

**MINUTES OF REGULAR MEETING  
OF  
MAIN STREET MARKET SQUARE  
TAX INCREMENT REINVESTMENT ZONE NUMBER THREE CITY OF HOUSTON**

September 10, 2013

The Board of Directors (the "Board") of Main Street Market Square Tax Increment Reinvestment Zone Number Three, City of Houston (the "Zone") convened in regular session, open to the public, at the offices of Houston Downtown Management District, on the 10th day of September, 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                     |
| Keith Edward Hamm | Director                     |
| Barry Mandel      | Director                     |

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

Also present were: Bob Eury, Executive Director, TataLease Derby, Director, and Brianna Garner, Administrative Assistant of the Authority; Clark Lord and Debbie Russell of Bracewell & Giuliani LLP; Donna Capps, Ralph De Leon, and Jesus Davila of the City of Houston; George Baugh of George Baugh III & Company; Lonnie Hooageboom of Houston Downtown Management District; Jackie Traywick of Central Houston, Inc.; Linda Trevino of METRO; William Elser and Kevin Batchelor of Hines; Jonathan Brinsden and Jamie Bryant of Midway; Chris Petrash of Ziegler Cooper; and Alyssa Hill of Gainer Donnelly.

**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 August 13, 2013. Following discussion, upon a motion made by Director Sabino and seconded by Director Flowers, the Board voted unanimously to approve the minutes of August 13, 2013.

## **FINANCIAL REPORT**

### **Check Register**

Ms. Derby reported that the expenditures listed on the check register were reoccurring operating expenses and anticipated expenses for approved projects and recommended full approval by the Board.

Following discussion, upon a motion made by Director Keyser and seconded by Director Sabino, the Board voted unanimously to approve the check register and ratify all expenses. A copy of the check register is attached to these minutes.

### **Fourth Quarter Financial and Investment Reports**

Mr. Baugh presented the financial statements and investment reports for the fourth quarter ending June 30, 2013, copies of which are attached to these minutes. Upon a motion made by Director Flowers and seconded by Director Keyser, the Board voted unanimously to approve the Fourth Quarter Financial and Investment Reports as presented.

### **Operating Account Relocation to JP Morgan Chase**

Ms. Derby informed the Board of the dissatisfactory service provided by Bank of America in handling the DRA/TIRZ Operating Account. She then requested authorization to move the account to JP Morgan Chase. Following discussion, upon a motion made by Director Keyser and seconded by Director Flowers, the Board voted unanimously to approve a resolution authorizing the transfer of the account, attached hereto, and to authorize the staff and legal counsel to perform the actions necessary to relocate the operating account to JP Morgan Chase Bank.

### **Fiscal Year 2014 Financial and Capital Improvement Project Budgets**

Ms. Derby informed the Board that she anticipates the 2014 Financial and Capital Improvement Project Budgets will be considered for approval by the Houston City Council prior to September 30, 2013.

### **FY Ending June 30, 2013 Audit**

Ms. Hill presented the audit to the Board, copies of which are attached to these minutes. She informed the Board that an unmodified opinion had been received. Following discussion, upon a motion made by Director Keyser and seconded by Director Flowers, the

Board voted unanimously to accept the audit in substantially final format and authorize staff and auditor to finalize the report for COH submittal and public distribution.

#### Annual Review of Investment Policy and List of Qualified Brokers/Dealers

Ms. Derby presented the Amended Investment Policy and informed the Board that no changes were made. Following discussion, upon a motion made by Director Flowers and seconded by Director Hamm, the Board voted unanimously to adopt the Investment Policy and List of Qualified Brokers/ Dealers as presented.

#### **EXECUTIVE SESSION**

Director Sabino moved that the Board convene in Executive Session. Director Hamm seconded the motion and it carried by unanimous vote. The Board went into Executive Session at 2:15 PM pursuant to Sections §551.087 of the Texas Government Code. Present for the Executive Session were the following: all present Board members noted in these minutes, Mr. Clark Lord, Ms. Debbie Russell, Ms. TataLease Derby, Mr. Bob Eury, Mr. Jonathan Brinsden, Jamie Bryant and Mr. Ralph DeLeon.

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

The Board reconvened in open session at approximately 3:00 PM.

Director Keyser made a motion to approve the project for the Economic Development Incentive program and authorize staff and legal counsel to negotiate the incentives, terms, and conditions within the parameters detailed on the terms and conditions outline. Director Flowers seconded and the motion carried unanimously.

#### **NEXT MEETING**

Chair Pena reported that the Board will meet on October 15, 2013.

#### **ADJOURNMENT**

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

*[Signature page follows]*

---

Secretary, Board of Directors