted that they are pushing CenterPoint for an emergency relocation of the line, and they will be attending a pre-construction meeting soon.

Approve Amendment to Construction Agreement [SER]

Ms. Weesner presented an amendment to the SER construction contract authorizing prepayment for specialized tree, soil, and stormwater management equipment.

Upon motion by Director Stein, seconded by Director Manriquez, and after full discussion, the Board voted unanimously to approve the amendment to the SER construction contract.

Shepherd/Durham and Selected Cross Streets – Phase 2

Update on project development

Ms. Hennings updated the Board on design progress for Shepherd/Durham and Selected Cross Streets Phase 2 [CIP Project T-0523A]. She reviewed actions with the City and TXDOT, noting that the 60% plans will be submitted to the TXDOT in late October.

Approve related pay estimates or change orders, or other design, construction, or management contract administration items

Ratify and Approve Change Orders

The Board noted that there were no additional management or administration items for consideration.

COMMUNICATIONS

Receive update from Communications Committee

Ms. Anderson updated the Board on communication matters.

ATTORNEY'S REPORT

Ms. Davis noted that there is nothing new to report.

EXECUTIVE SESSION

Ms. Davis stated that an executive session for the Board would not be necessary.

RECEIVE COMMENTS OR QUESTIONS FROM THE PUBLIC

Chair Lents again asked for any additional comments and questions from the public. There were no further comments or questions.

Secretary
Memorial-Heights Redevelopment Authority

**MINUTES OF REGULAR MEETING
OF
REINVESTMENT ZONE NUMBER FIVE, CITY OF HOUSTON, TEXAS**

September 22, 2022

The Board of Directors (the "Board") of Reinvestment Zone Number Five, City of Houston, Texas (the "Zone"), convened in regular session, open to the public, at 1980 Post Oak Boulevard, Suite 1380, Houston, Texas 77056, on the 22nd day of September, 2022, and the roll was called of the duly constituted officers and members of the Board, to-wit:

Ann Lents	Chair
Alejandro Colom	Vice Chair
Janice Hale-Harris	Secretary
Christopher David Manriquez	Director
Dr. Robert Stein	Director
Marvin Pierre	Director
Matt Zeve	Director

and all of said persons were present, except Directors Pierre, Zeve, and Hale-Harris, thus constituting a quorum.

Also present at the meeting were Sherry Weesner, President of the Authority; Jennifer Curley of the City of Houston (the "City"); Matt Kainer, Erin Williford, and Kristen Hennings of Quiddity-1, Inc. ("Quiddity"); Jim Webb of The Goodman Corporation ("TGC"); Melissa Morton of The Morton Accounting Services ("TMAS"); British Solomon and Emily Anderson of Medley; Julia McCain of McCall Gibson Swedlund Barfoot, PLLC ("MGSB"); Linda Trevino of Ride Metro; Emily Guyre of Houston Heights Association ("HHA"); Mark Williamson; Aaron Moore; Kaelan Henze; Thomas Smith; Michael Grimes; Kelli Lines; and Laura Davis and Audrey Lyons of Sanford Kuhl Hagan Kugle Parker Kahn LLP ("SKLaw").

DETERMINE QUORUM; CALL TO ORDER

Chair Lents noted that a quorum was present and called the meeting to order. She advised that the meeting was being recorded.

Receive comments or questions from the public

The Board first received comments and questions from the public. There were no comments or questions from the public.

CONSENT AGENDA

- a. Approve Authority minutes of July 14, 2022;

Upon motion by Director Stein, seconded by Director Manriquez, and after full discussion, the Board voted unanimously to approve the foregoing Consent Agenda items.

CONSIDER, CONFIRM, OR RATIFY ACTIONS OF THE AUTHORITY

The next item on the agenda was to consider, confirm, or ratify the action of Memorial-Heights Redevelopment Authority, as may be necessary. The Board noted that no confirmation or ratification action was necessary.

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

Secretary
Reinvestment Zone Number Five,
City of Houston, Texas

DRAFT

**TAX INCREMENT REINVESTMENT ZONE NUMBER FIVE
CITY OF HOUSTON, TEXAS**

MEMORIAL HEIGHTS ZONE

Eighth Amended
Project Plan and Reinvestment Zone Financing Plan

December 2021

REINVESTMENT ZONE NUMBER FIVE, CITY OF HOUSTON, TEXAS
MEMORIAL HEIGHTS ZONE
Part I – Eighth Amended Project Plan and Reinvestment Zone Financing Plan

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Introduction

The Project Plan and Reinvestment Zone Financing Plan and amendments (“Plans”) for Reinvestment Zone Number Five, City of Houston, Texas (“Zone”) sets forth goals, expectations, and redevelopment plans and programs to create and support an environment attractive to private investment in the greater Heights and Memorial Heights areas, and in portions of the Buffalo Bayou and the White Oak Bayou inner loop recreational corridor, the Washington Avenue corridor and the Westcott Street corridor. The intent of the Plans is to implement improvements that will result in the long-term stability and viability of the area.

The City of Houston, Texas (the “City”) created the Zone on December 18, 1996, by Ordinance No. 96-1337 to facilitate the master-planned, mixed-use, residential redevelopment of approximately 112 acres bounded generally by Washington Avenue, Washington Cemetery, Memorial Drive, and Heights Boulevard. The City adopted a Project Plan and Reinvestment Zone Financing Plan for the Zone on May 21, 1997 by Ordinance No. 1997-594 (“Part A Plan”). In the Part A Plan, two alternatives were identified that were predicated on the relocation/abandonment of an existing rail spur. Because the rail spur was not abandoned within a time frame that would allow the development contemplated, the City amended the Project Plan and Reinvestment Zone Financing Plan for the Zone on August 11, 1999 by City Council by Ordinance No. 1999-823 (“Part B Plan”). On October 10, 2007, the City approved the annexation of approximately 800 acres into the Zone by Ordinance No. 2007-1142, and approved the Second Amended Project Plan and Reinvestment Zone Financing Plan for the Zone by Ordinance No. 2008-784 (“Part C Plan”). On December 17, 2008, the City approved a second annexation of 38.4 acres into the Zone by Ordinance No. 2008-1204, for a proposed mixed-use development. On March 25, 2009, the City approved a third annexation of .10 acres consisting of sidewalk/public trail access easements into the Zone’s boundaries by Ordinance No. 2009-235. On April 8, 2009, the City approved the Third Amended Project Plan and Reinvestment Zone Financing Plan by Ordinance No. 2009-299 (“Part D Plan”). On December 8, 2010, the City approved the Fourth Amended Project Plan and Reinvestment Zone Financing Plan for the Zone by Ordinance No. 2010-997 (“Part E Plan”). On October 26, 2011, the City, by Ordinance 2011-0907, reduced the boundaries of the Zone by 253 acres. On the same day, the City, by Ordinance 2011-0908, approved the Fifth Amended Project Plan for the Zone (“Part F Plan”). On November 4, 2015, the City approved a fourth annexation of 762.92 acres into the Zone and approved the Sixth Amended Project Plan and Reinvestment Zone Financing Plan for the Zone (“Part G Plan”) by Ordinance No. 2015-1047 and Ordinance No. 2015-1048, respectively. On December 19, 2018, the City, by Ordinance No. 2018-1022

extended the duration of Zone to December 31, 2048, and approved the Seventh Amended Project Plan and Reinvestment Financing Plan for the Zone (the “Part H Plan”).

Section One:

The Part A Plan: The Part A Plan covered approximately 112 acres bounded generally by Washington Avenue, Washington Cemetery, Memorial Drive, and Heights Boulevard (the “Original Area”). The Part A Plan contemplated the financing and management tools needed to help alleviate blight, deteriorated site conditions, relieve obsolete platting; and encourage sound growth of residential development and supporting uses within the Zone. The aforementioned goals were to be achieved primarily through the financing of:

- Real property assemblage and associated costs
- Environmental remediation
- Public utilities including water, sewer, and drainage facilities
- Utility Impact Fees
- Paving
- Landscaping
- Improvements to Spotts Park
- Intersection improvements
- Pedestrian Bridge and improvements to tie into Houston Bikeways/Memorial Trail system.

Much of what was formerly vacant land previously occupied by industrial uses has been converted into high-density residential and commercial development. This development, which occurred within the Original Area, acted as a catalyst for additional redevelopment throughout the surrounding area.

The Part B Plan: The Part B Plan both restated and further defined the fundamental goals and objectives identified in the Part A Plan. However, the primary intent of the Part B Plan was to reflect the inclusion of Houston Independent School District’s (“HISD”) participation in the Zone which ended in 2016.

The Part C Plan: The Second Amendment to the Plans included provisions for a Zone area expansion and projects for the enhancement of and improvements to the newly annexed public land. The geographic area covered by the Part C Plan includes the areas covered by the Part A Plan and Part B Plan, as well as the recently annexed 800 acres of land (the “2007 Annexation Area”).

The Part D Plan: The Third Amended Project Plan included provisions for a Zone area expansion and projects for the enhancement of and improvements to the newly annexed territory. The geographic area covered by the Part D Plan includes the areas covered by the Part A Plan, Part B Plan, and Part C Plan, as well as the approximately 39 acres of land annexed at Regent Square (the “2008 Annexation Area”) and sidewalk/trail easements at Studemont Street and Memorial Drive (the “2009 Annexation Area”). Public improvements in the Part D Plan related to the original goals of the Zone.

The Part E Plan: The Part E Plan included provisions in anticipation of funds associated with extending the duration of the Zone. The additional funds derived from the Part E Plan were to be utilized for public improvement project costs consistent with the Part A Plan, Part B Plan, Part C Plan, and Part D Plan.

The Part F Plan: The Part F Plan provided for enhancement of and improvements in the Zone and reduced the boundaries of the Zone by approximately 253 acres of land (the “2011 De-annexation Area”) that was previously included in the Part A Plan, Part B Plan, Part C Plan, Part D Plan, and Part E Plan. Additionally, funding increased from previous Plans by \$60,000,000 for project costs including public utilities, public right-of-way improvements, parks, pedestrian bridges, hike and bike trails and land acquisition. A new project category was included in the Part F Plan provisions for the design and construction of flood remediation infrastructure improvements.

The Part G Plan: The Part G Plan provided for a Zone area expansion and projects for the enhancement of and improvements to the newly annexed 762.92 acres of land (the “2015 Annexation Area”). The geographical area covered by the Part G Plan includes the areas covered by the Part A Plan, Part B Plan, Part C Plan, Part D Plan, Part E Plan, and Part F Plan. The Part G Plan emphasized roadway and street reconstruction projects, storm water management, repair and replacement of drainage systems, design and construction of new storm water utility systems, detention basins, and other improvements proven to reduce volumes of runoff from drainage areas. The Part A Plan, Part B Plan, Part C Plan, Part D Plan, Part E Plan, and Part F Plan, combined with Part G Plan, provided the tools needed to help alleviate blight, deteriorated street and site conditions, obsolete public services and facilities conditions that endanger public safety and encouraged the sound growth of residential retail, and commercial development within Zone.

The Part H Plan: The Part H Plan provided for the extension of the duration of the Zone in order to finance the design and construction of roadway and mobility improvements along Shepherd Drive and Durham Drive between I-610, enhancement infrastructure projects, multi-modal connectivity, and community enhancement infrastructure improvements. Together, the Part A Plan, Part B Plan, Part C Plan, Part D Plan, Part E Plan, Part F Plan, and Part G Plan, combined with the Part H Plan, provided the necessary tools to alleviate blight, deteriorated street and site conditions, and obsolete public services and facilities, conditions that endanger public safety, while encouraging sound growth of residential, retail, and commercial development within the Zone.

The Zone and the City now desire to amend the Zone’s Project Plan and Reinvestment Zone Financing Plan as described herein (the “Part I Plan”).

Section Two:

The Part I Plan: The Part I Plan provides for a Zone area expansion and projects for the enhancement of and improvements to the newly annexed _____ acres of land (the “2021 Annexation Area”). The geographical area covered by the Part I Plan includes the areas covered by the Part A Plan, Part B Plan, Part C Plan, Part D Plan, Part E Plan, Part F Plan, Part G Plan, and Part H Plan. Emphasis will be placed on roadway and street construction projects, including construction, reconstruction and other improvements to streets and corridors to improve or provide connectivity to and through the Zone area; storm water management; repair and replacement of

drainage systems; design and construction of new storm water utility systems, detention basins, other improvements proven to reduce volume of runoff from drainage areas; and pedestrian, bicycle, and trail improvement projects, including safety and wayfinding improvements. Together, the Part A Plan, Part B Plan, Part C Plan, Part D Plan, Part E Plan, Part F Plan, Part G Plan, and Part H Plan, combined with Part I Plan, provide the necessary tools to alleviate blight, deteriorated street and site conditions, and obsolete public services and facilities, conditions that endanger public safety, while encouraging sound growth of residential, retail, and commercial development within the Zone.

Proposed Goals for Improvements in the Zone:

Goals: Public improvements proposed in the Part I Plan relate to the original goals of the Zone in the Part A Plan, Part B Plan, Part C Plan, Part D Plan, Part E Plan, Part F Plan, Part G Plan and Part H Plan, and are as follows.

The Part I Plan provides for the enhancements and improvements to the _____ acres of land annexed into the Zone by separate ordinance in conjunction with the Part I Plan. The Part I plan consists of (i) the 2021 Annexation, (ii) a summary of redevelopment efforts of the Zone, (iii) a restatement of the redevelopment goals for the Zone, (iv) the redesignation of the Zone's project cost categories and allocations to align with current goals, and (v) the anticipated use of expenditures for the cost of operating the Zone and project facilities.

Goal 1: Infrastructure Improvements:

Public streets and public utility systems are required to create an environment that will stimulate private investment in retail, residential, and multi-family developments. Reconstruction (major and minor) of key streets and utility systems will be undertaken to enhance the level of service in the area, improve functionality, replace aged facilities, and increase aesthetics. All roadway improvements will be integrated with street reconstruction projects of the City and others, as needed, and where possible, include elements not included in those programs.

Goal 2: Parks and Related Amenities:

The creation of pedestrian-friendly safe environments, public open green space, and access and egress improvements including land acquisition, dedication of public easements, parking, and the construction of enhancements with an emphasis on the watershed of the Lower White Oak Bayou. All improvements will be integrated with adjacent land uses and provide upgrades focused on connectivity, pedestrian safety, and the visual environment.

Goal 3: Non-Vehicular/Multi-Modal Transportation Systems:

Development of on-road and off-road hike and bikeways and trails including sidewalks, pedestrian bridges, lighting, street trees, landscaping, wayfinding signage, benches, street furniture, public art and other pedestrian amenities. Improvements include establishment of both on-street and off-street hike and bike lanes where adequate right-of-way/public easements are available, widening of existing sidewalks/roadway bridge decks to accommodate both pedestrians and bicyclists, and modification of lane design within existing pavement.

Goal 4: Cultural and Public Facilities:

Efforts to enhance the quality of life of area residents through the rehabilitation of cultural and public facilities are anticipated.

Goal 5: Drainage and Detention Facilities:

The construction of flood mitigation utility systems, primarily located on the White Oak and Little White Oak Bayous and watersheds continue as a primary goal of the Plan. Also included are the design and construction of new storm water systems, detention basins, channel and environmental/ecological restoration projects and reclamation.

Goal 6: Enhance Local Parking Opportunities and the Associated Pedestrian-Friendly Environment:

The character and development patterns that make Zone and the surrounding area attractive as a distinctive community also limit parking opportunities. Similarly, the pedestrian experience limits the likelihood that those traveling to Zone would take full advantage of retail and dining opportunities. The Zone proposes to coordinate with public partners as well as private investment. The Zone will further support improvements to sidewalks, lighting, signage, street trees, landscaping, benches, and other pedestrian amenities that are designed to enhance the local walking experience and encourage guests to spend an extended period visiting a larger number of venues. The construction of parking and improved pedestrian systems, including ADA-compliant ramps, also will benefit pedestrian safety and mobility, enhance the visual environment and provide connectivity and reinforce the existing community framework of small urban neighborhoods.

Project Plan and Reinvestment Zone Financing Plan for the Zone

A. Project Plan

Existing Uses of Land (Texas Tax Code §311.011(b)(1)): Map 1 (attached) depicts the existing land and proposed uses in the Zone. The existing and proposed land uses include multi-family residential, commercial, office, public and institutional, transportation and utility, park and open spaces, and undeveloped land uses.

Proposed Changes of Zoning Ordinances, Master Plan of Municipality, Building Codes, and other Municipal Ordinances (Texas Tax Code §311.011(b)(2)): All construction will be performed in conformance with the City's existing rules and regulations. There are no proposed changes to any City ordinance, master plan, or building code.

Estimated Non-Project Costs (Texas Tax Code §311.011(b)(3)): Resolution 1997-0001, adopted by City Council on January 8, 1997, created the Memorial Heights Public Improvement District ("PID"). The viability of submitting to City Council a PID Assessment has been discussed among single family and multi-family residents within the original boundaries of the Zone. No assessment rate or collection amount is known at this time.

Method of Relocating Persons to be Displaced, if any, as a Result of Implementing the Plan (Texas Tax Code §311.011(b)(4)): It is not anticipated that any residents will be displaced by any of the projects to be undertaken in the Zone.

B. Reinvestment Zone Financing Plan

Estimated Project Costs (Texas Tax Code §311.011(c)(1)): Exhibit 1 (attached) details the proposed public improvement and administrative project costs. The dollar amounts are approximate and may be amended from time to time by City Council. The financing costs are a function of project financing needs and will vary with market conditions from the estimates shown on Exhibit 1. The estimated project descriptions in the Part A Plan, Part B Plan, Part C Plan, Part D Plan, Part E Plan, Part F Plan, Part G Plan and Part H Plan remain valid for those projects at this time.

Proposed Kind, Number, and Location of all Proposed Public Works or Public Improvements to be Financed in the Zone (Texas Tax Code §311.011(c)(2)): These details are described throughout the Part I Plan.

Economic Feasibility (Texas Tax Code §311.011(c)(3)): An economic feasibility study was completed for the Memorial Heights area in 1996 by CDS Market Research. The study documents the economic potential of the Zone. Exhibits 2A through 2F constitute incremental revenue estimates for the Zone. The incremental revenue estimates are projected to be sufficient to cover the costs of the proposed redevelopment and infrastructure improvements in the Zone. The Plan estimates total project costs of \$_____. The Zone and the City find and determine that the Part A Plan, Part B Plan, Part C Plan, Part D Plan, Part E Plan, Part F Plan, Part G Plan, Part H Plan and Part I Plan are economically feasible.

Estimated Amount of Bond Indebtedness; Estimated Time When Related Costs or Monetary Obligations Incurred (Texas Tax Code §311.011(c)(4), §311.011(c)(5)): Issuance of notes and bonds by the Zone will occur as tax increment revenues allow. The value and timing of the issuance of notes or bonds will correlate to debt capacity as derived from the attached revenue and project schedules, as well as actual market conditions for the issue and sale of such notes and bonds.

Methods and Sources of Financing Project Costs and Percentage of Increment from Taxing Units Anticipated to Contribute Tax Increment to the Zone (Texas Tax Code §311.011(c)(6)): Methods and sources of financing include the issuance of notes and bonds, as well as collaboration with developers and other entities for grant funding and partnerships. Tax Year 1997 was the base year for the Zone, and Tax Year 2048 is the scheduled termination date. As outlined in Exhibits 2A through 2F, at least \$_____ of increment is estimated to be generated by the Zone for use in funding project costs. This figure is calculated using an estimated collection rate of 98% and a City contribution of \$0.588310/\$100 of assessed valuation in the Original Area, the 2007 Annexation Area, the 2008 Annexation Area, the 2009 Annexation Area, the 2015 Annexation Area, and the 2021 Annexation Area. HISD participation in the Zone terminated in Tax Year 2016. No increment generated by the 2011 De-Annexation Area part of the financing plan.

Current Total Appraised Value of Taxable Real Property (Texas Tax Code §311.011(c)(7)): As of October 2021, the current projected appraised value of taxable real property in the Zone is \$_____.

Estimated Captured Appraised Value of Zone During Each Year of Existence (Texas Tax Code §311.011(c)(8)): The estimated captured appraised value for the remaining duration of the Zone is set forth in Exhibit 2.

Zone Duration (Texas Tax Code §311.011(c)(9)): When initially created by City Council on December 10, 1997, the term of the Zone its duration was established at 20 years. Due to the magnitude of development within and adjacent to the Zone and the increased demand on the already-distressed infrastructure, City Council extended the duration of the Zone to December 31, 2029 on December 8, 2010. Due to expansion of the Zone's projects, City Council extended the duration of the Zone to December 31, 2048 on December 19, 2018.

MAPS AND EXHIBITS

Map 1 – Proposed Annexation Map

Map 2 – Proposed Annexation and Existing Land Use Map

Exhibit 1 – Project Cost Schedule

Exhibit 2 – Net Revenue Schedule

Exhibit 2A – Revenue Schedule – City of Houston Original Area 1996

Exhibit 2B – Revenue Schedule – City of Houston Annexed Area 2007

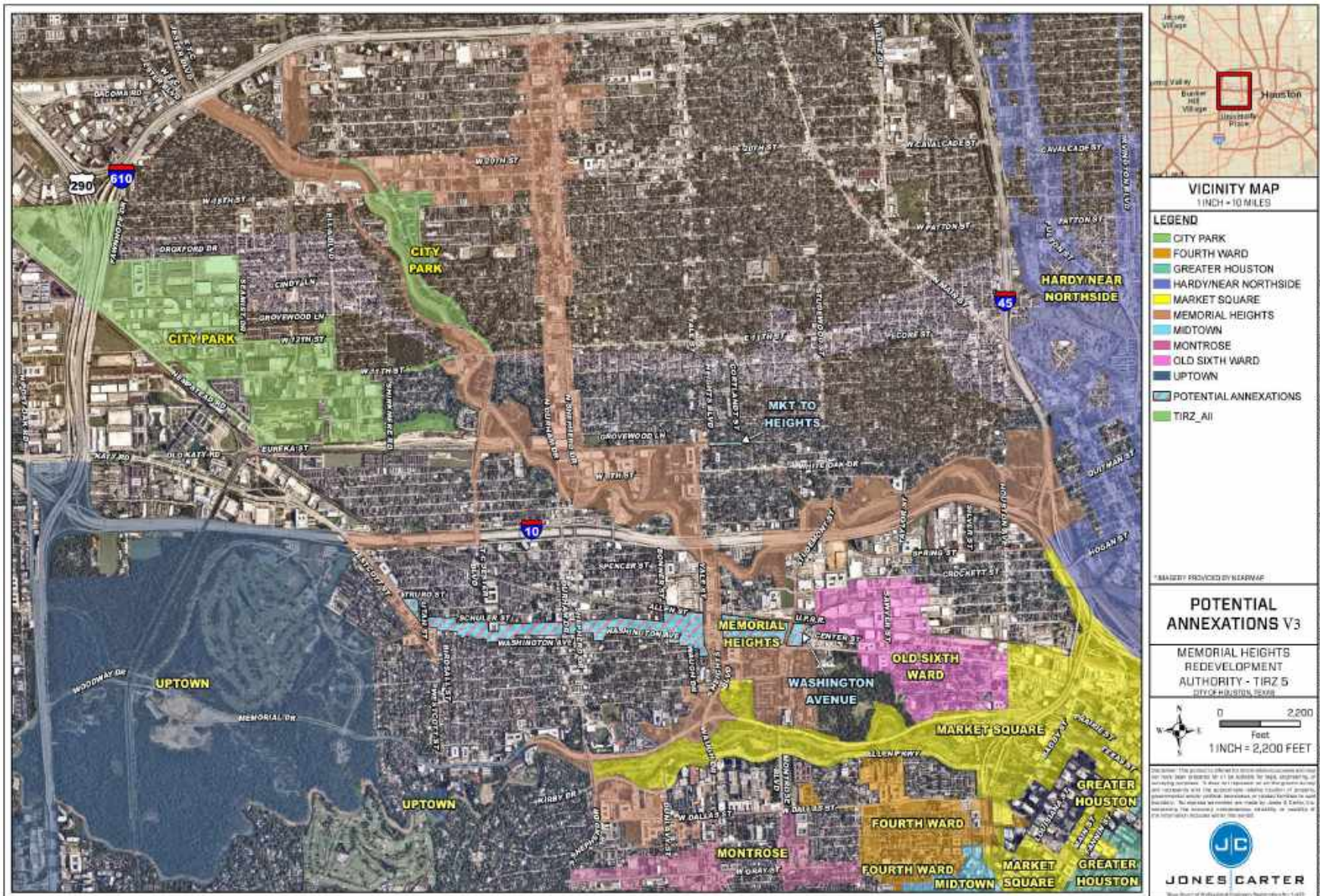
Exhibit 2C – Revenue Schedule – City of Houston Annexed Area 2008

Exhibit 2D – Revenue Schedule – City of Houston Annexed Area 2009

Exhibit 2E – Revenue Schedule – City of Houston Annexed Area 2015

Exhibit 2F- Revenue Schedule – City of Houston Annexed Area 2021

Proposed Annexation Map



Memorial Heights Redevelopment Authority/TIRZ No. 5
Project Update – October 19, 2022



QE WA	Project Name	CIP Project Number	Status	Work Completed Since September 2022 Board Meeting	Work Anticipated in the Next Month
WA#1	General Consultation	-	In Progress	<ul style="list-style-type: none"> Updated and maintained master schedule. Prepared for HSIP grant application. Prepared for meetings. Updated potential projects. 	<ul style="list-style-type: none"> Update COH MWDBE Database for all active CIP projects. Support grant applications. Maintain project list and Story Map, as needed. Update and maintain master schedule.
WA#8	North Canal Project	T-0525	Planning	<ul style="list-style-type: none"> None. 	<ul style="list-style-type: none"> Continue coordination with COH, as needed Meet with TxDOT and HCFCD, as needed.
T-0523A-WA#1	Shepherd and Durham Grant Coordination	T-0523A	Planning	<ul style="list-style-type: none"> Supported grant administration. Coordinated with HPW. 	<ul style="list-style-type: none"> Continued support of grant administration. Continue coordination with HPW
T-0523A-WA#4	Shepherd Durham Phase 2 Accelerated Tasks	T-0523A	Active Design	<ul style="list-style-type: none"> Continued coordination with AT&T and CenterPoint for utility relocations and adjustments. Coordinated with HPW. Met with UCC on October 13, 2022. Attended field meeting with CenterPoint on 9/28/2022. 	<ul style="list-style-type: none"> Continue coordination with CenterPoint and AT&T regarding their facilities, including attendance of UCC meetings. Continue coordination with HPW to move the project forward. Continue coordination with HPW on adjacent projects. Submit final geotechnical report.
T-0523A-WA#5	Shepherd Durham - Phase 2 Final Design	T-0523A	Active Design	<ul style="list-style-type: none"> Received 60% comments from HPW. Addressed comments from HPW. Prepared and submitted 60% package to TxDOT. 	<ul style="list-style-type: none"> Continue to address comments from HPW. Receive and address comments from TxDOT. Coordinate street lighting with HPW.
T-0523A-WA#6	Shepherd Durham - Phase 1 Construction Phase Services	T-0523A	Construction	<ul style="list-style-type: none"> Attended regular progress meetings with Contractor and Team. Reviewed submittals and prepared responses. Reviewed and responded to contractor RFIs. Attended mock-up review meetings for planter rails, benches, and pavers. 	<ul style="list-style-type: none"> Continue progress meeting with Contractor and Team. Review and respond to submittals. Review and respond to contractor RFIs. Meet to discuss planter rails, benches, and pavers.
T-0529-WA#1	Yale at Center	T-0529	Active Design	<ul style="list-style-type: none"> Submitted 100% cost estimate to HPW. Resubmitted 100% drawings to HPW. 	<ul style="list-style-type: none"> Receive approval of 100% drawings. Schedule and secure HPW signatures. Complete construction documents and turn over to HPW.
T-0531-WA#1	Construction of Bike/ Ped Improvements	T-0531	Construction	<ul style="list-style-type: none"> Reviewed and responded to contractor questions. Reviewed and prepared change orders. Observed construction activities. 	<ul style="list-style-type: none"> Continue construction observation Resume progress meetings 10/21/2022.

INTERLOCAL AGREEMENT FOR IMPROVEMENTS AT LITTLE THICKET PARK

THE STATE OF TEXAS §
 §
COUNTY OF HARRIS §

ARTICLE 1 PARTIES

THIS INTERLOCAL AGREEMENT FOR IMPROVEMENTS AT LITTLE THICKET PARK ("Agreement") is made on the Countersignature Date between the **CITY OF HOUSTON, TEXAS** ("City"), a Texas home-rule city, and the **MEMORIAL-HEIGHTS REDEVELOPMENT AUTHORITY** ("Authority"), a nonprofit local government corporation, organized and existing under the laws of the State of Texas.

1.1. Addresses

The initial addresses of the parties, which one party may change by giving written notice of its changed address to the other party, are as follows:

City

City of Houston
Director, Parks and Recreation
Department
2999 S. Wayside Drive
Houston, Texas 77023

Authority

Memorial-Heights Redevelopment
Authority
c/o SK Law
1980 Post Oak Blvd., Suite 1380
Houston, Texas 77056

The parties agree as follows:

1.2. Table of Contents

This Agreement consists of the following sections:

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ARTICLE 2 DEFINITIONS	4
ARTICLE 3 DUTIES OF THE AUTHORITY	4
ARTICLE 4 DUTIES OF CITY	6
ARTICLE 5 TERM AND TERMINATION	6
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EXHIBIT	
A Scope of Work for Improvements at Little Thicket Park	

1.3. Parts Incorporated

The exhibit described above is incorporated into this Agreement.

1.4. Controlling Parts

If a conflict between the sections of this Agreement and the exhibit arises, the sections control over the exhibit.

1.5. Signatures

The parties have executed this Agreement in multiple copies, each of which is an original.

**THE AUTHORITY:
MEMORIAL-HEIGHTS
REDEVELOPMENT AUTHORITY**

**THE CITY:
CITY OF HOUSTON, TEXAS**

By: _____
Name: _____
Title: _____
Tax ID No.: 134251016-20009

Mayor

ATTEST

By: _____
Name: _____
Title: _____

ATTEST/SEAL:

City Secretary

APPROVED AND RECOMMENDED:

Director, Parks and Recreation Department

APPROVED AND RECOMMENDED:

Chief Development Officer

COUNTERSIGNED BY:

City Controller

DATE COUNTERSIGNED:

APPROVED AS TO FORM:

Senior Assistant City Attorney
L.D. File No. _____

ARTICLE 2 DEFINITIONS

As used in this Agreement, the following terms shall have meanings set out below:

- 2.1. “Authority”** is defined in Article 1 of this Agreement and includes the Authority’s successors and assigns.
- 2.2. “Authority Contribution”** is defined in Section 3.1.1 of this Agreement.
- 2.3. “City”** is defined in Article 1 of this Agreement and includes its successors and assigns.
- 2.4. “City Contribution”** is defined in Section 4.1.1 of this Agreement.
- 2.5. “Countersignature Date”** is the date of countersignature by the City Controller of the City of Houston.
- 2.6. “Director”** means the Director of the City of Houston Parks and Recreation Department or the Director’s designee.
- 2.7. “Park”** means Little Thicket Park.
- 2.8. “Project”** means improvements at the Park, as described more fully in Exhibit A.
- 2.9. “Project Costs”** means the costs associated with the Project.

ARTICLE 3 DUTIES OF THE AUTHORITY

3.1. Authority Contribution; Scope of Work

1. The Authority shall contribute \$500,000.00 under this Agreement (“Authority Contribution”) for expenditure on costs for surveying, construction of the project, and construction phase services.

2. The Authority shall provide the City all labor, material, and supervision necessary to construct the Project, including surveying. The Authority, its contractors and subcontractors, will be responsible any additional permits required for the Project and all consents required to be obtained from any applicable governmental agency. The City, as

owner of the land comprising the Park, agrees to cooperate fully in the Authority's applications for such permits and consents.

The Authority shall administer bidding, construction, inspection, materials testing and surveying for the Project.

The Authority shall serve as the "governmental entity" for advertising and receiving bids for the construction of the Project and the City shall have no responsibility for administration of the bidding process and shall incur no obligation to any bidder thereby. The Authority will advertise and receive bids for construction of the Project in accordance with applicable competitive bidding laws. At the time of advertisement for construction of the Project, the Authority shall submit to the City a copy of the publication notice.

The parties agree that if the bids received for the Project are higher than the Project budget, the parties will jointly discuss and decide what elements and related costs may be eliminated from the Project.

3.2. Insurance and Indemnification

The Authority shall comply with the provisions of Sections XIII and XV of the First Amended and Restated Tri-Party Agreement by and between the City, the Authority and Reinvestment Zone Number Five, City of Houston, Texas, made effective June 22, 2001, as may be amended from time to time (the "Tri-Party Agreement"), relating to insurance and indemnification. Prior to beginning construction, the Authority shall require each contractor to provide the City with copies of bonds covering faithful performance of this Agreement and payment of obligations arising under it as required pursuant to Chapter 2253 of the Texas Government Code. Each contractor shall name the City as dual obligee on such bonds.

3.3. Minority and Women Business Enterprises

The Authority shall comply with the provisions of Section X of the Tri-Party Agreement relating to Minority and Women Business Enterprises.

3.4 Accounting Report

Upon completion of the Project, the Authority shall provide the Director with an accounting report that itemizes the Project Costs funded by the City Contribution, for the Director's review and approval. The Director shall approve the accounting report if, in the Director's opinion, the City Contribution has been expended in accordance with this Agreement.

ARTICLE 4 DUTIES OF CITY

4.1. City Contribution; Conditions of Expenditure; Use of Excess Funds

1. The City shall contribute \$550,000.00 for Project Costs to the Authority under this Agreement ("City Contribution") for construction of the Project. Within forty-five (45) days of the City's receipt of the publication notice described in Section 3.1.2. of this Agreement, the City shall remit the City Contribution to the Authority at its address for notices.

2. The City shall pay and coordinate preparation of design and construction plans and specifications as well as construction administrative services associated with the Project. The City shall submit copies of the plans for the Project to the Authority at intervals of 30%, 60% and 90% completion for the Authority's review. The City shall also provide permitted plans and for the Authority's use.

3. The City Contribution must be expended in accordance with the purposes authorized under this Agreement. If the Authority expends any portion of the City Contribution for purposes inconsistent with the terms of this Agreement, the Authority shall be in default of this Agreement and shall immediately return to the City the applicable portion of the City Contribution in accordance with the provisions of Section 5.2 of this Agreement.

4. The City Contribution must be expended in accordance with the purposes authorized under Section 42-255(d) of the City Code of Ordinances. If the Authority expends any portion of the City Contribution for purposes inconsistent with Section 42-255(d) or the terms of this Agreement, the Authority shall be in default of this Agreement and shall immediately return to the City the applicable portion of the City Contribution in accordance with the provisions of Section 5.2 of this Agreement.

4.2. Taxes

The City is exempt from payment of Federal Excise and Transportation Tax and Texas Limited Sales and Use Tax. The Authority's invoices to the City must not contain assessments of any of these taxes. The Director will furnish the City's exemption certificate and federal tax identification number to the Authority.

ARTICLE 5 TERM AND TERMINATION

5.1. Agreement Term

This Agreement is effective on the Countersignature Date, and, unless sooner terminated under this Agreement, expires upon the later of (i) Director's acceptance of the Project; (ii) the Authority's final remittance of any portion of the City Contribution that

the Authority has not (x) expended in accordance with Section 4.1 of this Agreement or (y) encumbered to pay its obligations for the Project under a contract existing at the time of such termination. The Director may not accept the Project unless the Director has first accepted the corresponding accounting report, as described in Sections 3.4 and 4.1.4 of this Agreement.

5.2. Termination

1. Either party may terminate this Agreement, without cause, by 30 days' written notice to the other party. After termination under this provision, neither party shall have any further obligation under this Agreement, except as follows: the Authority shall return to the City any portion of the City Contribution the Authority has not (i) expended in accordance with Article 4 of this Agreement or (ii) encumbered to pay its obligations for the Project under a contract existing at the time of such termination.

TERMINATION OF THIS AGREEMENT IS THE PARTIES' ONLY REMEDY FOR TERMINATION FOR CONVENIENCE, WHICH DOES NOT CONSTITUTE A DEFAULT OR BREACH OF THIS AGREEMENT. THE PARTIES WAIVE ANY CLAIMS THEY MAY HAVE NOW OR IN THE FUTURE FOR FINANCIAL LOSSES OR OTHER DAMAGES RESULTING FROM TERMINATION FOR CONVENIENCE.

2. Either party may terminate its performance under this Agreement if the other party defaults and fails to cure within 60 days the default after receiving notice of it. Default occurs if a party fails to perform one or more of its material duties under this Agreement. If a default occurs, the injured party shall deliver a written notice to the defaulting party describing the default and the proposed termination date. The date must be at least 30 days after receipt of such notice. The injured party, at its sole option, may extend the proposed termination date to a later date. If the defaulting party cures the default before the proposed termination date, the proposed termination is ineffective. If the defaulting party does not cure the default before the proposed termination date, the injured party may terminate its performance under this Agreement on the termination date. The Director shall act on behalf of the City to notify the Authority of a default and to effect termination.

ARTICLE 6 MISCELLANEOUS PROVISIONS

6.1. Purpose of Agreement; Responsibilities of the Parties

The parties agree that this Agreement is necessary for the benefit of the public and that each party has the legal authority to perform and to provide the governmental function or service which is the subject matter of this Agreement. The parties further agree that neither party is an agent, servant, or employee of the other party and that each party is responsible for its individual acts and deeds as well as the acts and deeds of its contractors, employees, representatives, and agents.

6.2. Force Majeure

Neither party shall be held liable for any loss or damage due to delay or failure in performance of any part of this Agreement from any cause beyond its control and without its fault or negligence, such causes may include acts of God, acts of civil or military authority, government regulations (except those promulgated by the party seeking the benefit of this section), embargoes, epidemics, war, terrorist acts, riots, insurrections, fires, explosions, earthquakes, nuclear accidents, floods, strikes, power blackouts, other major environmental disturbances or unusually severe weather conditions.

6.3. Severability

If any part of this Agreement is for any reason found to be unenforceable, all other parts remain enforceable unless the result materially prejudices either party.

6.4. Entire Agreement

This Agreement merges the prior negotiations and understandings of the parties and embodies the entire agreement of the parties. No other agreements, assurances, conditions, covenants (express or implied), or other terms of any kind, exist between the parties regarding this Agreement.

6.5. Written Amendment

Unless otherwise specified elsewhere in this Agreement, this Agreement may be amended only by written instrument executed on behalf of the City (by authority of an ordinance adopted by the City Council) and the Authority. The Director is only authorized to perform the functions specifically delegated to him or her in this Agreement.

6.6. Applicable Laws

This Agreement is subject to the laws of the State of Texas, the City Charter and Ordinances, the laws of the federal government of the United States, and all rules and regulations of any regulatory body or officer having jurisdiction. Venue for any litigation relating to this Agreement is in a state or federal court of competent jurisdiction in Harris County, Texas.

6.7. No Waiver of Immunity

Notwithstanding anything contained in the Agreement to the contrary, nothing in the Agreement shall constitute a waiver by either party of any provisions of (i) Chapters 75, 84, 95 or 101 of the Texas Civil Practice and Remedies Code, as amended, (ii) any laws relating to limitations of liability of the type of entity of such party, or (iii) sovereign or governmental immunity, as any of the foregoing may be available to such party.

6.8. Notices

All notices to either party to this Agreement must be in writing and must be delivered by hand, facsimile, United States registered or certified mail, return receipt requested, United States Express Mail, Federal Express, Airborne Express, UPS or any other national overnight express delivery service. The notice must be addressed to the

party to whom the notice is given at its address set out in Article 1 of this Agreement or other address the receiving party has designated previously by proper notice to the sending party. Postage or delivery charges must be paid by the party giving the notice.

6.9. Captions

Captions contained in this Agreement are for reference only, and, therefore, have no effect in construing this Agreement. The captions are not restrictive of the subject matter of any section in this Agreement.

6.10. Non-Waiver

If either party fails to require the other to perform a term of this Agreement, that failure does not prevent the party from later enforcing that term and all other terms. If either party waives the other's breach of a term, that waiver does not waive a later breach of this Agreement. An approval by the Director, or by any other employee or agent of the City, of any part of the Authority's performance does not waive compliance with this Agreement or establish a standard of performance other than that required by this Agreement and by law.

6.11. Enforcement

The City Attorney or his or her designee may enforce all legal rights and obligations under this Agreement without further authorization. The Authority shall provide to the City Attorney all documents and records pertaining to this Agreement that the City Attorney requests to assist in determining the Authority's compliance with this Agreement, with the exception of those documents made confidential by federal or State law or regulation.

6.12. Ambiguities

If any term of this Agreement is ambiguous, it shall not be construed for or against any party on the basis that the party did or did not write it.

6.13. Survival

The Authority shall remain obligated to the City under all clauses of this Agreement that expressly or by their nature extend beyond the expiration or termination of this Agreement, including but not limited to, the indemnity provisions.

6.14. Parties in Interest

This Agreement does not bestow any rights upon any third party, but binds and benefits the City and the Authority only.

6.15. Successors and Assigns

This Agreement binds and benefits the parties and their legal successors and permitted assigns; however, this provision does not alter the restrictions on assignment and disposal of assets set out in the following paragraph. This Agreement does not create any personal liability on the part of any officer or agent of the City or the Authority.

6.16. Business Structure and Assignments

The Authority shall not assign this Agreement at law or otherwise or dispose of all or substantially all of its assets without the Director's prior written consent. Nothing in this clause, however, prevents the assignment of accounts receivable or the creation of a security interest as described in Section 9.406 of the Texas Business & Commerce Code. In the case of such an assignment, the Authority shall immediately furnish the City with proof of the assignment and the name, telephone number, and address of the Assignee and a clear identification of the fees to be paid to the Assignee. The Authority shall not delegate any portion of its performance under this Agreement without the Director and City Attorney's prior written consent, such consent not to be unreasonably withheld or delayed provided that the City is not deprived of any rights or protections.

6.17. Remedies Cumulative

Unless otherwise specified elsewhere in this Agreement, the rights and remedies contained in this Agreement are not exclusive, but are cumulative of all rights and remedies which exist now or in the future. Neither party may terminate its duties under this Agreement except in accordance with its provisions.

EXHIBIT A

SCOPE OF WORK FOR IMPROVEMENTS AT LITTLE THICKET PARK

Estimated Project Cost: \$1,050,000.00

City Contribution: \$550,000.00

Authority Contribution: \$500,000.00

Managed by: Memorial Heights Redevelopment Authority

Project Scope:

- In accordance with the City of Houston Park Master Plan, construct new walkways, playground, outdoor fitness equipment, site furnishings (picnic tables, benches, drinking fountain and bike rack), landscape and irrigation.
- The project will include associated grading, drainage, and detention.
- Additional features and repairs maybe considered if the budget allows.