

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

June 18, 2013

The Board of Directors (the “Board”) of convened in regular session, open to the public, at the offices of Reinvestment Zone Number Three, City of Houston (the “Zone”), on the 18th day of June, 2013, and the roll was called of the duly constituted officers and members of the Board, to-wit:

F. Xavier Pena	Chair
Curtis B. Lampley	Vice-Chair
Deborah Keyser	Secretary
Curtis Flowers	Treasurer/Investment Officer
Michele Sabino	Director
Michael Moore	Director
Keith Edward Hamm	Director
Harold A. “Al” Odom III	Director
Barry Mandel	Director

and all of said persons were present except Directors Lampley, Moore and Odom, thus constituting a quorum.

Also present were: Bob Eury, Executive Director and TataLease Derby, Director of the Authority; Clark Lord and Debbie Russell of Bracewell & Giuliani LLP; Drew Masterson of First Southwest Company; Ralph De Leon of the City of Houston; George Baugh of George Baugh III & Company; Bart Barrett and Curt Robertson of Alliance Realty Partners; Eugene Lee of Essex Commercial Properties and Chris Flowers, a guest of Director Flowers.

DETERMINE QUORUM; CALL TO ORDER

Chair Pena noted that a quorum was present and called the meeting to order.

INTRODUCTION OF GUESTS AND PUBLIC COMMENTS

Chair Pena requested all meeting attendees to briefly introduce themselves and welcomed all.

APPROVE MINUTES OF PREVIOUS MEETINGS

The Board considered approving the minutes of May 14, 2013. Following discussion, upon a motion made by Director Keyser and seconded by Director Sabino, the Board voted unanimously to approve the minutes of May 14, 2013.

FISCAL YEAR 2014 FINANCIAL AND CAPITAL IMPROVEMENT PROJECT BUDGETS

Ms. Derby reviewed the revised draft of the Fiscal Year 2014 Financial and Capital Improvements Projects Budget with the Board. She reported on the adjustments made to same by the budget and finance committee.

Following discussion, upon a motion made by Director Mandel and seconded by Director Keyser, the Board voted unanimously to ratify approval of the actions of the budget and finance committee to the draft Fiscal Year 2014 Financial and Capital Improvements Projects Budget and authorize submittal of same to the City of Houston.

RETAIL/ECONOMIC DEVELOPMENT FUNDING REQUESTS

1111 Rusk – Texaco Building

Ms. Derby presented the application for the TIRZ #3 Downtown Living Program and Historic Facade Preservation Program (the “Programs”) from Provident Realty Advisors, Inc. (the “Developer”), for redevelopment of the 1111 Rusk Texas Company/Texaco building into approximately 323 luxury apartment units with parking and retail space.

Following discussion, Director Flowers moved that the Board approve funding in an amount not to exceed \$12.1M, (i) draft an agreement according to the terms and conditions set forth in the prior approved Letter of Intent and (ii) subject to continuous compliance with the Programs guidelines, and (iii) authorize execution of the appropriate agreements by the Chair and appropriate officers of the Authority. Director Mandel seconded the motion and it passed unanimously.

Block 334

Ms. Derby presented the application for the TIRZ #3 Downtown Living Program (the “DLP”) from Alliance Realty Partners, LLC. for a midrise multifamily residential development. She stated that the Economic Development Committee had reviewed the application and recommended funding in accordance with DLP

Following discussion, Director Keyser moved that the Board approve funding as outlined in the DLP, and (ii) subject to continuous compliance with the Programs guidelines, and (iii) authorize execution of the agreement by the Chair and appropriate officers of the Authority. Director Flowers seconded the motion and it passed by unanimous vote.

EXECUTIVE SESSION

There was no executive session.

**RECONVENE IN OPEN SESSION AND TAKE ACTION ON MATTERS DISCUSSED
IN EXECUTIVE SESSION**

There was no need to reconvene in open session.

NEXT MEETING

Chair Pena reported that the Board will meet on August 13, 2013.

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

[Signature page follows]

Secretary, Board of Directors