

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

June 20, 2017

The Board of Directors (the "Board") of Reinvestment Zone Number Three, City of Houston (the "Zone") convened in regular session, open to the public, at the offices of the Houston Downtown Management District, on the 20th day of June, 2017, and the roll was called of the duly constituted officers and members of the Board, to-wit:

F. Xavier Peña	Chair
Michele Sabino	Vice Chair
Barry Mandel	Secretary
Curtis Flowers	Treasurer/Investment Officer
William Kennerly	Director
Keith Hamm	Director
James Harrison	Director
Regina Garcia	Director
Bruce Austin	Director

and all of said persons were present except Director Harrison, thus constituting a quorum.

Also present were Bob Eury, President, Ryan Leach, Executive Director, and Emily Barnes, Administrative Assistant of the Zone (Zone); Algenita Scott Davis, Robert Lung and Jackie Traywick of Central Houston, Inc. (CHI); Brett DeBord, and Joe Maxwell of the Houston Downtown Management District (HDMD); Jennifer Curley of the City of Houston (COH); Clark Lord of Bracewell LLP; Sergeant Chadwick Jacobs, Downtown Division of the Houston Police Department (HPD); and Chris Schilling of Turbo Realty.

DETERMINE QUORUM; CALL TO ORDER

Chair Peña noted that a quorum was present and called the meeting to order at 12:13 p.m.

INTRODUCTION OF GUESTS AND PUBLIC COMMENTS

Chair Peña requested all meeting attendees briefly introduce themselves and welcomed all.

MINUTES OF PREVIOUS MEETINGS

The Board considered approving the minutes of the previous meetings. Following discussion, upon a motion made by Treasurer/Investment Officer Flowers and seconded by Vice Chair Sabino, the Board voted unanimously to approve the minutes of the May 9th, 2017 meetings.

FINANCIALS

Check Register – May 2017

Mr. Leach (Zone) provided an overview of the operating and 2015 bond account check registers for the month of May 2017. He reported the expenditures listed on the check registers were reoccurring operating and capital project expenses and recommended full approval by the Board.

Following discussion, upon a motion made by Director Kennerly and seconded by Director Garcia, the Board voted unanimously to approve the check registers.

MUNICIPAL SERVICES

Chair Peña called on Sergeant Jacobs (HPD) to introduce the monthly discussion of the HPD Overtime Program. Sgt. Jacobs presented the report for the month of May 2017. The reports provided an overview of expenditures and highlighted the current programs. Sgt. Jacobs explained there was a special overtime program run in May, Operation Spring Cleaning. The objective of this program was to proactively monitor target locations for violations of all ordinances and laws. Sgt. Jacobs answered questions for the Board and Zone staff.

No action was required.

ECONOMIC DEVELOPMENT PROGRAM

Block 334 – Alliance Realty Partners

Chair Peña called on Director Hamm as Economic Development Committee Chair to introduce the project and request. Director Hamm explained the Economic Development Committee had vetted and approved the request to authorize an assignment of rights agreement for the Block 334 project. Director Hamm asked Mr. Leach (Zone) to further explain the process of reassignment and specifics of this request. Alliance Realty Partners, named in the original agreement as the owner, has created a single purpose entity for this project, Broadstone USPF Block 334 LP. Mr. Leach (Zone) answered questions for the Board.

Following discussion, upon a motion made by Director Hamm and seconded by Director Garcia, the Board voted unanimously to authorize an assignment of rights agreement between the Authority, Alliance Realty Partners, LLC and Broadstone USPF Block 334 LP.

Downtown Retail Initiative

Chair Peña called on Mr. Leach (Zone) to introduce the initiative and request. Mr. Leach (Zone) explained the Budget and Finance Committee had vetted and approved the request for continued support of the ongoing Downtown Retail Initiative. The Board first approved funds to support this endeavor on February 17, 2015, building on the recommendations of Mayor Parker's 2013 Downtown Retail Task Force. Mr. Leach (Zone) led discussion on the Downtown Retail Initiative and the role of retail in the advancement of downtown. Mr. Leach (Zone) answered questions for the Board.

Following much discussion, upon a motion made by Director Austin and seconded by Director Garcia, the Board voted unanimously to authorize an amount not to exceed \$250,000.00 for consulting services, legal services, architectural and graphic services, other items needed to support the retail initiative and the execution of necessary agreements by the appropriate officers of the Authority.

OTHER BUSINESS

Project Status Report

Mr. Leach (Zone) provided a brief status update on all active and ongoing projects. Highlights included progress on the potential South Downtown Park, and news of The Star adding a restaurant tenant.

No action was required.

Committee Assignments

Chair Peña welcomed back Director Hamm to the Board of Directors. Chair Peña presented updated committee assignments. The changes included the naming of Director Hamm as Economic Development Chair and a member of the Budget and Finance Committee.

Following discussion, upon a motion made by Director Garcia and seconded by Treasurer/Investment Officer Flowers, the Board voted unanimously to approve the committee assignments as presented.

NEXT MEETING

Chair Peña announced that the Board of Directors will not meet in July and the next Board of Directors meeting is scheduled for August 8th, 2017 at 12:00 p.m. at the regular meeting location.

ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned at 1:26 p.m.

[Signature follows]


Secretary, Board of Directors