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

August 21, 2012

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 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.

**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.

**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