

**MINUTES OF THE MEETING OF THE
TIRZ 17 REDEVELOPMENT AUTHORITY/MEMORIAL CITY REDEVELOPMENT AUTHORITY
CITY OF HOUSTON, TEXAS
BOARD OF DIRECTORS**

June 30, 2015

ESTABLISH QUORUM AND CALL MEETING TO ORDER.

The Board of Directors of the TIRZ 17 Redevelopment Authority/Memorial City Redevelopment Authority, City of Houston, Texas, held a regular meeting on Tuesday, June 30, 2015 at 8:00 a.m. at the Four Points by Sheraton, 10655 Katy Freeway, Wycliffe Room, Houston, Texas, 77024, inside the boundaries of the TIRZ, open to the public, and the roll was called of the duly appointed members of the Board, to-wit:

Position 1 – David A. Hamilton

Position 2 – John Rickel

Position 3 – Bob Tucker, *Asst. Secretary*

Position 4 – Ann T. Givens, *Chair*

Position 5 – Zachary R. Hodges

Position 6 – Brad Freels, *Vice-Chair*

Position 7 – Glenn E. Airola, *Secretary*

and all of the above were present, with the exception of Director Hamilton, thus constituting a quorum. Also present were consultants Scott Bean, Tony Allender and Linda Clayton, all with Hawes Hill Calderon, LLC; Jessica Holoubek, Allen Boone Humphries Robinson, LLP; Muhammad Ali and Derek St. John, Lockwood Andrews & Newman, Inc.; Ed Conger, Klotz Associates, Inc.; Pat Hall, ETI Bookkeeping Services; and Jim Webb, Goodman Corporation. Others attending the meeting were Jennifer Curley, COH - Economic Development; Amy Peck, Council Member Stardig's office; Jack Valinski, COH; Ed Browne, SBWSN; Karen Glynn, David Tresch, Lois Myers, Hugh Rawls, Roberta Prazak, Virginia Gregory and Donna Freedman, all residents. Chair Givens called the meeting to order at 8:03 p.m.

RECEIVE PUBLIC COMMENTS.

Lois Myers discussed the TIRZ 17 developers, flooding issues and detention ponds and wanted to know what was going to be done to fix the mess created.

Hugh Rawls discussed the flooded houses on Frostwood Drive from the May, 2015, rain event. He reported approximately 45 houses flooded. He indicated detention and better piping is needed.

Ed Browne discussed the Conrad Sauer detention pond and the pumps being turned on too early. He discussed flooding issues and the need for new detention.

Roberta Prazak discussed flooding issues and wanted to know the status of the Memorial Drive Drainage project. She stated she would like to see W. Bough Lane redeveloped.

Virginia Gregory provided handouts to the Board, a copy is attached as Exhibit A, and discussed the Developer Agreement between TIRZ 17 and Lipex. She also had questions regarding the project on Gessner to Westview.

Donna Freedman presented a bulletin board presentation depicting detention areas in the zone in 2009 and discussed the flooding from the May 2015 rain event.

APPROVE MINUTES OF APRIL 28, 2015, REGULAR MEETING AND MINUTES OF JUNE 4, 2015, SPECIAL MEETING.

Upon a motion duly made by Director Rickel, and being seconded by Director Airola, the Board voted unanimously to approve the Minutes of the April 28, 2015, Board meeting, as presented.

Upon a motion duly made by Director Airola, and being seconded by Director Rickel, the Board voted unanimously to approve the Minutes of the June 4, 2015, Board meeting, as presented.

RECEIVE FINANCIAL AND BOOKKEEPER'S REPORT INCLUDING PAYMENT OF INVOICES, REVIEW OF INVESTMENTS AND PROJECT CASH FLOW REPORTS.

Ms. Hall presented the Financial and Bookkeeper's Report, a review of investments and project cash flow reports, and went over invoices, included in the Board agenda materials. Upon a motion duly made by Director Rickel, and being seconded by Director Freels, the Board voted unanimously to accept the Financial and Bookkeeper's Report, and approved payment of invoices, as presented.

RECEIVE UPDATE WITH REGARD TO CIP.

Mr. Bean reported a CIP meeting was held with the City and staff was waiting on comments from the City of Houston. Chair Givens reported Director Rickel, herself, Ms. Holoubek, Klotz and Mark Latham attended the meeting. She reported Public Works is expected to provide feedback by July 4. Ms. Curley reported it would probably be a couple more weeks before receiving comments back from Public Works. Chair Givens stated once the comments were received Mr. Bean would distribute them to the Board for review. She stated after review a special Board meeting would be held to discuss the comments. Ms. Curley stated if the comments were not in written form a meeting could be scheduled with the original attendees, including engineers, to discuss the comments. No action from the Board was required.

RECEIVE ENGINEER'S REPORT FROM LAN INCLUDING:

a. Lumpkin Road Improvements Project construction status;

Mr. Ali provided a status report on the Lumpkin Road project. He reported everything was moving smoothly and he had no issues to report.

b. Approval of time modifications, changes in work or pay applications; and

Mr. Ali reported pay estimate no. 5 from SER Construct Partners in the amount of \$1,430,488.88 was included in the Board agenda materials, and after review he was recommending it for approval. Upon a motion duly made by Director Rickel, and being seconded by Director Hodges, the Board voted unanimously to approve SER Construction Partners LLC, pay estimate no. 5 in the amount of \$1,430,488.88.

c. Other engineering matters and projects.

Mr. Ali provided an update on the Town & Country West Mobility and Drainage Project, and answered questions. He reported he would have more information at the next Board meeting. He reported LAN will address comments submitted on the website regarding the Memorial Drive Mobility & Drainage Improvements.

RECEIVE ENGINEER'S REPORT FROM KLOTZ ASSOCIATES, INCLUDING:

a. Updates on W140 Channel Improvements and related flood mitigation improvements

b. Other engineering matters and projects.

Mr. Conger provided reports on the Briar Branch Drainage Improvements, Briar Branch Related Flood Mitigation and Bunker Hill Bridge Study and North Gessner Drainage & Mobility Improvements, all included in the Board agenda materials. Director Rickel asked if there would be a benefit if straws were taken further north in the neighborhood. Mr. Conger stated there might be a little improvement in a lower level storm but not a higher level storm. Director Rickel asked what percentage stage the plans for the North Gessner project were at and when would the Board be able to review the plans. Mr. Conger reported plans were

75 to 80% complete. Director Rickel requested the item be put on the Agenda next month. Mr. Bean reported he would meet with Mr. Conger and then distribute them to the Board for review. No action from the Board was required.

DISCUSSION REGARDING W140 CHANNEL IMPROVEMENTS AND RELATED FLOOD MITIGATION IMPROVEMENTS NORTH OF W140 CHANNEL.

Director Tucker provided handouts to the Board regarding the W140 Channel Improvements, a copy is attached as Exhibit B. He reported the initial purpose of the W140 channel improvement was to transport water from Gessner to the W140. He expressed his concern that the path the zone is taking is not going to help the neighborhood. There was general discussion regarding having LAN to do an engineer study on the W140 straws. Mr. Conger reported an engineering analysis has been done and the next step is the design stage. He reported the whole area has inadequate storm sewers. After further discussion, the consensus was to have LAN submit a proposal, including costs associated to do a quick review of the project.

RECEIVE TIP CALL FOR PROJECTS UPDATE FROM THE GOODMAN CORPORATION.

Mr. Webb reported three applications for funding have been submitted. Mr. Webb recommended removing the Town & Country project application to allow the other applications to move forward. There was general discussion regarding once a project begins that you cannot apply funds to the project. Mr. Webb reported it was anticipated the funding to be awarded in September or October. After further discussion, the consensus from the Board was not to pull the Town & Country project. No action from the Board was required.

UPDATE ON WEST BELTWAY 8 SHARED USE PATH PROPOSAL.

Chair Givens reported Anna Ramirez had contacted her to see if the Authority was going to move forward with the Beltway 8 shared use path project. Ms. Curley reported her understanding was the Board agreed to contribute subject to annexation of property. There was general discussion regarding annexation of the area. Mr. Bean reported he would look into the matter. No action from the Board was required.

DISCUSSION REGARDING DEVELOPMENT AGREEMENT BETWEEN THE AUTHORITY AND LIPEX PROPERTIES, LP.

Director Tucker provided a handout to the Board regarding the Development Agreement between the Authority and Lipex Properties, LP, a copy is attached as Exhibit C. There was general discussion regarding the Agreement and Ms. Holoubek answered questions. She reported the Board approved the term sheet and approved the Agreement and reported it was fully vetted with the City. She reported there were three phases of reimbursement, including completion of design stage and construction benchmarks. The Board suggested directing Klotz to turn over the design to Gunda to review. No action from the Board was taken.

DISCUSSION REGARDING REPRESENTING THE BOARD AT PUBLIC AGENCY MEETINGS AND EVENTS.

Director Tucker provided handouts to the Board regarding individuals representing the Board at public agency meetings and events, a copy is attached as Exhibit D. There was general discussion regarding the handout. No action from the Board was taken.

CONVENE IN EXECUTIVE SESSION PURSUANT TO SECTION 551.072, TEXAS GOVERNMENT CODE, TO DELIBERATE THE PURCHASE, EXCHANGE, LEASE OR VALUE OF REAL PROPERTY.

The Board convened in executive session at 9:38 a.m.

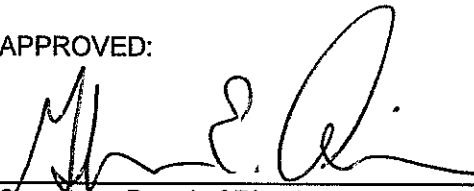
RECONVENE IN OPEN SESSION AND AUTHORIZE APPROPRIATE ACTION REGARDING THE PURCHASE, EXCHANGE, LEASE OR VALUE OF REAL PROPERTY.

The Board reconvened in open session at 10:17 a.m. Upon a motion duly made by Director Rickel, and being seconded by Director Freels, the Board voted unanimously to authorize the Authority's attorney to negotiate a Letter of Intent for property acquisition.

ADJOURNMENT.

There being no further business to come before the Board, Chair Givens adjourned the meeting at 10:19 a.m.

APPROVED:



Secretary, Board of Directors
TIRZ 17 Redevelopment Authority, City of Houston, Texas

List of Exhibits:

- A. Handout provided by Virginia Gregory, June 30, 2015
- B. Discussion regarding W140 Channel Improvements and related flood mitigation improvements north of W140 Channel, provided by Director Tucker, June 30, 2015
- C. Discussion regarding Development Agreement between the Authority and Lipex Properties, LP, provided by Director Tucker, June 30, 2015
- D. Discussion regarding representing the Board at public agency meetings and events, provided by Director Tucker, June 30, 2015


From: **Virginia Gregory** lipvag@gmail.com
Subject: **May 14, 2015 Planning Commission - The City of Houston, TX**
Date: **June 30, 2015 at 6:31 AM**
To:

Please go down to Item D - 2 of 2 and click - then find sub item # 133 at 34:45 minutes (slide the bar beneath the video to right to the indicated time) to hear the variance request hearing presentation submitted by MetroNational. Huml spoke first and I followed. After I spoke, there was follow up Commission discussion, and the variance was granted.

Who gave Huml the authority to speak about this variance ? Ann Givens ? Who has a final signed copy of this "Agreement" ? Huml told me Monday, prior to this Commission Meeting, that there was NOT a signed "Agreement" with LIPEX (subsidiary of MetroNational) for the ROW width.

Virginia Gregory
713 465-5814

<http://houstontx.swagit.com/play/05142015-702>

From: **BobandMaqqggi IMAP** bob@bobandmaggi.com 
Subject: a calm lake in Virginia's house
Date: June 27, 2015 at 10:35 AM
To: Ed Browne ed_b_pes@swbell.net
Cc: Virginia Gregory lipvag@gmail.com



Sent from my iPad

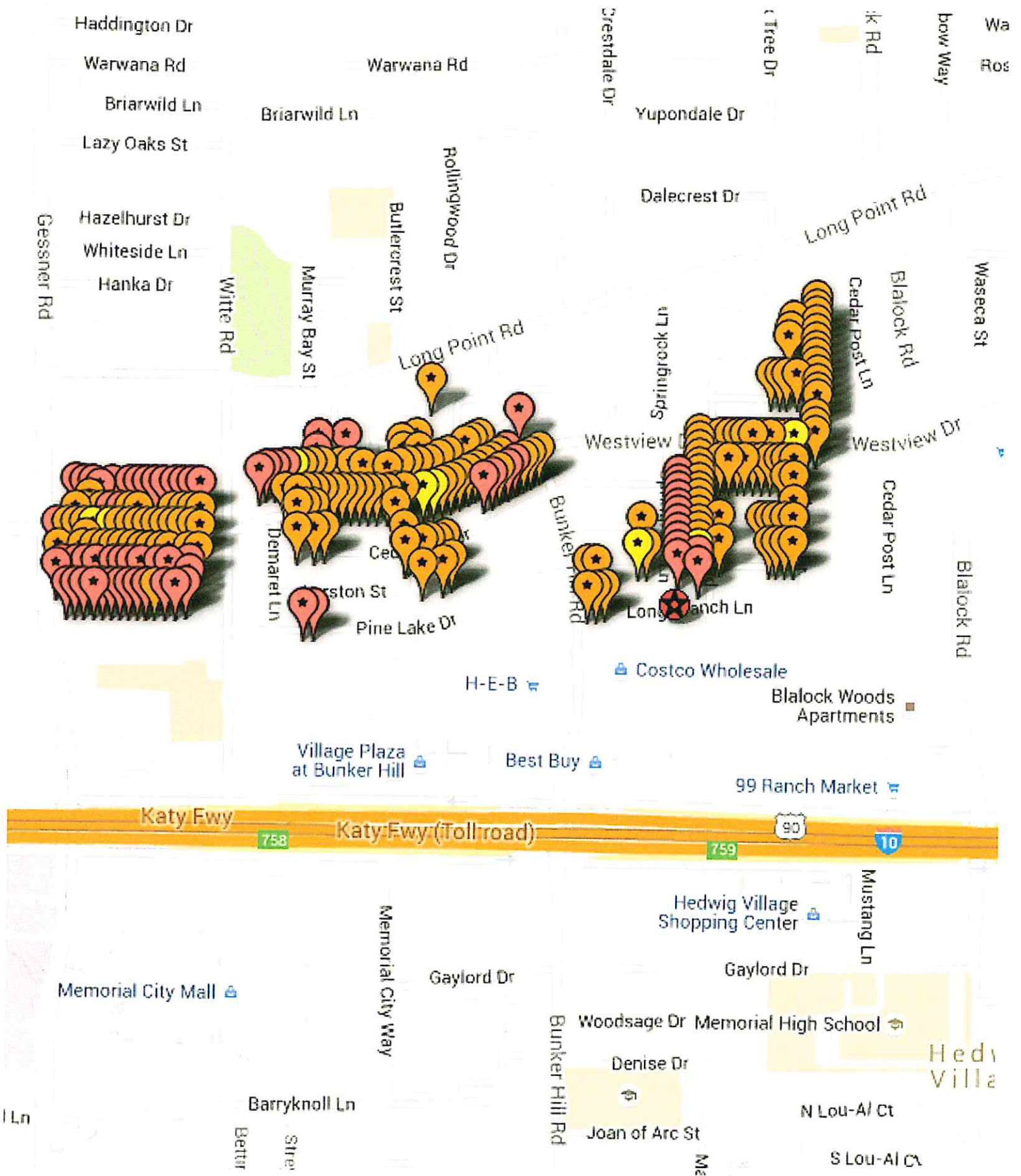
From: **Virginia Gregory** lipvag@gmail.com
Subject: Gessner and I10 properties
Date: June 28, 2015 at 11:54 AM
To:

These properties all had property ownership changes. It went from one BIG MetroNational owner to other separate plots.

Property Address	Lot size	Owner	Owner Address	Harris County Appraisal District Account Number
1003 Gessner, Houston, TX 77043	352,893.00 sf	Lipex Properties Ip	820 Gessner Rd Ste. 1800 Houston, TX 77024	5830300000025
10100 Old Katy Rd, Houston, TX 77043	216,680.00 sf	Lipex Properties Ip	820 Gessner Rd Ste. 1800 Houston, TX 77024	5830300000024

LIPEX, which looks like another MetroNational company, acquired the lots on 11/15/2011

There is also a "1055 Gessner" and a "0 Old Katy Rd, #229" that may be included in the redevelopment; both also show LIPEX as the owner. Their owner address looks like MetroNational's and I saw somewhere that their Lipex Properties have the same board members and officers as MetroNational has on their board.



TIRZ Board of Directors

30 June 2015, Meeting at 8:00 a.m.

Item 8 on the Agenda
“Discussion regarding W140 Channel improvements
and related flood mitigation improvements north of W140 Channel”

The initial purpose of the W140 Channel improvement was to transport water from Gessner to the W140. Increasing drainage from the neighborhoods, beyond the current limited drainage, was not considered. My reference point for this is a conversation at a Board meeting at which Board member Ken Arnold said to LAN Engineer Rafael Ortega, ‘the proposed improvements on Briar Branch Creek would not help the residents to the north, and Ortega said, “That is correct.”

In fact, just the opposite happened. In the April 2009 storm, water from Briar Branch Creek (W140) was pushed north into the neighborhood with such velocity that 3+ blocks to the north, at Windhover and Westview, the standard City weight manhole cover (60-70 pounds) was blown and a 10 inch high column of water shot forth storm water from Briar Branch Creek, adding to the water already in the neighborhood. In the May 2015 flood, it was dark at 3:30 am and, with the streetlight out, I could not see if the same back-flow was taking place. I did walk out into the street, and the accompanying picture taken the next day shows how high the ‘lake’ was.

The attached map shows the homes flooded in the area of the Spring Branch Civic Association which is bounded by Blalock Road (east), Pine Lake Drive (south), Gessner Road (west) and Long Point Road (north). (A disclaimer: I am on the Board of this Civic Association).

One proposed straw goes along Windover Lane to Cedardale Drive, stops one block short of Westview Road. Three other straws only extend from W140 into the area immediately next to Briar Branch Creek. The western part of the area, along Demaret Lane, is absent any straw. Also missing is any straw extending to Westview Drive where numerous homes, both north and south, have flooded twice in six years. The current plan of straws places a band-aid on the problem and does not solve the problem. It is promise without performance.

The extension of Lumpkin Road north of Westview was promoted to this Board by our chair and by a council member at two different meetings on the basis that we ought to “finish the job,” that is, to extend the work from I-10 to Northbrook Drive. The additional cost to the Lumpkin Road project was roughly \$2,400,000. Extending Lumpkin required, after the Board’s vote, annexation by the City and money from TIRZ 17. I make that same appeal of let’s ‘finish the job’ for the W140 straws.

In the 44 years I've lived in this area hurricanes and storms would flood our streets; however the flooding of a home was a rare occurrence. Massive flooding is something new that has taken place in 2009 and six years later in 2015.

In looking at the City map of flooded homes, we need to consider extending the Spring 'straw' to the Springrock Lane straw. For the area between Witte and Gessner, we could take the water from the area along Westview Drive, Cedardale Drive, Larston Drive and Mathewson Drive to Gessner.

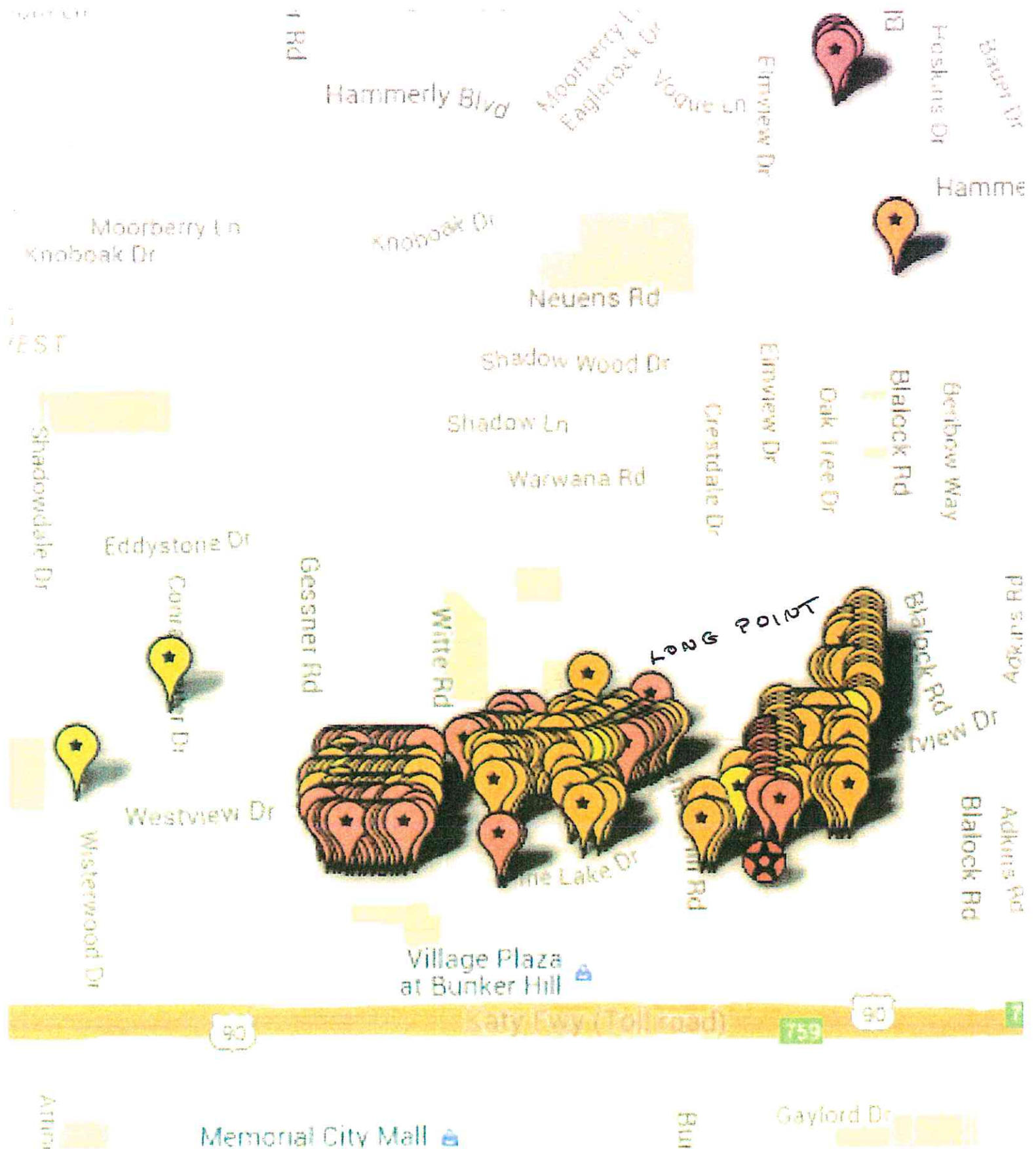
Resolved, that we direct Klotz Engineers and LAN

- to redesign the drainage and detention of the neighborhoods north of W-140,
- to report back at the August 2015 Board meeting with plans to adequately deal with the area's drainage and detention

Further, the TIRZ 17 Board

- initiates with City Council annexations to carry out an effective drainage and detention,
- increase the CIP funding to carry out this task







https://www.google.com/fusiontables/embedviz?select=col1+from+1+Y+O6HU_HH9Qqf_QfmB-R06wm5yBgmUX&aDm7_6T&viz=MAP&h=false&lat=29.76945990230398&lng=-95.35656572949222&t=1&z=11... 6/11/2015



Item 12 on the Agenda
Discussion regarding development agreement
between the Authority and Lipex Properties. LP

I have read a number of times the Agreement with Lipex Properties LP (Metro National), signed by our Board Chair, and my mind moves between puzzlement and incredulity. The general impression is that this Board has committed itself to spending \$23,000,000 without any required reporting or oversight.

1. This total absence of any financial accountability to the TIRZ 17 Board on the part of Lipex Properties, LP, leads me to ask: is it legal for a public body to just hand over money, in this case \$23,000,000, to a private corporation without reporting and accountability?
2. There is no financial statement attached verifying the financial condition of Lipex Properties, LP. There is, in the Agreement, a listing of the TIRZ 17 funds that are security. Should not we have the same statement from Lipex Properties, LP?
3. There is a lack of engineering accountability in the Agreement. Per the Agreement, the TIRZ 17 Board is permitted an Engineer. However, the Board's Engineer has access only to the initial design plans at the 30% stage and the final report. Actually those are the only two access points the TIRZ 17 Board has as well.
4. Given that this contract is quite favorable to Lipex Properties, LP, does Article VII, Interpretation (*This Agreement has been jointly negotiated by three parties and shall not be construed against a party because that party may have primarily assumed responsibility for the drafting of this Agreement*) mean that Lipex was the primary drafter of the Agreement?

Contracts with providers are examined and voted on by the Board. Why was this Agreement signed without any Board discussion? The Board did approve the general concept, but the Board never did see or vote on the contract. Is the Board not legally bound to vote on the Agreement?

Resolved, that under Article VII GENERAL PROVISIONS, B. Amendments and Waivers (*Any provision of this Agreement may be amended or waived if such amendment or waiver is in writing and is approved by the Authority, the Company and, if required, the Company's Lender. No course of dealing on the part of the parties nor any failure or delay by other parties with respect to exercising any right, power or privilege to this Agreement shall operate as a waiver thereof, except as otherwise provided in this section*) we appoint a committee of three to seek changes in the Agreement regarding, but not limited to:

- regular reports to the Board on the progress of construction, including any waivers sought by the contractor or variances requested of the City,

- adequate financial reporting of monies spent and a monthly income-expenditure sheet (similar to other TIRZ 17 projects),
- on-going access of the Board's Engineer (with reports to the Board),
- reasonable opportunities to speak with the person in Lipex Properties, LP, responsible for this project and to this Agreement.

**Item 13 on the Agenda
Discussion regarding representing the board
at public agency meetings and events**

At the City of Houston Planning Commission of the Planning and Development Commission, meeting on 05/14/2015, our then Executive Director Mr. Don Huml made the following statement (I do not take dictation so there may be some 'filler' words that I missed). (If you wish to hear the statement and hear Don Huml speak, this can be found at <<http://houstontx.swagit.com/play/05142015-702>>, #133 under the program guide D 2-2. The statement is regarding a Variance on Mathewson Lane, the road from Gessner Road to Conrad Sauer Drive.)

My name is Don Huml ... I am the Executive Director of the Memorial City Redevelopment Authority. I am here this afternoon to express my support for this agenda item and request for the variance. I was part of the initial effort to revitalize the Conrad Sauer Detention Basin and to extend Mathewson Lane. This project received an unanimous vote from our Board of Directors and financing was subsequently included in our FY 2015 budget and was approved by City Council. This project embodied all three aspects of the TIRZ mission statement: drainage, mobility and quality of life. This project is one of the driving forces in the development of this 24-acre site. By granting this request it will allow for a much higher quality of streetscape, including landscaping, bicycle lanes in the right of way and on-street parking. On behalf of the TIRZ chair Ann Given, and the Board of Directors, I respectfully request that the Board approve this variance.

The variance was granted, with all members present voting except for Jim Jard, a member of the City of Houston Houston Planning Commission, who abstained.

At no point did the Board approve this variance, nor does the Chair have the right to speak for the Board (if Don Huml's statement is accurate), nor has the Board received any of the plans that were submitted to the Houston Planning Commission, even though the Agreement stated that the initial report's *Estimated Completion Date* was January 2015.

Resolved, that members of the Board of TIRZ 17 when making commitments or signing statements on behalf of the Board, get permission from the Board or notify the Board at the first opportunity.

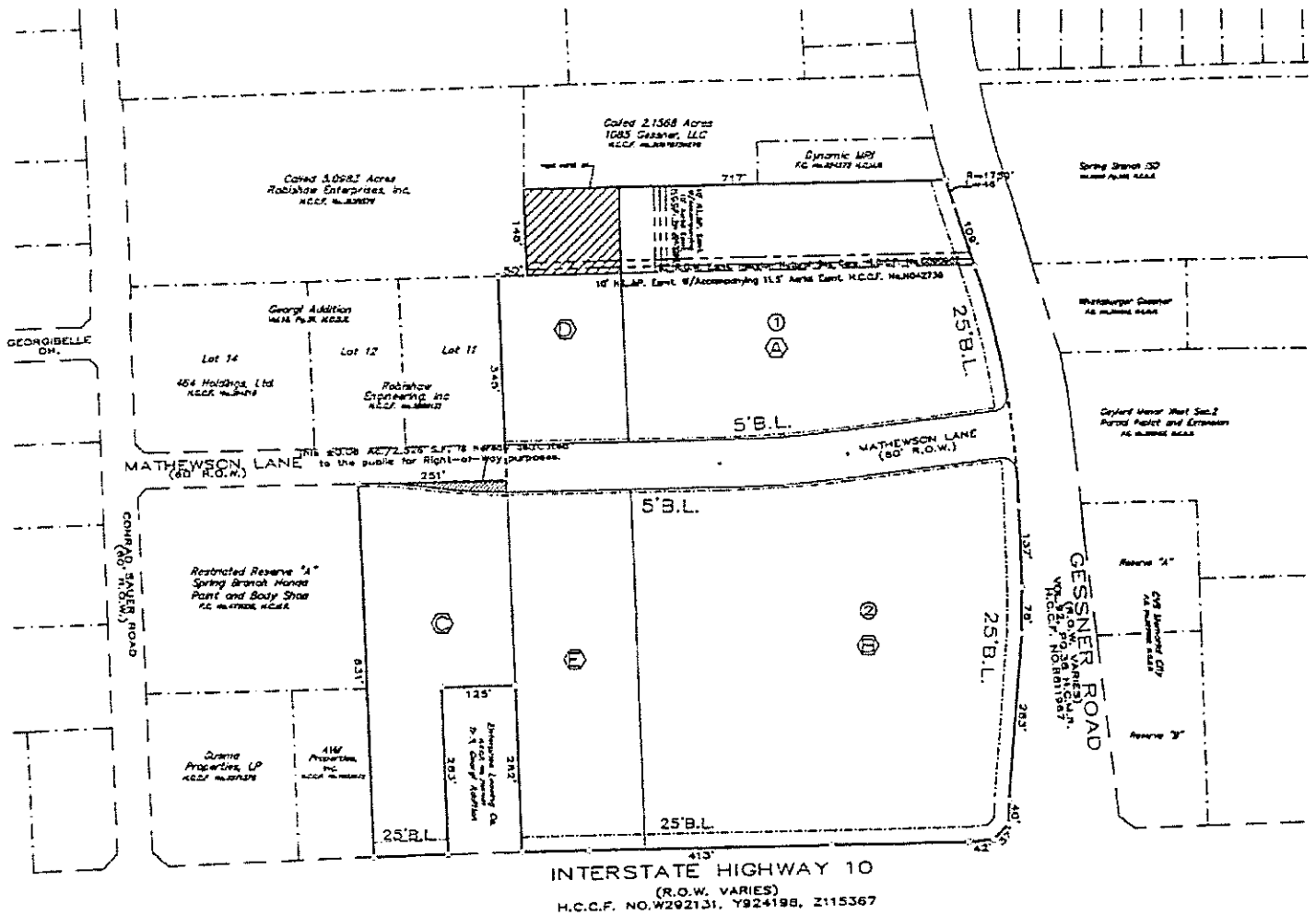
Houston Planning Commission ITEM: 133

Planning and Development Department

Meeting Date: 05/14/2015

Subdivision Name: Energy Gateway District

Applicant: BGE Kerry R. Gilbert Associates



- NOTE:
- Ⓐ UNRESTRICTED RESERVE "A" ±5.9 ACRES
 - Ⓑ UNRESTRICTED RESERVE "B" ±9.2 ACRES
 - Ⓒ UNRESTRICTED RESERVE "C" ±2.8 ACRES
 - Ⓓ UNRESTRICTED RESERVE "D" ±1.92 ACRES
 - Ⓔ UNRESTRICTED RESERVE "E" ±2.93 ACRES



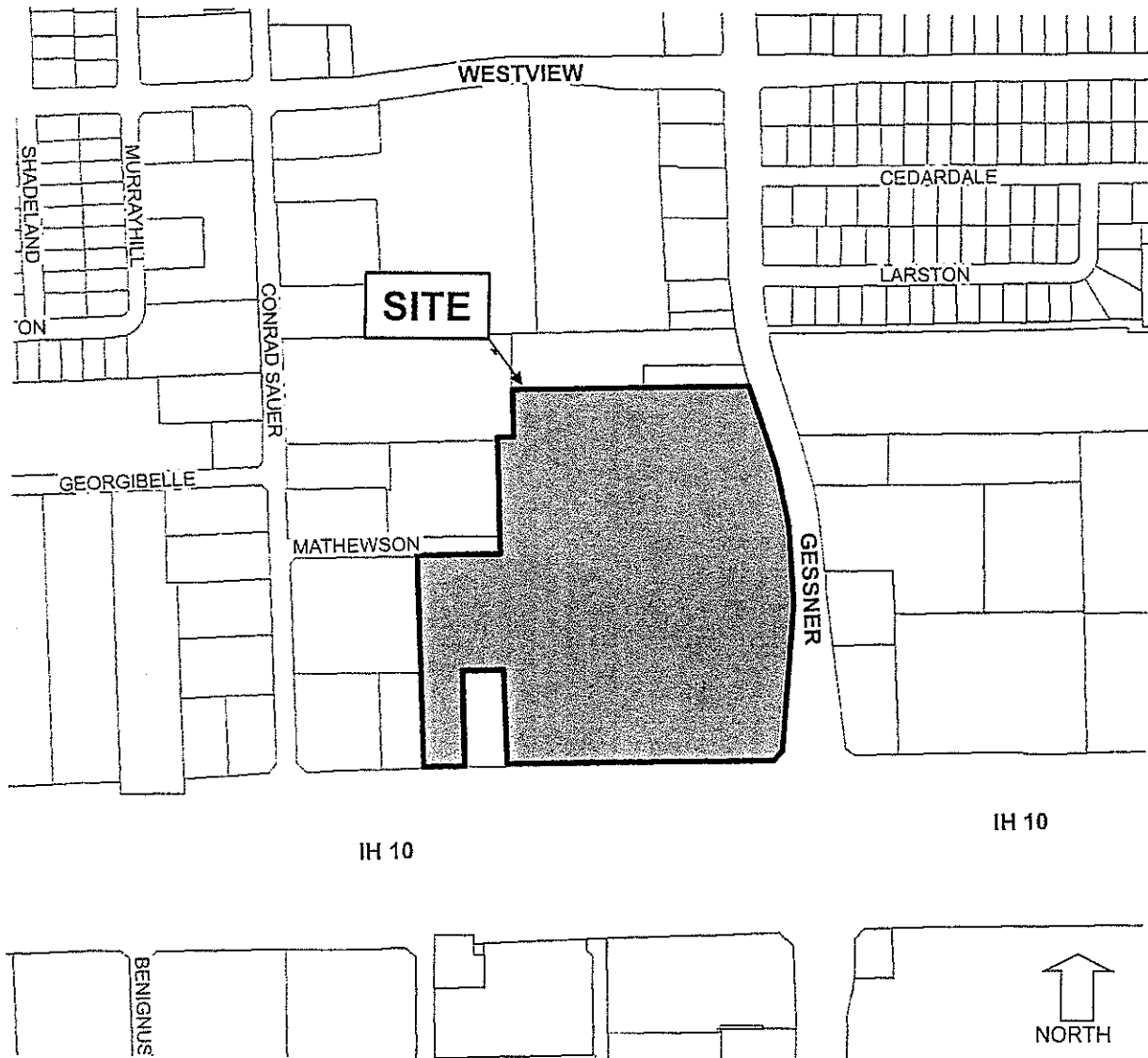
Houston Planning Commission ITEM: 133

Planning and Development Department

Meeting Date: 05/14/2015

Subdivision Name: Energy Gateway District

Applicant: BGE Kerry R. Gilbert Associates



D Variances

Site Location
