**MINUTES OF REGULAR MEETING
OF
DOWNTOWN REDEVELOPMENT AUTHORITY**

August 21, 2012

The Board of Directors (the “Board”) of Downtown Redevelopment Authority (the “Authority”) convened in regular session, open to the public, at the offices of Houston Downtown Management District, on the 21st day of August 2012, and the roll was called of the duly constituted officers and members of the Board, to-wit:

 F. Xavier Peña Chair

 Curtis B. Lampley Vice-Chair

 Deborah Keyser Secretary

 Curtis Flowers Treasurer/Investment Officer

 Michele Sabino Director

 Kathryn Chase McNiel Director

 Keith Edward Hamm Director

 Harold A. “Al” Odom III Director

 Barry Mandel Director

and all of said persons were present except Directors Lampley, Flowers and Hamm, 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; Heather Hinzie, Angie Bertinot and Lonnie Hoogeboom of the Houston Downtown Management District (“HDMD”); Ralph De Leon and Ryan Bibbs of the City of Houston; George Baugh of George Baugh III & Company; Rob Jackson of Houston First; Shafik Rifaat of SIR Inc.; and Captain Bryan Bennett of the Houston Police Department.

**DETERMINE QUORUM; CALL TO ORDER**

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

# INTRODUCTION OF GUESTS AND PUBLIC COMMENTS

Chair Peña welcomed the attendees to the meeting. The meeting attendees next introduced themselves to the Board.

# APPROVE MINUTES OF PREVIOUS MEETINGS

The Board considered approving the minutes of June 12, 2012. Following discussion, upon a motion made by Director Odom and seconded by Director Mandel, the Board voted unanimously to approve the minutes of June 12, 2012.

**FINANCIAL REPORT**

Check Register

 Ms. Derby reported that the Budget and Finance Committee approved the check register and recommended full approval by the Board. Following discussion, upon a motion made by Director Keyser and seconded by Director Odom, the Board voted unanimously to approve the check register. A copy of the check register is attached to these minutes.

Financial Status Report

Mr. Baugh presented the financial status and investment report, a copy of which is attached to these minutes. After discussion, Director Keyser moved that the Board approve the financial status and investment report. Director Mandel seconded the motion and it carried by unanimous vote.

Engage Gainer Donnelly & DesRoches for annual audit

 Ms. Derby presented the engagement letter from Gainer Donnelly & DesRoches (“GD&R”), a copy of which is attached as an exhibit to these minutes, for preparation of the annual audit with a fee not to exceed $10,800. Upon a motion made by Director Mandel and seconded by Director Sabino, the Board voted unanimously to approve the engagement letter with GD&R as presented.

**MUNICIPAL SERVICE/HPD OVERTIME PROGRAM**

 Captain Bennett presented the municipal services report.

**HISTORIC PRESERVATION PROJECTS**

 Mr. Rosenberg reported on the status of the plans for the International Coffee Building. He stated that he hopes that construction will be underway within six to seven months. Mr. Rosenberg noted that Houston First will take over the project upon completion.

**PARKS, PLAZA AND RECREATIONAL FACILITIES IMPROVEMENT PROJECTS**

Houston Public Library

 Ms. Derby informed the Board that the Project for Public Spaces had completed all of its workshops and should issue a final report within the next few weeks.

Market Square Park

 Ms. Derby reported that the Board had authorized the Economic Development Committee (the “EDC”) to approve matters relating to the design and construction of Market Square Park. She stated that the EDC had authorized the advertisement for bids for the project.

Jones Plaza Presentation

 Director Keyser stated that the Jones Plaza was designed with the Party on the Plaza in mind. She stated that it no longer serves that purpose so the Authority has been studying the area and considering the renovation of same as a potential project. Mr. Rifaat presented a model of a proposed design of the Plaza. He stated that he is obtaining price quotes for all of the improvements so that any decision can be based on actual costs.

 The Board took no action on the matter.

**ECONOMIC DEVELOPMENT PROJECTS**

Houston Pavilions

Mr. Lord reported on the negotiations in connection with the sale of the Houston Pavilions. He presented the Consent, Assignment and Third Amendment of Development Agreement (the “Agreement”) for same and reported that we have a commitment from the owners as to (i) retail use, (ii) clarification of public parking requirements and (iii) agreement on future payments. Mr. Lord requested that the Board ratify approval of the Agreement. After discussion and upon a motion made by Director Sabino and seconded by Director Mandel, the Board voted unanimously to ratify approval of the Agreement.

**WALKWAY AND STREETSCAPE IMPROVEMENT PROJECTS**

East West Streets

 Ms. Derby reported that the project is proceeding on schedule.

 Director Keyser questioned the status of 806 Main and 1111 Rusk. Ms. Derby stated that the City of Houston is reviewing the agreement for 806 Main and that we are working with the lender in connection with 1111 Rusk.

**HOUSTON DOWNTOWN MANAGEMENT DISTRICT**

Commercial and Retail Marketing Efforts

 Ms. Hinzie updated the Board on the HDMD’s retail and marketing efforts.

**EXECUTIVE SESSION**

The Board did not meet in executive session.

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

It was not necessary for the Board to reconvene in open session.

**NEXT MEETING**

Chair Peña reported that the Board will meet again in September.

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

[*Signature page follows*]

Secretary, Board of Directors

**LIST OF ATTACHMENTS**

[Check Register 2](#_Toc333570355)

[Financial Status and Investment Report 2](#_Toc333570356)

[engagement letter from Gainer Donnelly & DesRoches 2](#_Toc333570357)