

HOBBY AREA
MANAGEMENT DISTRICT



HOBBY AREA DISTRICT

Agenda and Agenda Materials
Meeting of the Board of Directors

June 9, 2016



HOBBY AREA DISTRICT

HARRIS COUNTY IMPROVEMENT DISTRICT NUMBER NINE (HOBBY AREA MANAGEMENT DISTRICT MEETING)

TO: THE BOARD OF DIRECTORS OF THE HOBBY AREA MANAGEMENT DISTRICT AND TO ALL OTHER INTERESTED PERSONS:

Notice is hereby given that a regular meeting of the Board of Directors of the Hobby Area Management District will be held on Thursday, June 9, 2016, at 1:00 PM in the Doubletree Hilton Hobby - 8181 Airport Blvd, Houston, TX 77061, inside the boundaries of the District, open to the public, to consider, discuss and adopt such orders, resolutions or motions, and take other direct or indirect actions as may be necessary, convenient, or desirable with respect to the following matters:

AGENDA

1. Determine quorum; call to order.
2. Receive public comments.
3. Approve minutes of meeting held May 12, 2016.
4. Receive Assessments Collection Report.
5. Receive Bookkeeper's Report and approve invoices for payment.
6. Receive update and recommendations from Environment, Urban Design and Mobility Committee.
 - a. Ratify Chair's authorization of emergency tree trimming for traffic control lighting at several Broadway intersections.
 - b. Consider approval for funding to connect a never before constructed 20-25' section of the sidewalk near Sims Bayou to leverage the economies of the Broadway Project.
7. Receive update and recommendations from Business & Economic Development Committee.
 - a. Consider approval of the installation of telecommunications equipment approved by the city of Houston on existing CenterPoint service poles by the Zayo Group.
8. Receive update from Public Safety Committee.
9. Receive the Executive Director's monthly report on actions and initiatives in support of the District's Service Plan.
10. Announcements.
11. Adjourn.


Executive Director



HOBBY AREA MANAGEMENT DISTRICT
(HARRIS COUNTY IMPROVEMENT DISTRICT NUMBER 9)
CITY OF HOUSTON
HARRIS COUNTY, TEXAS

AGENDA MEMORANDUM

TO: Hobby Area Management District Board of Directors
FROM: Executive Director
SUBJECT: Agenda Item Materials

3. Approve minutes of the meeting held May 12, 2016.

**MINUTES OF THE MEETING OF THE
HOBBY AREA MANAGEMENT DISTRICT
BOARD OF DIRECTORS**

May 12, 2016

DETERMINE QUORUM; CALL TO ORDER.

The Board of Directors of the Hobby Area Management District held a regular meeting on Thursday, May 12, 2016, at 1:00 p.m. in the Doubletree Hilton Hobby, 8181 Airport Blvd., Houston, Texas 77061, inside the boundaries of the District, open to the public, and the roll was called of the duly appointed members of the Board, to-wit:

Position 1 -	Danny Perkins, <i>Chairman</i>	Position 7 -	Marjorie Evans
Position 2 -	Helen Bonsall, <i>Vice-Chair</i>	Position 8 -	Joe Edd Nelson
Position 3 -	Todd Szilagyi	Position 9 -	Darryl Bailey
Position 4 -	Jesus H. Saenz, Jr.	Position 10 -	Vic J. Zachary
Position 5 -	Ann Collum	Position 11 -	Alberto Cardenas
Position 6 -	Sue De Haven, <i>Secretary</i>		

and all the above were present, with the exception of Directors Szilagyi, DeHaven, Evans and Zachary, thus constituting a quorum. Also present were Jerry Lowry, Tony Allender, Gretchen Larson and Linda Clayton, all with Hawes Hill Calderon, LLP; Clark Lord, Bracewell LLP; Jack Roland, Governmental Financial Reporting, LLC; and Jeff Sonnheim, Equi-Tax. Others attending the meeting were O'Brien McFadden and Rhedonda Cox, both of SEAL Security; Sherry Weesner and Ann Culver, both of Scenic Houston; Sheila Condon and Jason Miller, both of Clark Condon; Brenda Diaz, Priscilla Meehar and Angelica M., all with South Texas Dental. Chairman Perkins called the meeting to order at 1:06 p.m.

RECEIVE PUBLIC COMMENTS.

There were no public comments.

APPROVE MINUTES OF MEETING HELD APRIL 14, 2016.

Upon a motion duly made by Director Nelson, and being seconded by Director Bonsall, the Board voted unanimously to approve the Minutes of the April 14, 2016, Board meeting, as amended on page 3 reflecting Director Bailey seconding the motion for the sponsorship of the golf tournament.

RECEIVE ASSESSMENTS COLLECTION REPORT.

Mr. Sonnheim presented the Assessments Collection Report, included in the Board agenda materials. He reported a 96% collection rate on the 2015 assessments with \$1.2 million in uncertified values. He stated the Perdue Brandon Delinquent Assessment Report is included in the Board agenda materials for review. No action from the Board was required.

RECEIVE BOOKKEEPER'S REPORT AND APPROVE INVOICES FOR PAYMENT.

Mr. Roland presented the Bookkeeper's Report, Quarterly Investment Report and went over invoices, included in the Board agenda materials. An expense report for Gretchen Larson was distributed, a copy is attached as Exhibit A. Upon a motion duly made by Director Collum, and being seconded by Director Nelson, the Board voted unanimously to accept the Bookkeeper's Report, Quarterly Investment Report and approved payment of invoices, as presented.

RECEIVE UPDATE AND RECOMMENDATIONS FROM ENVIRONMENT, URBAN DESIGN AND MOBILITY COMMITTEE.

Mr. Allender reported the Committee met on April 20, a copy of the Committee Minutes is included in the Board agenda materials. He stated a walk-thru was being held with the City for the Broadway Boulevard project from Bellfort to I-45.

a. Consider approval of an amended Memorandum of Understanding with Scenic Houston.

An Agreement Regarding Enhanced Broadway/Hobby Corridor Redevelopment Project between the District and Scenic Houston was distributed, a copy is attached as Exhibit B. Mr. Allender reported several revisions were made from the original document including the insurance component and clarification in language as to maintenance. Mr. Lord reported the other revision made was in the payment structure.

b. Consider award of a contract to Jerdon for completion of improvements to the Broadway Street corridor.

Mr. Miller reported three bids were received and at the last board meeting the Board approved issuance of a Notice of Intent to award Jerdon the contract for completion of improvements to Broadway Blvd. He stated the original contract bid was for \$4,934,820.70 and the change order will lower the contract price to \$3,697,311.35. There was a lengthy discussion regarding the landscape maintenance component being reduced from one year to 90 days; and the District's responsibility for the maintenance after 90 days. Mr. Miller stated the plants will have a one-year guarantee. He reported he was anticipating a notice to proceed next week with a completion goal of the project by the end of December.

Mr. Lord recommended authorizing approval of the contract with Jerdon subject to Scenic Houston agreement to the Memorandum of Understanding and subject to Scenic Houston agreeing to contract with Jerdon. Director Cardenas had several questions regarding the accountability mechanism/balance sheet of funds coming in and going out. Mr. Lord stated a special condition of the construction contract states the District is not liable and Scenic Houston will be paying the contractor. Ms. Weesner stated invoices would be presented to the Scenic Houston Board and would be paid through Scenic Houston.

c. Consider a change order to the contract for improvements to the Broadway Street corridor.

A Change Order to the Jerdon contract was handed out, a copy is attached as Exhibit C. Mr. Miller reviewed the change order and answered questions. He reported the change order kept the median intact and eliminated landscaping and irrigation in the setback lines. Ms. Condon reported when originally pricing the project it was well over \$5 million, and the targeted funding of the project was over \$5 million.

She stated funding of the project came in around \$3.9 million and the change order lowers the cost of the project to the funding budget.

Upon a motion duly made by Director Collum, and being seconded by Director Nelson, the Board voted unanimously to approve the Memorandum of Understanding, approve award of contract to Jerdon for landscape improvements on Broadway Blvd. and approve the Change Order all subject to final delegation of Chairman Perkins' review of final documents, and subject to Scenic Houston agreeing to Memorandum of Understanding and subject to Scenic Houston agreeing to contract with Jerdon.

CONSIDER REQUEST TO FUND MEETING COSTS FOR LIVABLE CENTERS STUDY STAKEHOLDERS MEETINGS.

Mr. Allender provided a handout on the costs associated with hosting three Livable Centers Study meetings at the Doubletree Hobby Hotel, a copy is attached as Exhibit D. He answered questions regarding outreach to stakeholders in the District. Chairman Perkins stated a database is being compiled and the database will be grouped to target stakeholders for each focus group, as well as a large community forum. Upon a motion duly made by Director Cardenas, and being seconded by Director Bonsall, the Board voted unanimously to approve funding costs of meetings associated with the Livable Centers study meetings and workshops.

RECEIVE UPDATE AND RECOMMENDATIONS FROM BUSINESS & ECONOMIC DEVELOPMENT COMMITTEE.

- a. Consider participation at the 88th Annual American Association of Airport Executives (AAAE) Conference and Exposition on May 15-18, 2016.**

Ms. Larson reported the 88th AAAE Conference and Exposition is being held in Houston this year and would provide an opportunity for the District to meet with strategic partners in the airport industry. She reported the Committee was recommending approval of participation in the event in an amount not to exceed \$4,000.00. She stated this would include fees and expenses to attend the conference and an exhibit booth for the District. She reported the event would provide awareness of the District and the possibility of bringing businesses to the Hobby area. She reported there was sufficient funding in the business and economic development budget for the request. Upon a motion duly made by Director Cardenas, and being seconded by Director Bonsall, the Board voted unanimously to approve the District's participation at the 88th Annual American Association of Airport Executives Conference and Exhibition on May 15-18, 2016, at a cost not to exceed \$4,000.00.

- b. Consider participation in Mayor Turner's 2016 State of Mobility event on May 17, 2016.**

Ms. Larson reported the Committee reviewed the sponsorship request and noted it was an opportunity to advocate for needed infrastructure in the District, as well as marketing for the District. She reported after review the Committee was recommending sponsoring at the gold level in the amount of \$1,000.00. She reported there was sufficient funding in the budget for the event. Upon a motion duly made by Director Collum, and being seconded by Director Nelson, the Board voted to approve sponsoring Mayor Turner's State of Mobility event on May 17, 2016, in the amount of \$1,000.00. Director Cardenas voted nay. The motion passed.

RECEIVE UPDATE FROM PUBLIC SAFETY COMMITTEE.

Mr. Lowry reported the Committee met on April 20, a copy of the Committee Minutes is included in the Board agenda materials. Officer McFadden presented the SEAL Security Incident Report for April 2016, included in the Board agenda materials, and answered questions. No action from the Board was required.

RECEIVE THE EXECUTIVE DIRECTOR’S MONTHLY REPORT ON ACTIONS AND INITIATIVES IN SUPPORT OF THE DISTRICT’S SERVICE PLAN.

Mr. Lowry reviewed the Executive Director’s Report, included in the Board agenda materials. He provided a handout on the preliminary HobbyFest financial summary prepared by HNTB, a copy is attached as Exhibit E. He reported five scholarships were given out this year and twenty teams participated in the barbecue cook-off. Director Cardenas requested a Board update on the contract awarded to Jerdon before the next Board meeting.

ANNOUNCEMENTS.

Director Saenz announced Wm. P. Hobby Airport has been recognized as a 4-star airport.

ADJOURN.

There being no further business to come before the Board, Chairman Perkins adjourned the meeting at 2:10 p.m.

(Seal)



Secretary

List of Exhibits:

- A. Expense Report from Gretchen Larson
- B. Agreement Regarding Enhanced Broadway/Hobby Corridor Redevelopment Project (Memorandum of Understanding)
- C. Change Order No. 1 from Jerdon Enterprise, LP for landscape improvements to Broadway Blvd.
- D. Costs associated with Livable Centers Study meetings for focus groups and workshops to be held at Doubletree Hobby Hilton
- E. Preliminary HobbyFest 2016 Financial Summary, dated April 17, 2016

HOBBY AREA MANAGEMENT DISTRICT
(HARRIS COUNTY IMPROVEMENT DISTRICT NUMBER 9)
CITY OF HOUSTON
HARRIS COUNTY, TEXAS

AGENDA MEMORANDUM

TO: Hobby Area Management District Board of Directors
FROM: Executive Director
SUBJECT: Agenda Item Materials

4. Receive the Assessment Collection Report.

HARRIS COUNTY IMPROVEMENT DISTRICT NO. 9
ASSESSMENT COLLECTION REPORT
May 2016
BILLING AND COLLECTION SUMMARY
FISCAL YEAR
01/01/16 - 12/31/16

YEAR	RATE	TOTAL LEVY	COLLECTIONS	RECEIVABLE	% COLLECTED
2015	0.15000	\$1,712,428.29	\$1,644,355.78	\$68,072.51	96%
2014	0.15000	\$1,527,252.27	\$1,512,202.50	\$15,049.77	99%
2013	0.15000	\$1,358,177.90	\$1,353,928.80	\$4,249.10	99%

Current Month Activity

Revenue:	<u>Current Month</u>	<u>Year to Date</u>
2015 Assessment Collected	9,106.44	1,368,262.19
2014 Assessment Collected	-61.13	-103.61
2013 Assessment Collected	289.54	3,907.82
Penalty & Interest	1,239.06	16,345.89
Overpayments	0.00	9,944.30
CAD Lawsuits	416.01	11,255.39
CAD Corrections	0.00	0.00
Collection Fees	670.78	3,390.05
Court Fees	0.00	0.00
Total Revenue	11,660.70	1,413,002.03
Overpayments Presented for Refund	1,521.46	20,744.62
Overpayments Applied to Assessment	0.00	0.00

ASSESSED VALUE FOR 2015:	1,158,411,516	Uncertified:	0
ASSESSED VALUE FOR 2014:	1,033,784,013	Uncertified:	0
ASSESSED VALUE FOR 2013:	919,967,562	Uncertified:	0

Assessment Collection Account: Wells Fargo, Account No. 3402018257

ASSESSMENT PLAN PROJECTIONS

YEAR	CURRENT RATE	PROJECTED LEVY 2%	COLLECTIONS @ 95%	CUMULATIVE COLLECTIONS	10 YEAR AVERAGE
2013	0.15000	1,358,178	1,290,269	\$1,353,928.80	
2014	0.15000	1,385,341	1,316,074	\$1,512,202.50	
2015	0.15000	1,413,048	1,342,396	\$1,644,355.78	
2016	0.15000	1,441,309	1,369,244		
2017	0.15000	1,470,135	1,396,629		
2018	0.15000	1,499,538	1,424,561		
2019	0.15000	1,529,529	1,453,052		
2020	0.15000	1,560,119	1,482,114		
2021	0.15000	1,591,322	1,511,756		
2022	0.15000	1,623,148	1,541,991		
		14,871,669	18,638,573		1,487,167

The Projected Levy is based on the rate remaining at 0.15000

Prepared by: Equi-Tax Inc.
Collector for the District

HARRIS COUNTY IMPROVEMENT DISTRICT NO. 9

May 2016					
TOP TEN ASSESSMENT PAYERS					
PROPERTY OWNER	ACCOUNT NOS	SITUS	PROPERTY TYPE	VALUE	ASSESSMENT
ARCP MT HOUSTON TX LLC 2325 E CAMELBACK RD STE 1100 PHOENIX AZ 85016-9078	1258210010001 1260630010001 1260630010005 1260630010006 1260630010010 1260630010011 1260630010012	0 MELDRUM 77075 0 GULF FWY 77075 10013 ALMEDA GENOA RD 77075 10025 ALMEDA GENOA RD 77075 10009 ALMEDA GENOA RD 77075 0 MELDRUM 77075 0 ROWLETT ST 77075	WAREHOUSE STORE	34,931,454	52,397.18
BROADWAY POST PARTNERS LLC 8205 SANTA MONICA BLVD STE 298 WEST HOLLYWOOD CA 90046-5967	0402390000108 1141750000001 0402390000101 1097870000007 1141690000001 0402390000100	8750 BROADWAY ST #222 77061 8955 BROADWAY ST #208 77061 8200 BROADWAY ST #224 77061 8900 GLENCREST ST #208 77061 8915 BROADWAY ST #200 77061 8601 BROADWAY ST #380 77061	MULTI-FAMILY	31,253,764	46,880.65
ACQUISITION BROADWAY SQUARE LLC 500 SKOKIE BLVD STE 200 NORTHBROOK IL 60062-2862	1097860000001 1097860000002 1097860000003 1097890000008	8751 BROADWAY ST #213 77061 7900 MORLEY ST #292 77061 8801 GLENCREST ST #322 77061 8950 GLENCREST ST #200 77061	MULTI-FAMILY	23,746,236	35,619.35
CENTER AMERICA PROPERTY TRUST LP 3901 BELLAIRE BLVD HOUSTON TX 77025-1100	1254930010002 1254930010001	10235 ALMEDA GENOA RD 77034 10225 ALMEDA GENOA RD 77034	RETAIL CENTER	20,632,565	30,948.85
ATRIUM FINANCE II LP MARRIOTT HOBBY 4243 HUNT RD BLUE ASH OH 45242-6645	0342030040003 0342030020130 0342030020118	9100 GULF FWY 77061 9100 GULF FWY 77061 9100 GULF FWY #287 77017	HOTEL	20,332,000	30,498.00
1859 HISTORIC HOTELS LTD 2302 POST OFFICE ST GALVESTON TX 77550-1935	0963850000001 0963850000003	8181 AIRPORT BLVD #303 77061 0 RUTHBY 77061	HOTEL	18,329,659	27,494.49
VIVA PROPERTIES LLC P O BOX 405 LOLITA TX 77971-0405	0971580000001 1199160010001 0971580000002	0 VILLA DR 77061 0 NEUHAUS AVE 77061 8300 TEWANTIN DR	WAREHOUSE	18,264,385	27,396.58

HARRIS COUNTY IMPROVEMENT DISTRICT NO. 9

May 2016					
TOP TEN ASSESSMENT PAYERS					
POWELL ELECTRICAL SYSTEMS LLC 8550 MOSLEY RD HOUSTON TX 77075-1116	1193970010001	7232 AIRPORT BLVD 77061	MANUFACTURING	17,622,467	26,433.70
C G 7600 LP % GARVER 1901 LEXINGTON ST HOUSTON TX 77098-4219	0421910000006 0421910000117	7600 S SANTA FE DR 77061 7600 S SANTA FE DR 77061	WAREHOUSE	16,490,445	24,735.67
INLAND DIVERSIFIED HOUSTON OREM LLC P O BOX 460069 ESCONDIDO CA 92046-0069	1307400010001 1296790010001	6905 E OREM DR 77075 6903 E OREM DR 77075	TRUCK TERMINAL	22,614,009	23,098.22

HARRIS COUNTY IMPROVEMENT DISTRICT 9

May 2016					
TOP TEN DELINQUENT ACCOUNTS					
PROPERTY OWNER	ACCOUNT NO	SITUS	PROPERTY TYPE	ASSESSMENT YEAR(S)	ASSESSMENT
HOUSTON SERVICE INDUSTRIES 7901 HANSEN RD HOUSTON TX 77061-3428	91 034 203 002 0099	7901 HANSEN RD 77061	WAREHOUSE	2015	5,686.74
RBIP TRANSPORTATION LLC 6750 BENDER RD HUMBLE TX 77396-2107	91 034 207 011 0025	9201 TAVENOR LN 77075	WAREHOUSE	2015	4,503.40
RMF PLANT LLC 7922 HANSEN RD HOUSTON TX 77061-3429	91 034 203 002 0081	7922 HANSEN RD 77061	WAREHOUSE	2015	3,537.91
MOTEL 6 NO 1086 1020 BRAND LN STE 525 STAFFORD TX 77477-5757	91 034 203 001 0083	8800 AIRPORT BLVD #124 77061	HOTEL / MOTEL	2015	2,860.94
AHR PARTNERS LP 500 MAIN ST STE 1200 FORT WORTH TX 76102-3926	91 034 207 010 0045	9517 ALMEDA GENOA RD 77075	INDUSTRIAL	2015	2,812.50
BLACKBURN INSTRUMENTS CO 7525 WYNLEA ST HOUSTON TX 77061-2833	91 040 239 000 0050	7525 WYNLEA ST 77061	WAREHOUSE	2014 - 2015	2,305.52
HAMS AVIATION MAINTENANCE SRV INC 7766 BRANIFF ST HOUSTON TX 77061-5120	91 043 228 000 0031	8703 TELEPHONE RD 77061	STORAGE HANGAR	2013 - 2015	2,146.33
MPM REAL ESTATE LLC C/O MARTIN SCHOLZ 3 E POMEGRANATE RD RANCHO PALOS VERDES CA 90275-5900	91 048 001 000 0190	8122 TELEPHONE RD 77075	INDUSTRIAL	2015	2,022.08
MERRIKH JAMILEH 8105 HOWARD DR HOUSTON TX 77017-4622	91 034 203 003 0126	8342 MOSLEY RD 77075	WAREHOUSE	2014 - 2015	1,952.05
CANTO III LLC 7901 LEONORA ST HOUSTON TX 77061-1080	91 095 066 000 0012	7901 LEONORA ST #62 77061	APARTMENT GARDEN	2015	1,950.00
* Pending HCAD Value Lawsuits					

**Harris County Improvement District No. 9 / Hobby Area
Lawsuit and Arbitration Status Summary as of 5/13/2016**

Jur 943

Summary

Settled

1,411,566,979	Original value of Settled accounts as of 5/13/2016
459	Number of Settled accounts as of 5/13/2016
205,966,746	Reduction in value of Settled accounts
14.59%	Average % reduction in value of Settled accounts*

Unsettled

172,069,314	Original value of Unsettled accounts as of 5/13/2016
59	Number of Unsettled accounts as of 5/13/2016

.15 Tax rate per \$100 valuation

\$37,661	Estimated* reduction in assessment on 59 Unsettled accounts, based on 14.59% average
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** Historical data from Tax Years 2007 through 2012 were used to establish initial statistics for the "average % reduction in value of Settled accounts."*

PERDUE, BRANDON, FIELDER, COLLINS & MOTT L.L.P.
DELINQUENT ASSESSMENT REPORT
HARRIS COUNTY IMPROVEMENT DISTRICT #9
June 9, 2016

Amounts shown are 2014 base assessment amounts unless indicated.

Suit pending:

RBIP Transportation LLC \$3,750.33, 2 accounts on Meldrum Rd. & 2 accounts at 9201 Tavenor Ln.-0342070110003, 0342070110005, 0342070110025, 0342070110041

We have intervened in a suit filed by Pasadena ISD. A hearing date has not been set at this time; we will monitor the case.

The Furniture Bank \$1,484.20, 8220 Mosley Rd.-0342030020122

We have intervened in a suit filed by Pasadena ISD; we will monitor the case. HCAD recently granted a total exemption for 2015 and a partial exemption for 2014. The assessment office has received and processed the correction and the 2014 assessment amount due has been reduced.

Jamileh Merrikh \$919.41, 8342 Mosley Rd.-0342030030126

We have intervened in a suit filed by Harris County; a new trial date is set for 7/20/16.

We have also intervened in a suit filed by Pasadena ISD. We will monitor both cases.

Zeenat Foundation 13-14 assessments \$790.62, Reserve A Block 1 on Monroe Rd.-1236430010001

We have intervened in a suit filed by Pasadena ISD; we will monitor the case.

Edward John Stevens 13-14 assessments \$221.99, 8129 Telephone Rd.-0650500010008

We have intervened in a suit filed by Harris County; the account has been **paid in full**. The 2015 taxes are also paid.

Abraham Green 13-14 assessments \$142.04, vacant tract on Bellfort St.-0410120010078

We have intervened in a suit filed by Harris County; judgment was signed on 5/11/15. The judgment is final; a judgment letter has been sent but there has been no response. The county has not set the property for tax sale because the owner has set up a payment agreement.

Agbolade O. Odutayo 13-14 assessments \$105.63, 8116 Gulf Fwy.-0630610000031

Suit filed; judgment was submitted on 5/13/16. As of 6/2, there has been no ruling. On 3/23/16, Odutayo committed to pay in 3 installments; the second payment has been received. They also owe delinquent taxes to Alief ISD, another client we represent.

Isiah Hunt 13-14 assessments \$63.00, Lot 17, Block 9 on Northdale St.-0600770090017

We have intervened in a suit filed by Harris County; judgment was signed on 11/17/15. The judgment is final; a judgment letter has been sent but there has been no response. **The county set the property for tax sale on 4/5/16 but the sale was postponed; we anticipate it will be set for sale again on 6/7/16.**

Edwin Meyer 13-14 assessments \$62.76, 6614 Heffernan St.-0600770060004

We have intervened in a suit filed by Harris County; we will monitor the case.

Estate of Khosrow Abtahi 13-14 assessments \$42.00, 6539 Northdale-0600770090024

We have intervened in a suit filed by Harris County; judgment was submitted on 2/24/16. The judgment was signed on 3/29/16 but the county filed a motion for a new trial. A new trial date is set for 6/29/16. We are monitoring the case.

- Where appropriate, delinquent 2015 assessments are included in the above suits.

The following accounts have been paid in full:

Michael J. Bochniak 13 assessments \$422.59, 6611 Telephone Rd.-0572590000067

2014 accounts:

Blackburn Instruments Co. \$1,129.88, 7525 Wynlea St.-0402390000050

On 5/2, we spoke to Patsy again and she said that payment wasn't submitted as promised because they were still waiting on funds. She said that she is working to get the account paid soon and she said she would call us back. They own the property with no mortgage. If the account isn't paid soon, we will file suit and include the delinquent 2015 assessments.

- In addition to the account listed above, there are 15 accounts with 2014 base assessments ranging from \$2 to \$813; 12 of these accounts have base assessments of less than \$400. Demand letters have been sent, we are trying to reach each owner by phone and we are contacting lienholders, where appropriate.

Other accounts:

Ham's Aviation Maintenance Service Inc. 13-14 assessments \$1,420.69, improvements only account at 8703 Telephone Rd.-0432280000031

We have spoken to Carla Ham who said they left Houston many years ago and that Million Air is now the owner of this location. This is a building on City owned land at Hobby Airport. We have told HCAD what we know and we have asked them twice to let us know what they know about this account and they have not replied, the County tax office has over \$150,000 due on this account, it is odd that HCAD is unresponsive and nothing seems to have been done on this.

- In addition to the accounts listed above, there are 5 accounts with base assessments between \$400 and \$795 and 23 accounts that have base assessments of less than \$400. Demand letters have been sent, we are trying to reach each owner by phone and we are contacting lienholders, where appropriate. Due to the size of the accounts, further action is not recommended at this time.

If you have any questions, please feel free to contact me.



Carl O. Sandin

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HOBBY AREA MANAGEMENT DISTRICT
(HARRIS COUNTY IMPROVEMENT DISTRICT NUMBER 9)
CITY OF HOUSTON
HARRIS COUNTY, TEXAS

AGENDA MEMORANDUM

TO: Hobby Area Management District Board of Directors
FROM: Executive Director
SUBJECT: Agenda Item Materials

5. Receive the bookkeeper's report and approve invoices for payment.

HOBBY AREA MANAGEMENT DISTRICT

MONTHLY FINANCIAL REPORT

APRIL 2016

*Governmental
Financial
Reporting, LLC*

Hobby Area Management District
Balance Sheet
As of April 2016

	April 16
ASSETS	
Current Assets	
Checking/Savings	
1010 · Amegy Bank	34,701.49
1020 · Wells Fargo Bank	132,462.20
1030 · Plains State Bank - CD	247,179.45
1040 · TexSTAR-Operating	1,621,512.39
Total Checking/Savings	2,035,855.53
Other Current Assets	
1200 · Assessment Receivable	95,168.51
Total Other Current Assets	95,168.51
Total Current Assets	2,131,024.04
TOTAL ASSETS	2,131,024.04
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
2000 · Accounts Payable	175,686.06
Total Accounts Payable	175,686.06
Other Current Liabilities	
2100 · Assessment Refunds Payable	1,342.92
2200 · Deferred Assessment Revenue	1,164,871.50
Total Other Current Liabilities	1,166,214.42
Total Current Liabilities	1,341,900.48
Total Liabilities	1,341,900.48
Equity	
3000 · Retained Earnings	645,896.19
Net Income	143,227.37
Total Equity	789,123.56
TOTAL LIABILITIES & EQUITY	2,131,024.04

Hobby Area Management District
Statement of Sources & Uses - Budget vs Actual
April 2016

MAINTENANCE & OPERATIONS FUND	<u>April 16</u>	<u>Budget</u>	<u>Jan - Apr 16</u>	<u>YTD Budget</u>	<u>Annual Budget</u>
M&O SOURCES OF FUNDS					
4000 · District Assessments	142,567.67	142,399.00	571,719.96	569,596.00	1,708,786.00
4010 · Penalty & Interest Revenue	4,537.05	3,000.00	15,106.83	12,000.00	36,000.00
4020 · Overpayments	175.66	5,500.00	20,783.68	22,000.00	66,000.00
4030 · Assessment Refunds	-175.66	-5,542.00	-19,223.16	-22,168.00	-66,500.00
4050 · Grant and Donations	0.00	5,525.00	0.00	22,100.00	66,300.00
4060 · Interest Revenue	444.79	42.00	1,172.14	168.00	500.00
TOTAL M&O SOURCES OF FUNDS	<u>147,549.51</u>	<u>150,924.00</u>	<u>589,559.45</u>	<u>603,696.00</u>	<u>1,811,086.00</u>
M&O USES OF FUNDS					
Public Safety					
6010 · Contract Public Safety	14,499.00	16,848.00	57,672.00	67,392.00	202,180.00
6015 · Apartment Life Initiatives	1,615.00	2,083.00	4,845.00	8,332.00	25,000.00
6020 · Mobile Cameras	5,900.00	6,400.00	22,900.00	25,600.00	76,800.00
6025 · Nuisance Abatement Program	4,020.84	4,375.00	16,083.09	17,500.00	52,500.00
6030 · Street Light Outage Survey	350.00	175.00	700.00	700.00	2,100.00
6035 · Graffiti Abatement	2,560.00	3,333.00	10,880.00	13,332.00	40,000.00
6040 · Project Management	4,875.00	4,875.00	19,500.00	19,500.00	58,502.00
Total Public Safety	<u>33,819.84</u>	<u>38,089.00</u>	<u>132,580.09</u>	<u>152,356.00</u>	<u>457,082.00</u>
Mobility, Environmental, Urban Design					
6050 · Porter Service	9,466.67	10,417.00	37,206.68	41,668.00	125,000.00
6055 · Project Management	1,463.00	1,463.00	5,852.00	5,852.00	17,551.00
Total Mobility, Environ, Urban Design	<u>10,929.67</u>	<u>11,880.00</u>	<u>43,058.68</u>	<u>47,520.00</u>	<u>142,551.00</u>
Business & Economic Development					
6060 · Economic Developmt Programs	890.38	9,833.00	12,529.81	39,332.00	118,000.00
6065 · Events, Festivals, Comm. Proj.	2,000.00	2,250.00	5,216.92	9,000.00	27,000.00
6070 · Creative ED Support	22,820.00	6,933.00	44,147.50	27,732.00	83,200.00
6075 · Marketing Mtls & Promo Items	0.00	2,333.00	8,337.27	9,332.00	28,000.00
6080 · Project Management	2,925.00	2,925.00	11,700.00	11,700.00	35,101.00
Total Business & Economic Development	<u>28,635.38</u>	<u>24,274.00</u>	<u>81,931.50</u>	<u>97,096.00</u>	<u>291,301.00</u>
Administration					
6110 · Administration & Management	1,463.00	1,463.00	5,852.00	5,852.00	17,551.00
6115 · Meeting Expense	1,257.61	1,250.00	5,257.06	5,000.00	15,000.00
6120 · Reimbursable Expenses	1,961.15	500.00	5,316.05	2,000.00	6,000.00
6125 · Postage	71.43	23.00	106.18	92.00	280.00
6130 · Office Supplies	426.19	467.00	1,743.64	1,868.00	5,600.00
6135 · Public Notices, Advertising	933.00	12.50	960.00	50.00	150.00
6140 · Legal Services	5,091.05	3,750.00	14,559.11	15,000.00	45,000.00
6145 · Audit Services	0.00	542.00	0.00	2,168.00	6,500.00
6150 · Bookkeeping	600.00	600.00	2,400.00	2,400.00	7,200.00
6155 · Assessment Billing	2,125.71	1,875.00	8,335.13	7,500.00	22,500.00
6160 · Assessment Database Mgmt	300.00	300.00	1,200.00	1,200.00	3,600.00
6165 · Office Equipment	0.00	250.00	0.00	1,000.00	3,000.00
6170 · Insurance	0.00	125.00	0.00	500.00	1,500.00
6175 · Other	13.00	21.00	315.39	84.00	250.00
Total Administration	<u>14,242.14</u>	<u>11,178.50</u>	<u>46,044.56</u>	<u>44,714.00</u>	<u>134,131.00</u>

Hobby Area Management District
Statement of Sources & Uses - Budget vs Actual

April 2016

	<u>April 16</u>	<u>Budget</u>	<u>Jan - Apr 16</u>	<u>YTD Budget</u>	<u>Annual Budget</u>
Community Development Fund					
Hobby Fest					
6205 · Project Management	975.00	975.00	3,900.00	3,900.00	11,700.00
6210 · Committee Support & Supplies	0.00	333.00	62.48	1,332.00	4,000.00
6220 · Marketing & Promotional Items	12,146.24	2,667.00	20,866.23	10,668.00	32,000.00
6230 · Creative Services	6,766.04	958.00	11,826.04	3,832.00	11,500.00
Total Hobby Fest	<u>19,887.28</u>	<u>4,933.00</u>	<u>36,654.75</u>	<u>19,732.00</u>	<u>59,200.00</u>
6250 · Other Community Projects	0.00	1,250.00	0.00	5,000.00	15,000.00
Total Community Development Fund	<u>19,887.28</u>	<u>6,183.00</u>	<u>36,654.75</u>	<u>24,732.00</u>	<u>74,200.00</u>
TOTAL M&O USES OF FUNDS	<u>107,514.31</u>	<u>91,604.50</u>	<u>340,269.58</u>	<u>366,418.00</u>	<u>1,099,265.00</u>
M&O EXCESS SOURCES OVER USES	<u>40,035.20</u>	<u>59,319.50</u>	<u>249,289.87</u>	<u>237,278.00</u>	<u>711,821.00</u>
BALANCES AND TRANSFERS					
7000 · Prior Year Fund Balance	649,595.00	649,595.00	649,595.00	649,595.00	649,595.00
7005 · General Fund Planned Reserves	40,035.20	59,318.00	249,289.87	237,272.00	711,820.00
7010 · Lighting Reimbursement	0.00	11,223.00	0.00	44,892.00	134,678.00
7015 · Broadway Hardscape Rimbursement	0.00	46,453.00	0.00	185,812.00	557,432.00
Total Balances	<u>689,630.20</u>	<u>766,589.00</u>	<u>898,884.87</u>	<u>1,117,571.00</u>	<u>2,053,525.00</u>
7020 · Gen Fund Transfer to Capital Budget	-12,675.00	-101,738.00	-106,062.50	-406,952.00	-1,220,856.00
TOTAL BALANCES AND TRANSFERS	<u>676,955.20</u>	<u>664,851.00</u>	<u>792,822.37</u>	<u>710,619.00</u>	<u>832,669.00</u>
CAPITAL IMPROVEMENT FUND					
CAPITAL SOURCES OF FUNDS					
8001 · Transfer from General Fund	12,675.00	101,738.00	106,062.50	406,952.00	1,220,856.00
TOTAL SOURCES OF FUNDS	<u>12,675.00</u>	<u>101,738.00</u>	<u>106,062.50</u>	<u>406,952.00</u>	<u>1,220,856.00</u>
CAPITAL USES OF FUNDS					
Design and Engineering Services					
8010 · General Engineering Services	0.00	5,000.00	0.00	20,000.00	60,000.00
8012 · Esplanade Design	0.00	3,125.00	0.00	12,500.00	37,500.00
8014 · Metro Engineering Design	0.00	1,875.00	0.00	7,500.00	22,500.00
8016 · Signage and Identity Design	0.00	3,750.00	0.00	15,000.00	45,000.00
Total Design and Engineering Services	<u>0.00</u>	<u>13,750.00</u>	<u>0.00</u>	<u>55,000.00</u>	<u>165,000.00</u>
Mobility, Environmental, Urban Design					
8048 · Livable Centers Grant Match	0.00	4,479.00	55,362.50	17,916.00	53,750.00
8055 · Project Management	12,675.00	12,675.00	50,700.00	50,700.00	152,106.00
8063 · Esplanada Enhancement	0.00	20,833.00	0.00	83,332.00	250,000.00
8065 · METRO Bus Shelter Enhancement	0.00	12,500.00	0.00	50,000.00	150,000.00
8070 · Signage and Identity Installation	0.00	25,000.00	0.00	100,000.00	300,000.00
Total Mobility, Environmental, Urban Design	<u>12,675.00</u>	<u>75,487.00</u>	<u>106,062.50</u>	<u>301,948.00</u>	<u>905,856.00</u>
8090 · Fund Reserve - District Office	0.00	12,500.00	0.00	50,000.00	150,000.00
TOTAL CAPITAL USES OF FUNDS	<u>12,675.00</u>	<u>101,737.00</u>	<u>106,062.50</u>	<u>406,948.00</u>	<u>1,220,856.00</u>
CAPITAL SOURCES NET OF USES	<u>0.00</u>	<u>1.00</u>	<u>0.00</u>	<u>4.00</u>	<u>0.00</u>

**Hobby Area Management District
Bank Account Registers
As of June 9, 2016**

<u>Type</u>	<u>Date</u>	<u>Num</u>	<u>Name</u>	<u>Memo</u>	<u>Amount</u>	<u>Balance</u>
Amegy Bank						34,301.85
Bill Pmt -Check	05/19/2016	1581	CoStar Realty Information, Inc.	Real Estate Information	(447.35)	33,854.50
Bill Pmt -Check	06/02/2016	1582	Amegy Visa Credit Card	AAAE Conference & Miscellaneous	(4,459.31)	29,395.19
Check	06/09/2016	1583	C I M Industries Inc.	Refund: 6900 Nelms Street	(337.50)	29,057.69
Check	06/09/2016	1584	Medallion Investment IV	Refund: 8776 Airport Blvd. 73	(841.20)	28,216.49
Check	06/09/2016	1585	Reyna D. Espinal	Refund: 7773 Bellfort Street	(264.25)	27,952.24
Check	06/09/2016	1586	Tae K Kim	Refund: 6660 Telephone Road	(78.51)	27,873.73
Bill Pmt -Check	06/09/2016	1587	Chris Labod	Website Maintenance	(350.00)	27,523.73
Bill Pmt -Check	06/09/2016	1588	Cracked Fox	AAAE & General Marketing	(2,970.00)	24,553.73
Bill Pmt -Check	06/09/2016	1589	e-Vision 1 Productions, LLC	Hobby Fest & Broadway	(1,400.00)	23,153.73
Bill Pmt -Check	06/09/2016	1590	Equi-tax Inc.	Monthly Roll Management & Collection	(2,425.71)	20,728.02
Bill Pmt -Check	06/09/2016	1591	Governmental Financial Reporting	Bookkeeping	(712.90)	20,015.12
Bill Pmt -Check	06/09/2016	1592	Magoo's Print Shop	Banner & Name Badges	(398.20)	19,616.92
Bill Pmt -Check	06/09/2016	1593	Mario N. Ramirez	Business Ambassador	(2,872.70)	16,744.22
Bill Pmt -Check	06/09/2016	1594	Perdue, Brandon, Fielder, Collins	Delinquent collections	(869.12)	15,875.10
Bill Pmt -Check	06/09/2016	1595	Roland Fry & Warren, LLC	Year End 2015 Audit Preparation	(3,600.00)	12,275.10
Transfer	06/09/2016	Trf.	TexSTAR	Transfer from TexSTAR	75,000.00	87,275.10
Bill Pmt -Check	06/09/2016	1596	SEAL Security Solutions LLC	Security & Cameras	(19,452.00)	67,823.10
Bill Pmt -Check	06/09/2016	1597	United Graphics	250 - 12 page self CVR	(635.00)	67,188.10
Bill Pmt -Check	06/09/2016	1598	Core Logic Safe Rent	Apartment Life Initiatives	(1,620.00)	65,568.10
Bill Pmt -Check	06/09/2016		Hawes Hill Calderon LLC	Administration/Management	(26,567.88)	39,000.22
Bill Pmt -Check	06/09/2016	1600	SMC Logistics	Liter abatement of right-of-way	(9,166.67)	29,833.55
Total Amegy Bank					(4,468.30)	29,833.55
Wells Fargo Bank						132,462.20
Total Wells Fargo Bank					0.00	132,462.20
Plains State Bank - CD						247,179.45
Total Plains State Bank - CD					0.00	247,179.45
TexSTAR-Operating						1,446,512.39
Transfer	06/09/2016		Transfer to Amegy Bank	Transfer to Amegy Operating	(75,000.00)	1,371,512.39
Total TexSTAR-Operating					(75,000.00)	1,371,512.39
TOTAL					(79,468.30)	1,780,987.59



Equi-Tax Inc.
Ad Valorem Tax Assessors / Collectors

www.equitaxinc.com

17111 Rolling Creek Drive, Suite 200, Houston, Texas 77090
P. O. Box 73109, Houston, Texas 77273
Customer Service 281.444.3946 Fax 281.440.8304

DATE: 05/16/2016

LEGAL DESCRIPTION

C I M INDUSTRIES INC
295 UNIVERSITY AVE
WESTWOOD MA 02090-2315

TR ID BLK 15
CENTRAL INDUSTRIAL PARK SEC 4
6900 HELMS ST

HARRIS COUNTY IMP DIST 9

ACCOUNT NUMBER: 91/103/355/000/0005
YEAR: 2015
REF No.: 0892227

DATE PROCESSED: 05/16/2016
RECEIPT NUMBER: 91151284
DEPOSIT BATCH No.: RP160516

NOTICE OF CHANGE IN ASSESSMENT

We have been notified by the Appraisal District of a change in the appraisal of your property that has resulted in a change in your assessment for the 2015 year.

The explanation of the change is:

- | | |
|------------------------------------------------------|--------------------------------------------------------------------|
| <input type="checkbox"/> Decrease in Appraised Value | <input type="checkbox"/> Account Prorated |
| <input type="checkbox"/> Exemption(s) Added | <input type="checkbox"/> Account Deleted |
| <input type="checkbox"/> Homestead | <input type="checkbox"/> Rendition Penalty Waived |
| <input type="checkbox"/> Over 65 | <input checked="" type="checkbox"/> Other: <u>Cause 2015-63831</u> |
| <input type="checkbox"/> Disabled Person | |
| <input type="checkbox"/> Disabled Veteran | |

This action has resulted in a decrease in the amount you owe. Accordingly, we are issuing you a refund in the amount of \$337.50.

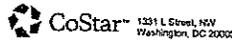
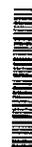
Note: Questions regarding changes in value should be directed to the Appraisal District.

If you need more information, call Customer Service at 281.444.3946.

INVOICE

Location ID:	35766770
Invoice Date:	05/04/16
Invoice Number:	103896764
Fed Tax ID No.:	52-2134817

Page 1 of 2



1231 L Street, NW
Washington, DC 20005

GRETCHEN LARSON
HAWES HILL CALDERON LLP
8610 LONG POINT RD
HOUSTON TX 77055-4265

Enroll Today in Invoice Gateway.
Find Enrollment Token on bottom left of this invoice.

CURRENT INVOICE See the following page(s) for detail

CoStar Suite with Concept	867.00
Sub-Total	867.00
Tax	57.22
Current Invoice Total	924.22

SUMMARY OF CHARGES

Previous Balance	1,519.12
Late Charge	0.00
Payments (Cash payment received on 04/26/16)	(1,101.27)
Credits	0.00
Debits	0.00
Invoice Total	624.22

Total Balance Due 1,342.07

Payments received after the date noted in the Summary of Charges will appear on your next invoice.

For questions about your bill, please call us at 800-894-4724.

Please ensure that your account is kept current to avoid an interruption of service.

REMITTANCE DOCUMENT - Please include With Your Payment

Location ID: 35766770
GRETCHEN LARSON
HAWES HILL CALDERON LLP
8610 LONG POINT RD
HOUSTON TX 77055-4265

Please Send Written Correspondence Including Address Changes To:

CoStar Group, Inc.
Attn: Accounting Dept. - Contracts
1331 L Street, NW
Washington, DC 20005

Make Checks Payable and Send To:

COSTAR REALTY INFORMATION, INC.
P.O. Box 781123
Dallas TX 75278-1123

Invoice Number:	103896764
Invoice Date:	05/04/16
Payment Due Date:	05/19/16
Current Invoice Amount:	924.22
Total Balance:	1,342.07

Amount Enclosed:

To View and Pay Your Bill Online Go To: costar.billmat.com
Use This Enrollment Token: **PPV DFV MKD**

07015022

CoStarGroup.com



Equi-Tax Inc.
Ad Valorem Tax Assessors / Collectors

www.equitaxinc.com

17111 Rolling Creek Drive, Suite 200, Houston, Texas 77090
P. O. Box 73109, Houston, Texas 77273
Customer Service 281.444.3946 Fax 281.440.8304

DATE: 06/01/2016

LEGAL DESCRIPTION

MEDALLION INVESTMENT IV
c/o Popp Hutcheson PLLC
1301 S. MoPac Expressway, Ste 430
Austin, TX 78746

TRS 49A-2 & 50D
SOUTH HOUSTON GARDENS SEC 6
8776 AIRPORT BLVD 73

HARRIS COUNTY IMP DIST 9

ACCOUNT NUMBER: 91/034/203/001/0324
YEAR: 2015
REF No.: 0892349

DATE PROCESSED: 06/01/2016
RECEIPT NUMBER: 91150109
DEPOSIT BATCH No.: RP160601

NOTICE OF CHANGE IN ASSESSMENT

We have been notified by the Appraisal District of a change in the appraisal of your property that has resulted in a change in your assessment for the 2015 year.

The explanation of the change is:

- | | |
|------------------------------------------------------|--------------------------------------------------------------------|
| <input type="checkbox"/> Decrease in Appraised Value | <input type="checkbox"/> Account Prorated |
| <input type="checkbox"/> Exemption(s) Added | <input type="checkbox"/> Account Deleted |
| <input type="checkbox"/> Homestead | <input type="checkbox"/> Rendition Penalty Waived |
| <input type="checkbox"/> Over 65 | <input checked="" type="checkbox"/> Other: <u>Cause 2015-54655</u> |
| <input type="checkbox"/> Disabled Person | |
| <input type="checkbox"/> Disabled Veteran | |

This action has resulted in a decrease in the amount you owe. Accordingly, we are issuing you a refund in the amount of \$841.20.

Note: Questions regarding changes in value should be directed to the Appraisal District.

If you need more information, call Customer Service at 281.444.3946.



CONTROL ACCOUNT
HOBBY AREA MD
Accounts Number:
xxxx xxxx 0683



ACCOUNT SUMMARY

Account Number	xxxx xxxx 0683	Previous Balance	\$8,776.33
Credit Limit	\$10,000.00	Payments	\$8,776.33
Available Credit	\$5,540.00	Credits	\$0.00
Statement Closing Date	May 23, 2016	Purchases	\$4,459.31
Payment Due Date	June 12, 2016	Other Charges	\$0.00
Amount Past Due	\$0.00	Cash Advances	\$0.00
Min Payment Due	\$111.00	Finance Charges	\$0.00
Days in Billing Cycle	31	New Balance	\$4,459.31

TRANSACTIONS

Trans Date	Post Date	Reference Number	Transaction Description	Amount
05/10	05/10	747680GLBKQSTLT	PAYMENT - THANK YOU	\$8,776.33
TOTAL XXXXXXXXXXXX0683				\$8,776.33
DANNY PERKINS				
05/18	05/18	24445746W2X0449XZ	OFFICE DEPOT #2224 PEARLAND TX	\$12.65
TOTAL XXXXXXXXXXXX0782				\$12.65
GRETCHEN LARSON				
04/29	04/29	2443565G960245333	AAAE 703-824-0500 VA	\$125.00
04/29	04/29	2481121G900MAVNV4V	SP TWISTEDMISTER PRODUCT HOUSTON TX	\$51.00
05/02	05/02	2463923G36664DPL	TEXAS SELF STORAGE - 713-9601880 TX	\$9.00
05/12	05/12	2443565G960245333	AAAE 703-824-0500 VA	\$3,000.00
05/15	05/15	2416407GR1106WPL42	FEDEXOFFICE 0002118 SUGAR LAND TX	\$21.64
05/15	05/15	2422658G721R4H6Q7	WAL-MART #0915 STAFFORD TX	\$24.94
05/16	05/16	2469216GT06MKRPAQ	FREEMAN HOUSTON 713-770-6750 TX	\$741.00
TOTAL XXXXXXXXXXXX0980				\$4,446.65

See Reverse Side for Important Information About Your Account

5549 8881 844 3 7 1A 188523 4 PAGE 1 OF 2 33 6390 8886 TELE 01885553 3453



PAYMENT INFORMATION

Account Number	xxxx xxxx 0683
Payment Due Date	05/12/16
New Balance	\$4,459.31
Minimum Payment Due	\$111.00
Past Due Amount	\$0.00
Cash Enclosed	
Total Payment Amount	\$

For prompt credit, send payment to location shown below.
Payments sent to any other location may delay crediting your account.
Please detach this portion and return it with your payment to ensure proper credit.

Make Checks Payable to:

BANKCARD CENTER
PO BOX 30833
SALT LAKE CITY UT 84130-0833

CONTROL ACCOUNT
HOBBY AREA MD
PO BOX 22167
HOUSTON TX 77227-2167



Chris Labod
2592 Deer Forest Dr
Spring TX 77373
(281)-659-0741

Hobby Area Management District
9410 Long Point Rd., Ste 150
Houston TX 77055

Invoice

Jan 01, 2016
Invoice # 2016-04-913
WebSite Maintenance

Item	hrs / qtr	rate / price	taxes	subtotal
Website Maintenance	90.00	\$350.00		\$3150.00

Subtotal \$350.00

Total due by Jan 15, 2016 \$350.00

#6070

HARRIS COUNTY IMP DIST 9
DATE: 02/06/2016
TAX YEAR: 2015

OVERAGE AMOUNT: \$264.25
DEPOSIT BATCH NO.: 91-222
RECEIPT NUMBER: 91150325

OWNER NAME: ESPINAL REYNA D CHECK NO.: 130
ACCOUNT NUMBER: 91/040/239/000/0095 DATE OF PAYMENT: 01/31/2016
PAID BY: LEGAL DESCRIPTION
ESPINAL REYNA D TR 33D
1106 ARCHER CT ABST 27 J R HARRIS
ALEXANDRIA VA 22312-3001 7773 BELLFORT ST

SECOND PAYMENT

DISTRICT NAME HARRIS COUNTY IMP DIST 9
Amount of Refund: \$264.25
OVERPAYMENT AMOUNT \$264.25

AMOUNT OF CHECK: \$264.25 CHECK NO: 130

AMOUNT APPLIED: \$0.00 Ref No.:

DIFFERENCE: \$264.25

COMPLETED BY: [Signature] DATE: 2-6

FIRST PAYMENT RECEIVED FROM: 435288 UMANZOR AMADILLA ESPINAL

DATE PAID: 01/31/2016 DEPOSIT# 91-220 CHECK# 380

DISPOSITION OF OVERPAYMENT

REFUND TO: Reyna Espinal DATE: 5-20-16

Address: 1106 Archer Ct

Address: _____

City: Alexandria State: VA Zip: 22312



hello! you have an invoice from:

Cracked Fox

2815 Bermuda Dunes Dr. Missouri City, TX 77459
Rian@CrackedFox.com | 832-354-4012 | www.CrackedFox.com

Date	Invoice No.	Terms
04/28/16	624	Net 30
Payments/Credits	Balance Due	
\$0.00	\$2,970.00	

Bill To:

Hobby Area District
P.O. Box 22167
Houston, TX 77227

Item	Description	Quantity	Rate	Amount
Marketing	marketing, graphic design and photography, research, meetings and other... for the month of April		0.00	0.00
Design	Print and web based design ED brochure	1.5	100.00	150.00
Design	Print design - Retractable Banner	5.2	100.00	520.00
Design	Print and web based designs AA&E flyer "Eyes of The World"	0.2	100.00	20.00
Design	Print and web based design - AA&E Booth flyer	5	100.00	500.00
Design	Print and web based designs - collateral production for vendors	1.5	100.00	150.00
1	Brandin, Marketing and Research including logo quality assurance in usage and recreation of logo used in district print collateral	0.6	100.00	60.00
2	Editing, proofing, and checking for website information/hyperlink integrity	0.5	100.00	50.00
3	Meetings, Correspondence, Phone Calls, and Invoicing	1	100.00	100.00
4	Photography: editing/color correction, airbrushing, cropping etc.) for use in web and print collateral. Captioning and Keywording of galleries for district usage and external search engines. Archiving district images to external hard drives, websites, and DVDs for backup	5	100.00	500.00
5	Providing license, stock photography, and partner requests and print requests.			
6	Social media: Facebook/twitter/instagram/updates, promotional, posting, tagging, creation of cover photos, Backup monitoring of Facebook, with response and interaction with visitors requests/options.	2	100.00	200.00
Total				

Creative Servs.
Thank you for your business

Thank you for your business!



Equi-Tax Inc.
Ad Valorem Tax Assessors / Collectors

www.equitaxinc.com

17111 Rolling Creek Drive, Suite 200, Houston, Texas 77090
P. O. Box 7510, Houston, Texas 77273
Customer Service 281.444.3946 fax 281.440.8304

DATE: 05/16/2016

LEGAL DESCRIPTION

Tae K Kim
6650 Telephone Rd
Houston TX 77061-1636

RES A BLK 1
KIDINS CORNER

6650 TELEPHONE RD

HARRIS COUNTY IMP DIST 9

ACCOUNT NUMBER: 91/121/309/001/0001
YEAR: 2014
REF No.: 0892218

DATE PROCESSED: 05/16/2016
RECEIPT NUMBER: 91141355
DEPOSIT BATCH NO.: RP160516

NOTICE OF CHANGE IN ASSESSMENT

We have been notified by the Appraisal District of a change in the appraisal of your property that has resulted in a change in your assessment for the 2014 year.

The explanation of the change is:

- | | |
|------------------------------------------------------|--------------------------------------------------------------------|
| <input type="checkbox"/> Decrease in Appraised Value | <input type="checkbox"/> Account Prorated |
| <input type="checkbox"/> Exemption(s) Added | <input type="checkbox"/> Account Deleted |
| <input type="checkbox"/> Homestead | <input type="checkbox"/> Rendition Penalty Waived |
| <input type="checkbox"/> Over 65 | <input checked="" type="checkbox"/> Other: <u>CAUSE 2014-07612</u> |
| <input type="checkbox"/> Disabled Person | |
| <input type="checkbox"/> Disabled Veteran | |

This action has resulted in a decrease in the amount you owe. Accordingly, we are issuing you a refund in the amount of \$78.51.

Note: Questions regarding changes in value should be directed to the Appraisal District.

If you need more information, call Customer Service at 281.444.3946.

Equi-Tax Inc.

Suite 200
17111 Rolling Creek Drive
Houston Texas 77090
281-444-4866

Invoice

DATE	INVOICE #
6/1/2016	49579

BILL TO

HCID No. 9 / Hobby Area
c/o Bracewell & Giuliani
711 Louisiana St, Ste 2300
Houston TX 77002-2770

DESCRIPTION	AMOUNT
Roll Management	300.00
Monthly Fee per Contract for Assessment Collection	2,125.71
Total	\$2,425.71



hello! you have an invoice from:

Cracked Fox
2815 Bermuda Dunes Dr. Missouri City, TX 77459
Phone: CrackedFox.com | 837.364.4012 | www.CrackedFox.com

Date	Invoice No.	Terms
04/26/16	674	Net 30
Payments/Credits	Balance Due	
\$0.00	\$2,970.00	

Bill To:
Hobby Area District
PO Box 22167
Houston, TX 77227

Item	Description	Quantity	Rate	Amount
0	Print and Web resolution creation of files in proper formats for distribution to printers, web developers, partners and staff.	1.2	100.00	120.00
Total				\$2,970.00

Thank you for your business

Thank you for your business!

**Governmental
Financial
Reporting, LLC**

1525 Lakeville Drive, Suite 121
Kingwood, TX 77339
(281) 348-9151
FAX (281) 348-9199

6/2/2016

Hobby Area Management District
P.O. Box 22167
Houston, TX 77227-2167

For Professional Services Rendered

Bookkeeping services provided during May 2016 for the month of April 2016	600.00
Postage and Deliveries (one roll of stamps and couriers)	71.50
Mileage	41.40

\$712.90



INVOICE

evipro.com
e-Vision 1 Productions, LLC
2522 Palo Pinto Dr.
Houston, TX 77080
Phone 713-703-4811

Date: May/1/2016
Invoice # 9

For: Hobby Fest
Video Highlights

To:
Gretchen Larson
Director of Marketing
Hobby Area Management District
PO Box 22167
Houston, TX 77227-2167
(713) 595-1217

DESCRIPTION	QTY	RATE	AMOUNT
HAMD - Hobby Fest Video Highlights	1.00	900.00	\$ 900.00
HAMD - Broadway Photos May-10	1.00	500.00	500.00
Tax exemption			
<i>Creative Servs - H.F. & Gen.</i>			SUBTOTAL \$ 1,400.00
			SALES TAX @ 8.25% -
			OTHER -
TOTAL			\$ 1,400.00

Make all checks payable to e-Vision 1 Productions, LLC

THANK YOU FOR YOUR BUSINESS!

PERDUE, BRANDON, FIELDER, COLLINS & MOTT LLP
 Attorneys at Law
 1235 North Loop West, Suite 600
 Houston, Texas 77008

INVOICE	IVC00030772
Type	
Date	5/2/2016
Page	1

Bill to:

Harris County ID #9 (Hobby Area Management Dis)
 c/o Equi-Tax, Inc.
 PO Box 73109
 Houston, TX 77273

Description	Est. Price
Professional Services rendered in the collection of delinquent taxes, penalties and interest April 2016	\$900.12
Total	\$900.12



INVOICE for email

Date: 5/12/2016
 Invoice #: 16-5028

Bill To:

Hobby Area District
 PO Box 22671
 Houston, TX 77227-2167

P.O. Number	Customer Contact	Rep	Account #	Terms
	Gretchen Larson			Net 10 Days
Item Code	Quantity	Description	Amount	
NPlate / Bo...	1 each of 6 names	Magnetic Name Badges - A. Collum; J. Nelson; H. Bonsall; S. DeHaven; M. Evans; V. Zachary	107.70	
Set-up	1 each	Set-up	32.00	
Shipping	1 each	UPS Shipping	9.50	
Banners	1 each	Hobby Area District Retractable Banner	249.00	
Total			\$398.20	

6060 - Mktg. Ad
 Thank you for choosing Magoo's! EIN # 20-0544930

Magoo's PrintShop, Inc. • Certified VBE / HUB
 16637 West Hardy, Suite E • Houston, Texas 77060
 magoosprintshop.com • 281.875.6090 • Fax 281.875.6048

ROLAND, FRY & WARREN, LLC

Certified Public Accountants

1525 Lakeville Drive, Suite 121
 Kingwood, Texas 77339
 (281) 348-9151
 FAX (281) 348-9199

June 9, 2016

Hobby Area Management District
 c/o Roland, Fry & Warren, LLC
 1525 Lakeville Dr., Suite 121
 Kingwood, Texas 77339

For Professional Services Rendered:

* Preparation of year-end financial statements and footnotes for the fiscal year ended December 31, 2015.

Total \$3,600.00

Mario N. Ramirez
 8111 Colgate St.
 Houston, Tx. 77061
 281-685-2810

Invoice Number: 5
 Date: 05/31/2016

Invoice
 May-2016

Bill To: *Hobby Area Mgmt. Dist*
 Gretchen Larson
 P O Box 22167
 Houston, Tx. 77221

Ship To:
 Gretchen Larson
 P O Box 22167
 Houston, Tx. 77221

Description: Business Ambassador Contract
 Monthly duties required as Business Ambassador along with other duties as assigned. Mileage for May 2016 = 196 = \$112.70

May billing 2016-138 hours = 2760.00 Total = \$2872.70

Amount Paid: 0.00
 Amount Due: \$ 2387.40

Shipping :
 Sub Total:
 Total: \$2387.40

0-30 days	31-60 days	61-90 days	>90 days	Total
				\$2872.70 ✓



SEAL Security Solutions LLC
 1525 Blalock Road
 Houston, TX 77080-7318
 www.SEALSecurity.com
 713-979-2388
 TX DPS Lic. # C15942

Invoice

Date	Invoice #
5/11/2016	30300

Bill To
 Hobby Area Management District
 9610 Long Point, Ste. 150
 Houston, TX 77055

Camera Location
 Shell Station
 8920 Bellfort St.
 Houston, Texas

Terms
Net 30

Description	Amount
Mobile Security Unit - 1080 P HD Camera "Plug and Play" Electric System -4 Ptz Cameras -2 Week Video Storage -Emergency Armed Response	1,500.00
Discount	-300.00
Location: Shell Station 8920 Bellfort St. Houston Texas	
Monitoring Period from 05/12/2016 through 06/13/2016	
Monitoring Invoices are billed at the beginning of every month for the entire month.	
The Invoice is billed in advance for the month.	
Sales Tax (8.25%)	\$0.00
Total	\$1,200.00



SEAL Security Solutions LLC
 1525 Blalock Road
 Houston, TX 77080-7318
 www.SEALSecurity.com
 713-979-2388
 TX DPS Lic. #C15942

Invoice

Date	Invoice #
5/2/2016	30188

Bill To
 Hobby Area Management District
 9610 Long Point, Ste. 150
 Houston, TX 77055

Terms
Net 30

Description	Hours	Rate/Hour	Amount
Three Commissioned Officers with Vehicles and Occasional K-9 Patrol Period 04/25/2016 through 05/01/2016	138	27.00	3,726.00
Patrols are billed every Monday for the hours patrolled the week preceding the above invoice date.			
This invoice is Monday through Sunday inclusive.			
Sales Tax (8.25%)			\$0.00
Total			\$3,726.00



SEAL Security Solutions LLC
 1525 Blalock Road
 Houston, TX 77080-7318
 www.SEALSecurity.com
 713-979-2388
 TX DPS Lic. # C15942

Invoice

Date	Invoice #
5/11/2016	30301

Bill To
 Hobby Area Management District
 9610 Long Point, Ste. 150
 Houston, TX 77055

Camera Location
 Travel Lodge
 9902 Gulf Freeway
 Houston, Texas

Terms
Net 30

Description	Amount
Mobile Security Unit - 1080 P HD Camera "Plug and Play" Electric System -4 Ptz Cameras -2 Week Video Storage -Emergency Armed Response	1,500.00
Discount	-300.00
Location: Travel Lodge 9902 Gulf Freeway Houston, Texas	
Monitoring Period from 05/11/2016 through 06/12/2016	
Monitoring Invoices are billed at the beginning of every month for the entire month.	
The Invoice is billed in advance for the month.	
Sales Tax (8.25%)	\$0.00
Total	\$1,200.00



SEAL Security Solutions LLC
 1525 Blalock Road
 Houston, TX 77080-7318
 www.SEALSecurity.com
 713-979-2388
 TX DPS Lic. #C15942

Invoice

Date	Invoice #
5/9/2016	30259

Bill To
 Hobby Area Management District
 9610 Long Point, Ste. 150
 Houston, TX 77055

Terms
Net 30

Description	Hours	Rate/Hour	Amount
Three Commissioned Officers with Vehicles and Occasional K-9 Patrol Period 05/02/2016 through 05/08/2016	150	27.00	4,050.00
Patrols are billed every Monday for the hours patrolled the week preceding the above invoice date.			
This invoice is Monday through Sunday inclusive.			
Sales Tax (8.25%)			\$0.00
Total			\$4,050.00



SEAL Security Solutions LLC

Houston, TX 77080-7318

www.SEALSecurity.com
713-979-2388
TX DPS Lic. #C15942

Invoice

Date	Invoice #
5/23/2016	30388

Bill To Hobby Area Management District 9610 Long Point, Ste. 150 Houston, TX 77055

Description	Hours	Rate/Hour	Terms	
			Net 30	Amount
Three Commissioned Officers with Vehicles and Occasional K-9 Patrol Period 05/16/2016 through 05/22/2016 Patrols are billed every Monday for the hours patrolled the week preceding the above invoice date. This invoice is Monday through Sunday inclusive.	144	27.00		3,888.00
			Sales Tax (8.25%)	\$0.00
Total				\$3,888.00



SEAL Security Solutions LLC

1525 Blalock Road
Houston, TX 77080-7318

www.SEALSecurity.com
713-979-2388
TX DPS Lic. #C15942

Invoice

Date	Invoice #
5/16/2016	30333

Bill To Hobby Area Management District 9610 Long Point, Ste. 150 Houston, TX 77055

Description	Hours	Rate/Hour	Terms	
			Net 30	Amount
Three Commissioned Officers with Vehicles and Occasional K-9 Patrol Period 05/09/2016 through 05/15/2016 Patrols are billed every Monday for the hours patrolled the week preceding the above invoice date. This invoice is Monday through Sunday inclusive.	144	27.00		3,888.00
			Sales Tax (8.25%)	\$0.00
Total				\$3,888.00



Invoice

Date	Invoice #
5/4/2016	21064

Bill To Hobby Area District P.O. BOX 22167 Houston, TX 77227-2167

Ship To Hobby Area District P.O. BOX 22167 Houston, TX 77227-2167

P.O. Number	Terms	Rep	Shp	Project
			5/4/2016	
Quantity	Item Code	Description	Price Each	Amount
1	Print	250 - 12 PG SELF CVR (HARD) 11 X 17 TO 8.5 X 11, COLORS 4/4 ON 1094 GLOSS TEXT, CUT, FOLD, SADDLE STITCH, TRIM, AND BOX. Out-of-state sale, exempt from sales tax	635.00	635.00
1	Bundky		0.00	0.00
			0.00%	0.00
Total				\$635.00



SEAL Security Solutions LLC

1525 Blalock Road
Houston, TX 77080-7318

www.SEALSecurity.com
713-979-2388
TX DPS Lic. #C15942

Invoice

Date	Invoice #
5/20/2016	30369

Bill To Hobby Area Management District 9610 Long Point, Ste. 150 Houston, TX 77055

Camera Location East Haven Blvd Houston, TX 77075

Description	Terms	
	Net 30	Amount
Mobile Security Unit - Solar HD/IP Five (5) Camera System with Advanced Analytics -2 Week Video Storage -Emergency Armed Response		2,000.00
Discount		-500.00
Monitoring Period from 05/20/2016 through 06/19/2016 Monitoring Invoices are billed every month for the entire month. This Invoice is billed in advance for the month.		
		Sales Tax (8.25%) \$0.00
Total		\$1,500.00

HAWES HILL CALDERON
LLP

Invoice

P.O. Box 22167
Houston TX 77227-2167

MD-Hobby Area Management District
(HCID #9)
P.O. Box 22167
Houston, TX 77227

Invoice #: 43015375

Date: 6/3/2016

DATE	DESCRIPTION	AMOUNT
	Professional consulting, administration and project management fee, May 2016	\$24,376.00
	In-house postage, photocopies, binding, etc., May 2016	\$527.50
	Agenda posting, Harris County Clerkc, 5/6/2016	\$9.00
	Verizon cell phone, G. Larson, 25% of shared costs, 05/01-05/19/2016	\$54.51
	Verizon cell phone, M. Ramirez	\$88.65
	DoubleTree Hoteol, board meeting expense	\$640.00
	Delivery, HourMessenger, 4/29/16	\$13.22
	Reimbursable mileage, parking, tolls, related expenses as follows:	
	J. Lowry, May 2016	\$407.66
	G. Larson, April 2016	\$399.50
	L. Clayton, May 2016	\$25.92
	R. Hill, April 2016	\$19.44
	R. Hill, May 2016	\$6.48

Terms: C.O.D.

Sales Tax: \$0.00
Total Amount: \$26,567.88
Amount Applied: \$0.00
Balance Due: \$26,567.88

Owed As Of: 6/3/2016

30 DAYS	90 DAYS	90+ DAYS	Total Owed
			\$26,567.88

HOBBY AREA MANAGEMENT DISTRICT
(HARRIS COUNTY IMPROVEMENT DISTRICT NUMBER 9)
CITY OF HOUSTON
HARRIS COUNTY, TEXAS

AGENDA MEMORANDUM

TO: Hobby Area Management District Board of Directors
FROM: Executive Director
SUBJECT: Agenda Item Materials

6. Receive an update from the Environmental, Urban Design, and Mobility Committee.
 - a. Ratify Chair's authorization of emergency tree trimming for traffic control lighting at several Broadway intersections
 - b. Consider approval for funding to connect a never-before constructed 20' – 25' section of the sidewalk near Sims Bayou to leverage the economies of the Broadway Project

MEMORANDUM

TO: Hobby Area Management District Board of Directors
FROM: Jerry Lowry
DATE: June 9, 2016
SUBJECT: Environmental, Urban Design and Mobility Committee

The Hobby Area Management District Environmental, Urban Design and Mobility Committee did not meet in May.

OVERVIEW OF STAFF ACTIVITIES:

1. Broadway Street Visual Enhancement Project – Developer Agreement between the Gulfgate TIRZ and Scenic Houston and the MOU between HAMD and Scenic Houston were finalized – **both are attached for additional details**. Staff from HAMD, Clark Condon Associates, Scenic Houston, the City of Houston and the contractor team led by Jerdon met for a pre-construction meeting to discuss various parameters of the project. Notice to proceed for the project was given on June 1 and the project is projected to last for 250 days. Work will begin on the section of Broadway between Bellfort and the Gulf Freeway.
2. Livable Centers study - The consultant team led by Design Workshop conducted the first of three community outreach workshops on Wednesday, May 25th at the DoubleTree Hotel. Meetings included an initial Stakeholder Discussion, as well as four focus groups, followed by a public meeting in the evening. Daytime meetings were lightly attended while the evening session included approximately 35 residents. The information gathered by the team supplements interviews completed previously by the consultant team, as well as data gathered by both the consultant team and HAMD staff. The consultant team will next determine if additional information is needed prior to seeking solutions as part of the next public workshop.
3. Mini-Mural Project – several more murals were completed with leaving two more to be completed.

REQUESTED ACTION:

1. Ratify Chair's authorization of emergency tree trimming for traffic control lighting at several Broadway intersections.
2. Consider approval for funding to connect a never before constructed 20-25' section of the sidewalk near Sims Bayou to leverage the economies of the Broadway Project.

SMC Logistics, LLC
13107 James Ln.
Stafford, TX 77477 US
sonia@smclogisticsworks.com
smclogisticsworks.com



INVOICE

BILL TO

Hobby Area Management
District
PO Box 22167
Houston, TX 77227

INVOICE # 1066
DATE 05/31/2016
DUE DATE 06/30/2016
TERMS Net 30

ACTIVITY	QTY	RATE	AMOUNT
Tree Pruning Tree trimming along Broadway to comply with the City of Houston traffic signals	9	350.00	3,150.00

BALANCE DUE **\$3,150.00**

HOBBY AREA MANAGEMENT DISTRICT
(HARRIS COUNTY IMPROVEMENT DISTRICT NUMBER 9)
CITY OF HOUSTON
HARRIS COUNTY, TEXAS

AGENDA MEMORANDUM

TO: Hobby Area Management District Board of Directors
FROM: Executive Director
SUBJECT: Agenda Item Materials

7. Receive an update and recommendations from the Business and Economic Development Committee.
 - Consider approval of the installation of telecommunications equipment approved by the City of Houston on existing CenterPoint services poles, by the Zayo Group.



**Hobby Area District
AGENDA MEMORANDUM**

TO: Hobby Area District Board of Directors
FROM: District Executive Director
DATE: June 9, 2016
ITEM: Receive Report and updates on events and activities from the Business,
Economic Development and Marketing Committee

Staff note: The committee did not meet in May, this a report of activities and updates since the board meeting of May 12. The next meeting of the committee is scheduled for June 15.

At the board meeting of May 12 the board approved participation in the 88th Annual American Association of Airport Executives (AAAE) Conference and Exposition. Staff assisted with set up and staffing of the exhibitors booth at the AAAE event. Approximately 100 attendees stopped by the booth to visit and learn about the District and our services.

The District was also a sponsor of the Transportation Advisory Group - State of Mobility event featuring Mayor Turner. Chairman Perkins and Board members Bonsall, Collum and Nelson attended the event. Staff coordinate the table arrangements and provided District marketing materials for use in the event programming.

The business ambassador made 44 visits to 25 different businesses with 33 of the visits being considered complete in that the BA was able to share information with the owner or the manager. The BA reports that businesses are generally pleased to learn about the District and our services and regularly share information/issues with him. The BA passes along all reports of issues to the Executive Director for follow up.



**Management District: Hobby / HCID #9
TIRZ District: Gulfgate / TIRZ #8
Telecommunications Equipment and Pole
Approval Procedure**

The following is a guide for approval to install telecommunications equipment and various pole designs in the public way in your management district.

Included in this approval packet:

General information about Zayo and small cells

Overall project map showing the locations of all 4 sites

Permit drawings for each site

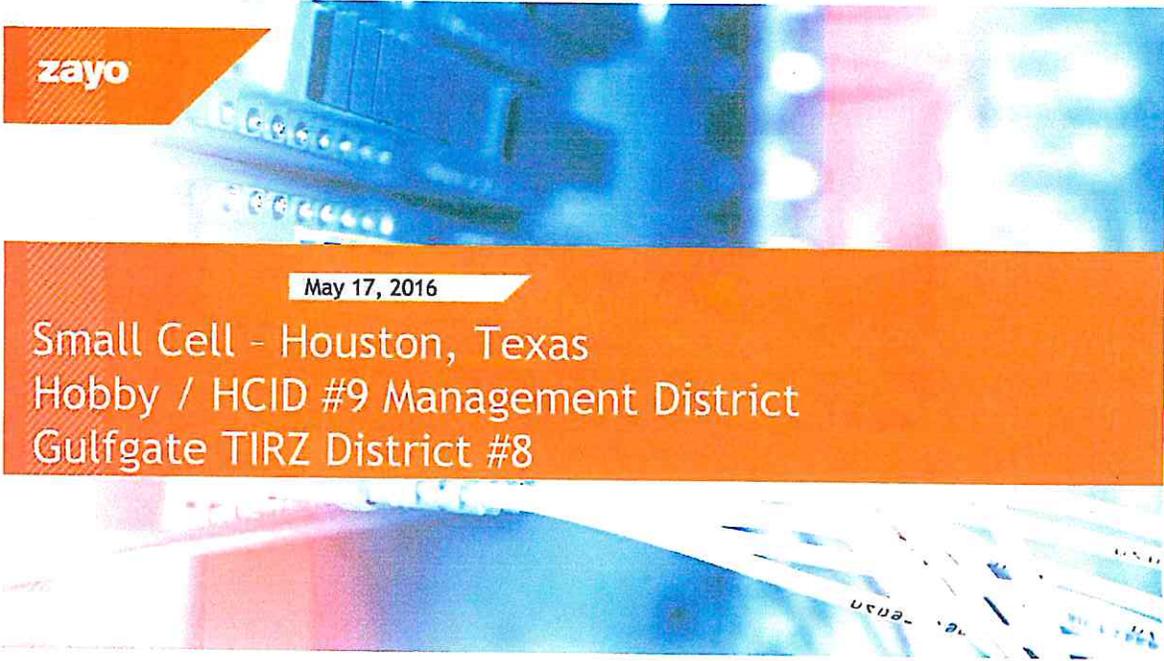
I, _____, approve the aesthetics of the proposed Wireless Facilities or Licensee Poles, including the design and concealment plan or the proposed Camouflaged Wireless Facility or Licensee Pole.

Sign

Name

Title

Date



zayo

May 17, 2016

Small Cell - Houston, Texas
Hobby / HCID #9 Management District
Gulfgate TIRZ District #8

Zayo Group

- Global bandwidth infrastructure provider
 - Dark fiber, wavelengths, SONET, Ethernet, IP services and carrier-neutral colocation
 - Founded in 2007, US headquarters in Denver, CO, European headquarters in London
- Mobile Infrastructure Group (MIG)
 - Tower backhaul, small cells and DAS
 - Implementation Team
 - Customer list: Verizon, AT&T, T-Mobile, Sprint, Crown Castle, Extenet, Dish Networks, Google, Wireless ISP's

Zayo at a Glance

OUR ASSETS

11 M FIBER MILES
21,900 BUILDINGS
3,367 EMPLOYEES
349 MARKETS
53 ZAYO DATA CENTERS
894 ON-NET DATA CENTERS

OUR EXPERTISE



PRODUCT MIX - % OF REVENUE
50% physical infrastructure
48% cloud & connectivity
2% other



CUSTOMER MIX - % OF REVENUE
55% enterprise & content
45% carriers & wireless

OUR TRACK RECORD

\$1.5B revenue
\$862M adjusted EBITDA
-\$10B enterprise value
\$1.1B invested equity since 2007 inception
>\$6.25B equity value today; **>5x** return
36 acquisitions for \$5B*

NYSE:
ZAYO
Oct. 2014

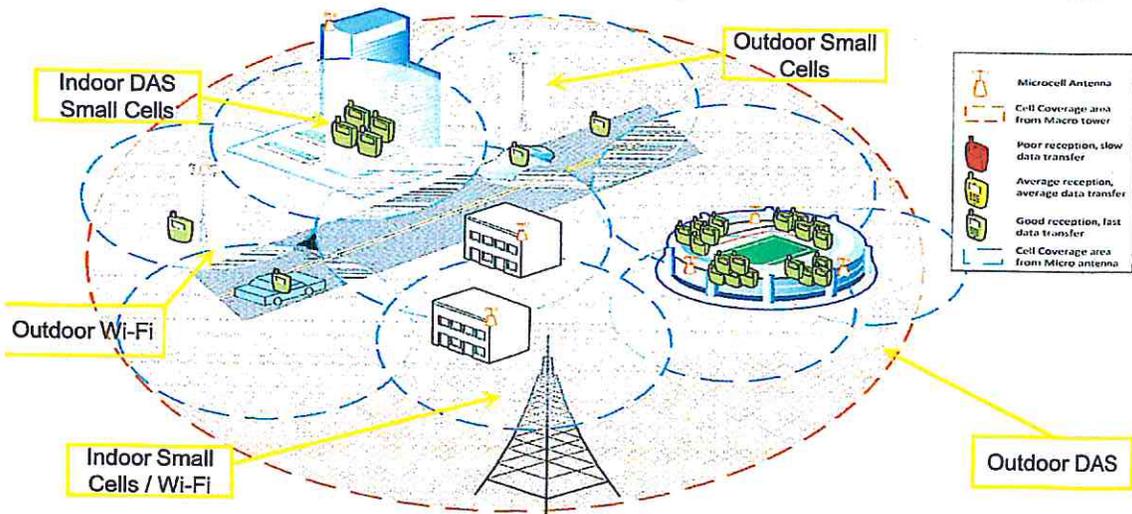
zayo

Small Cell

- Objectives:
 - Provide a better user experience across all areas of Houston
 - Aggressive 2016 timeline in preparation for Super Bowl LI (February 2017)
 - Expanding wireless and Zayo services to augment coverage and capacity for carrier networks
 - Enables the consumer to access the internet from more locations
 - High speed data helps the consumer access applications, watch videos and connect to social networks seamlessly with minimum delay
 - Small cells target high capacity hot spots or poor quality coverage within the Macro site coverage area such as shopping areas, business centers, sports arenas, and parks
- Benefits of Small Cell
 - Smaller footprint of infrastructure
 - More targeted areas of coverage and capacity
 - Stronger signals
 - Faster download speeds
 - Fewer dropped calls
 - Reliable service

zayo

Mix of Indoor/Outdoor Small Cell / DAS / WiFi required to meet customer demands



Combined Small Cells / DAS / Wi-Fi solutions required to meet coverage & capacity demands



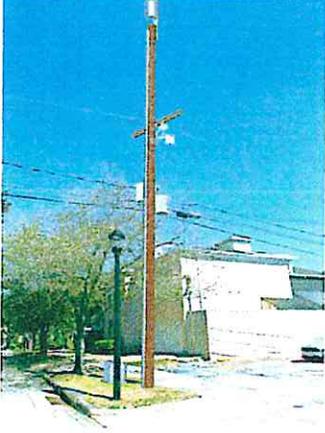
Small Cell

- Implementation
 - Use of ROW and vertical structures for small cell, equipment and fiber
 - Placement of new poles in ROW that conform to area aesthetic
 - Wood, metal, composite, decorative, stealth
 - Use of existing poles
 - Utility poles
 - Street light poles and traffic signal poles not allowed in Houston
 - Private property
 - Buildings and parking garages, poles on private property



Utility Pole Attachments

West University Place



- Allows for use of existing infrastructure
- Small ground cabinet for equipment
- Blends in with existing infrastructure
- No additional construction for site power

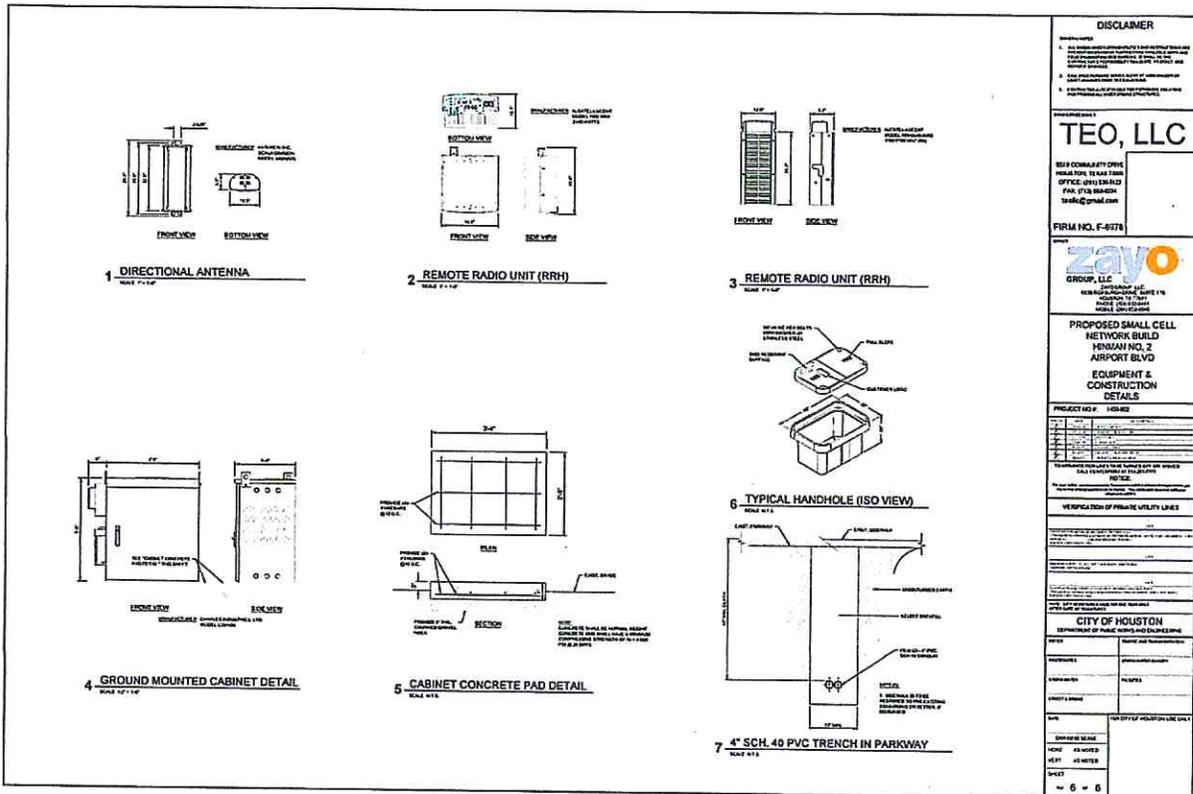
Bellaire



zayo

zayo

Thank You!



DISCLAIMER

TEO, LLC

8511 COMALPTI DRIVE
HOUSTON, TEXAS 77061
OFFICE: 281-553-2910
FAX: 281-553-2911
info@teo.com

FIRM NO. F-4978

zayo
GROUP, LLC

PROPOSED SMALL CELL NETWORK BUILD
HINMAN NO. 2
AIRPORT BLVD
EQUIPMENT & CONSTRUCTION DETAILS

PROJECT NO. F-4978

DATE: 06/08/2014

SCALE: AS SHOWN

VERIFICATION OF PRIVATE UTILITY LINES

CITY OF HOUSTON
DEPARTMENT OF PUBLIC WORKS AND ENGINEERING

DATE: 06/08/2014

PROJECT: HINMAN NO. 2

DATE: 06/08/2014

SCALE: AS SHOWN

NO. 6 OF 6

zayo
GROUP, LLC

**PROPOSED SMALL CELL NETWORK BUILD
HINMAN LOCATION NO. 5
AIRPORT BLVD
HOUSTON, TX 77061**

KEY MAP # 575B
WASTEWATER GIM MAP# 5653C
WATER GIM MAP# 5653C
STORM SWR GIM MAP# 5653C
ZIP CODE: 77061

ONE-CALL NOTIFICATION SYSTEM
CALL BEFORE YOU DIG!!!
876-1557 OR HOUSTON
OPEN STATISTICE NUMBER OUTAGE HISTORY
846-846888

CONTRACTOR SHALL NOTIFY THE CITY OF HOUSTON, DEPARTMENT OF PUBLIC WORKS AND ENGINEERING, OFFICE OF THE CITY ENGINEER, 48 HOURS BEFORE STARTING WORK ON THIS PROJECT. TELEPHONE NO. 832-334-9278

FIRM FLOOD INSURANCE RATE MAP
PANEL 888L OF 1158
SOP: 4/23/2010
MAP REVISED JUNE 9, 2014
EDGE 2

*NO PROPOSED STORM SEWER PIPES IS SHOWN ON THIS PLAN. NOT INCLUDED IN THIS WORK SCOPE.

BUS NO:
LOG NO:

SHEET INDEX:

- COVER SHEET
- CONTACT INFORMATION
- GENERAL CONSTRUCTION NOTES
- SITE PLAN & PROFILE
- NOTE SITE PROFILES DETAILS & ELECTRICAL SERVICE & GROUNDING DIAGRAMS
- EQUIPMENT & CONSTRUCTION DETAILS

SITE INFORMATION:

SITE ADDRESS (APPROX):
7861-7865 AIRPORT BLVD
HOUSTON, TX 77061
HARRIS COUNTY
LATITUDE: 29.65329°N
LONGITUDE: 95.27382°W

ENGINEER/DESIGNER
TEO, LLC
8511 COMALPTI DRIVE
HOUSTON, TEXAS 77061
OFFICE: 281-553-2910
FAX: 281-553-2911
info@teo.com

FIRM NO. F-4978

CITY OF HOUSTON
DEPARTMENT OF PUBLIC WORKS AND ENGINEERING

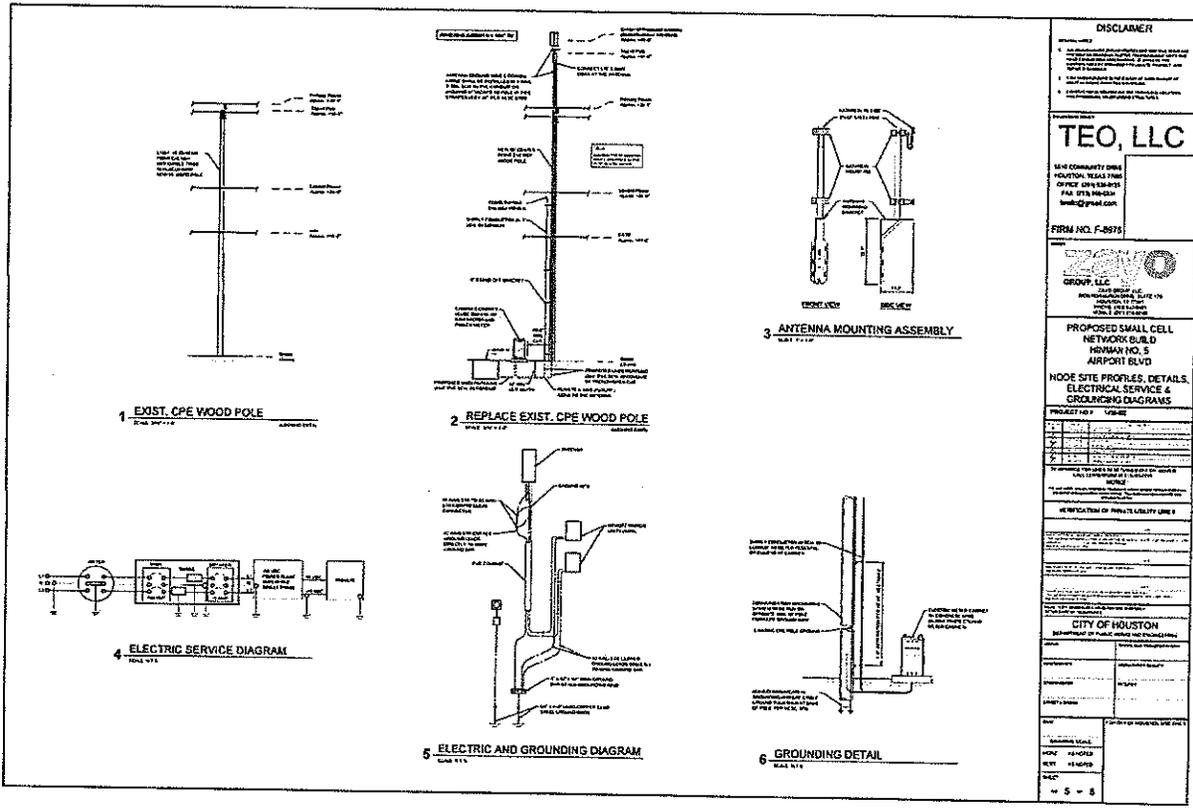
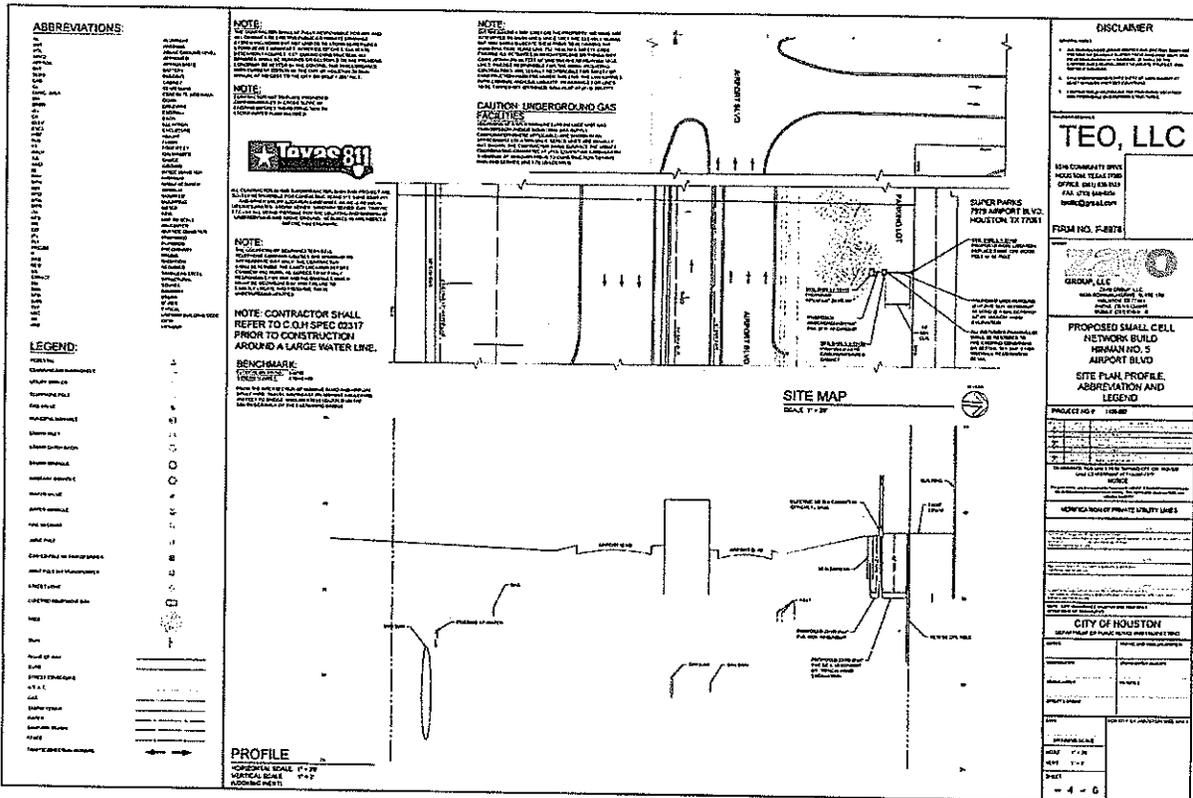
DATE: 06/08/2014

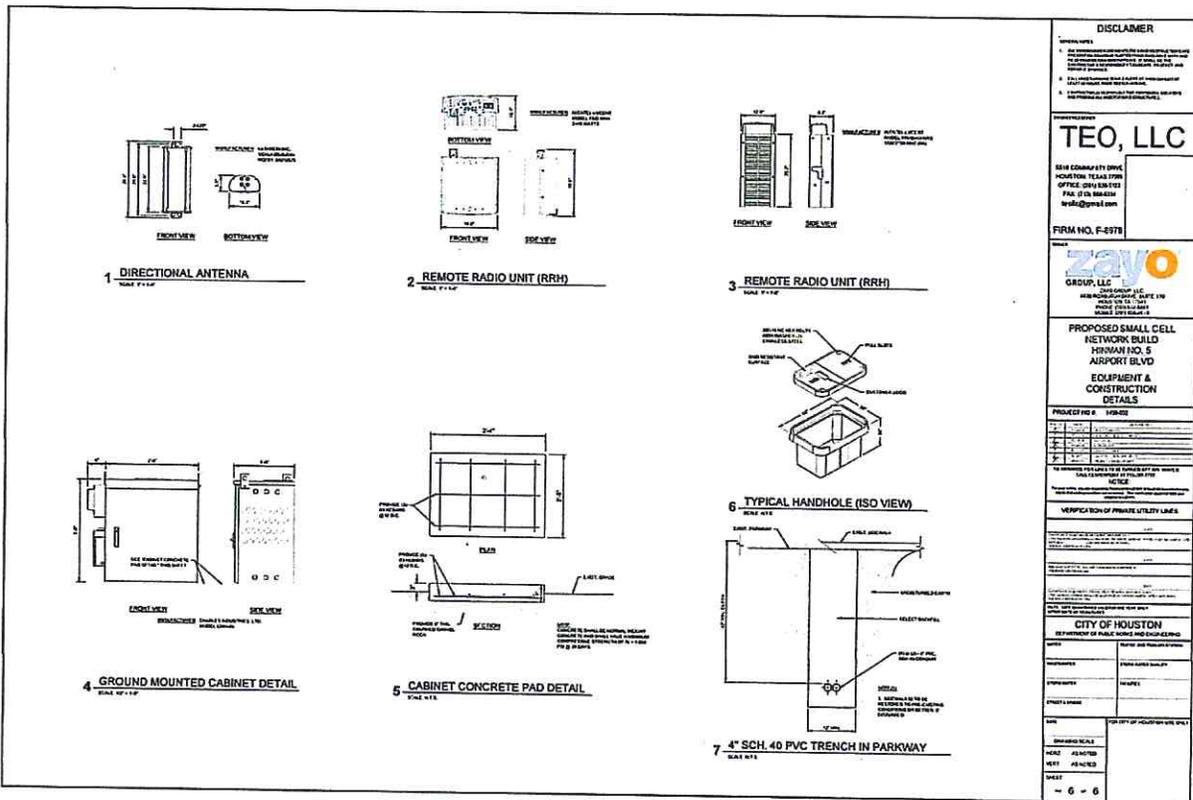
PROJECT: HINMAN NO. 2

DATE: 06/08/2014

SCALE: AS SHOWN

NO. 1 OF 6





DISCLAIMER

1. All information on this drawing is based on the information provided by the client. The engineer does not warrant the accuracy or completeness of the information provided.

2. The engineer is not responsible for the accuracy or completeness of the information provided by the client.

3. The engineer is not responsible for the accuracy or completeness of the information provided by the client.

4. The engineer is not responsible for the accuracy or completeness of the information provided by the client.

TEO, LLC

5815 COMMERCE CITY DRIVE
HOUSTON, TEXAS 77056
OFFICE: 281-882-1111
FAX: 281-882-1112
info@teo.com

FIRM NO. F-4978

GROUP, LLC

5815 COMMERCE CITY DRIVE
HOUSTON, TEXAS 77056
OFFICE: 281-882-1111
FAX: 281-882-1112
info@teo.com

PROPOSED SMALL CELL NETWORK BUILD HINMAN NO. 4 AIRPORT BLVD EQUIPMENT & CONSTRUCTION DETAILS

PROJECT NO.	H-2022
DATE	08/11/2022
SCALE	AS SHOWN
BY	TEO, LLC
CHECKED BY	TEO, LLC
APPROVED BY	TEO, LLC

VERIFICATION OF PRIVATE UTILITY LINES

DATE: 08/11/2022

BY: TEO, LLC

RESULT: NO PRIVATE UTILITIES DETECTED

CITY OF HOUSTON
DEPARTMENT OF PUBLIC WORKS AND ENGINEERING

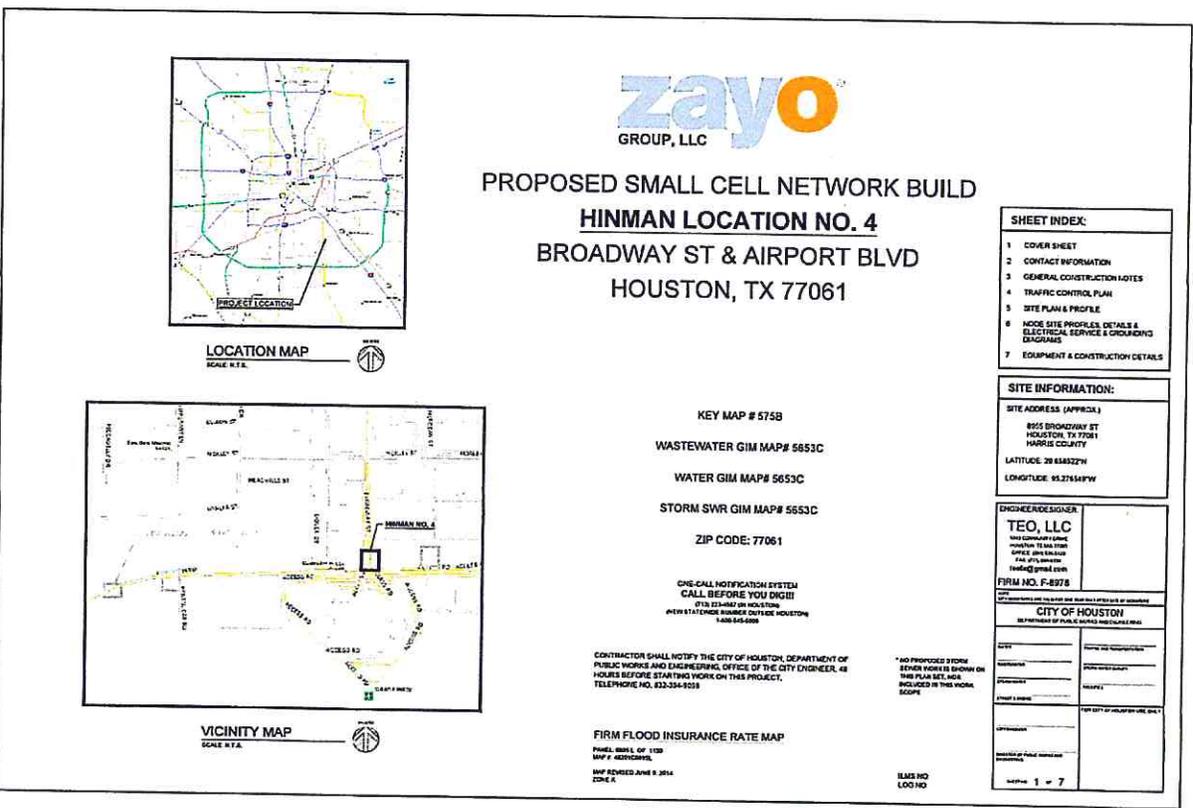
PROJECT NO. H-2022

DATE: 08/11/2022

BY: TEO, LLC

RESULT: NO PRIVATE UTILITIES DETECTED

SCALE: 1" = 6"



zayo
GROUP, LLC

**PROPOSED SMALL CELL NETWORK BUILD
HINMAN LOCATION NO. 4
BROADWAY ST & AIRPORT BLVD
HOUSTON, TX 77061**

SHEET INDEX:

- COVER SHEET
- CONTACT INFORMATION
- GENERAL CONSTRUCTION NOTES
- TRAFFIC CONTROL PLAN
- SITE PLAN & PROFILE
- HOSE SITE PROFILES DETAILS & ELECTRICAL SERVICE & GROUNDING DIAGRAMS
- EQUIPMENT & CONSTRUCTION DETAILS

SITE INFORMATION:

SITE ADDRESS (APPROX.):
8955 BROADWAY ST
HOUSTON, TX 77061
HARRIS COUNTY

LATITUDE: 29.848227N
LONGITUDE: 95.276549W

ENGINEER/DESIGNER:
TEO, LLC
5815 COMMERCE CITY DRIVE
HOUSTON, TEXAS 77056
OFFICE: 281-882-1111
FAX: 281-882-1112
info@teo.com

FIRM NO. F-4978

CITY OF HOUSTON
DEPARTMENT OF PUBLIC WORKS AND ENGINEERING

DATE:	08/11/2022
PROJECT NO.:	H-2022
PROJECT NAME:	PROPOSED SMALL CELL NETWORK BUILD HINMAN NO. 4 AIRPORT BLVD
SCALE:	AS SHOWN
BY:	TEO, LLC
CHECKED BY:	TEO, LLC
APPROVED BY:	TEO, LLC

SCALE: 1" = 7"

KEY MAP # 575B
WASTEWATER GIM MAP# 5653C
WATER GIM MAP# 5653C
STORM SWR GIM MAP# 5653C
ZIP CODE: 77061

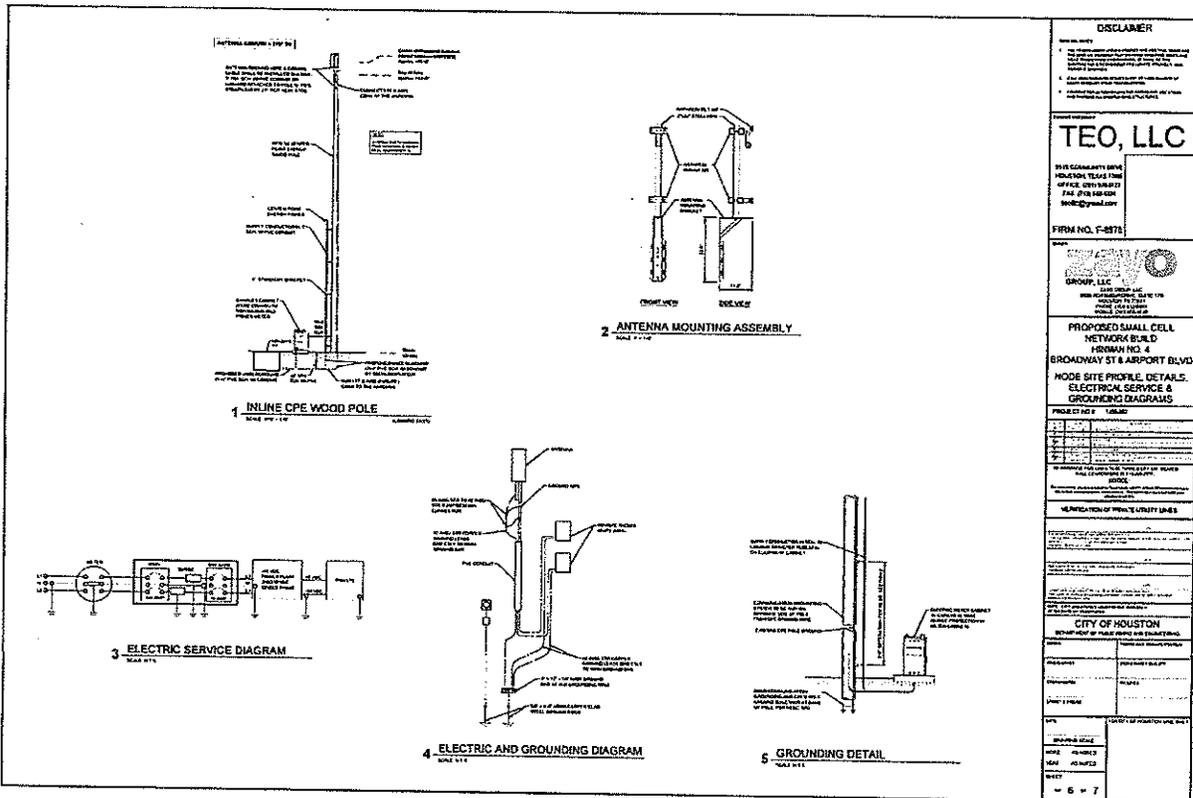
ONE-CALL NOTIFICATION SYSTEM
CALL BEFORE YOU DIG!!!
877-832-4622 OR HOUSTON
409-511-7000 (HOUSTON OFFICE) HOUSTON
800-545-5000

CONTRACTOR SHALL NOTIFY THE CITY OF HOUSTON, DEPARTMENT OF PUBLIC WORKS AND ENGINEERING, OFFICE OF THE CITY ENGINEER, 48 HOURS BEFORE STARTING WORK ON THIS PROJECT, TELEPHONE NO. 832-354-6538

NO PROPOSED STORM DRAIN WORK IS SHOWN ON THIS PLAN SET, NOR INCLUDED IN THIS WORK SCOPE

FIRM FLOOD INSURANCE RATE MAP
FIRM NO. OF 100
MAP # 420200000
ISSUED JANUARY 9, 2014
2014-E

SCALE: 1" = 6"



DISCLAIMER

TEO, LLC

2100 COMMERCE STREET
HOUSTON, TEXAS 77002
OFFICE: 281.464.4433
FAX: 281.464.4433
info@teo.com

FIRM NO. F-2578

GROUP, LLC

2100 COMMERCE STREET
HOUSTON, TEXAS 77002
OFFICE: 281.464.4433
FAX: 281.464.4433
info@teo.com

PROPOSED SMALL CELL NETWORK BUILD
HISMAN NO. 4
BROADWAY ST & AIRPORT BLVD
ELECTRICAL SERVICE & GROUNDING DIAGRAMS

PROJECT NO. 14542

DATE: 04/10/12

SCALE: AS SHOWN

SHEET: 6 OF 7

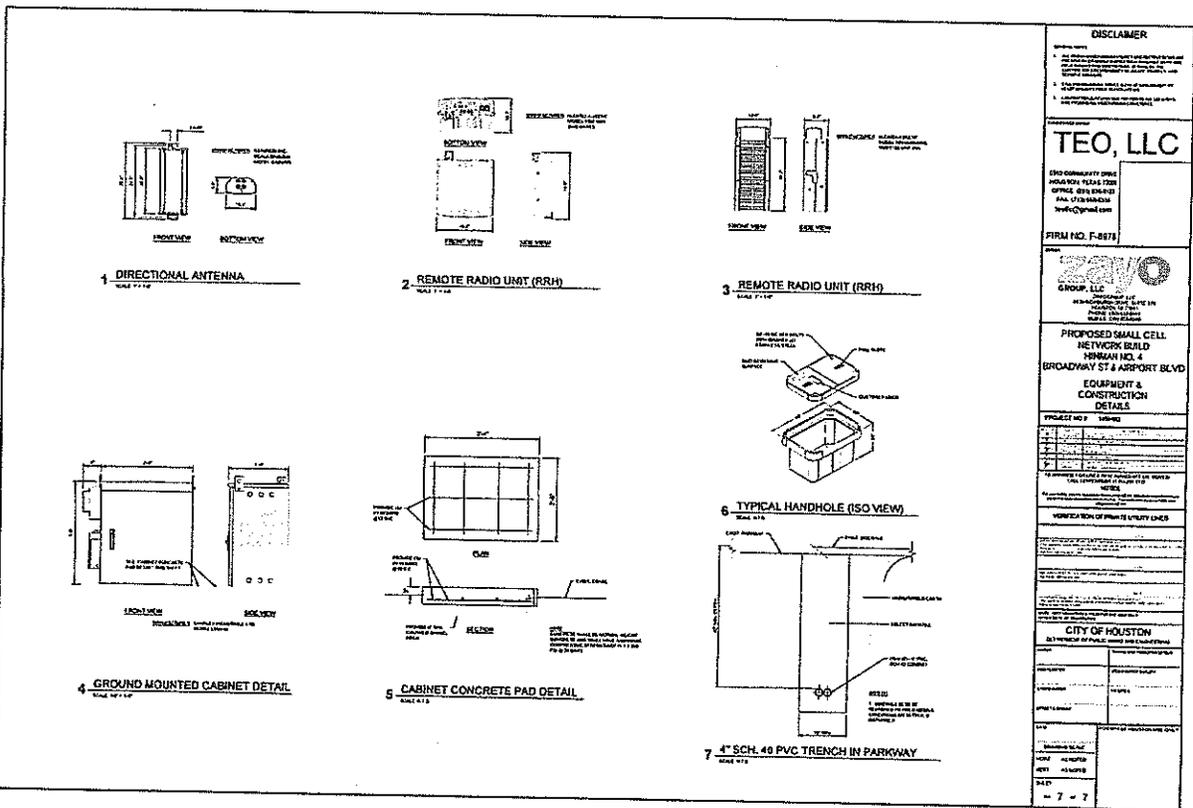
CITY OF HOUSTON
DEPARTMENT OF PUBLIC WORKS AND ENGINEERING
ATTENTION: PERMITTING DIVISION

PROJECT NO. 14542

DATE: 04/10/12

SCALE: AS SHOWN

SHEET: 6 OF 7



DISCLAIMER

TEO, LLC

2100 COMMERCE STREET
HOUSTON, TEXAS 77002
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FAX: 281.464.4433
info@teo.com

FIRM NO. F-2578

GROUP, LLC

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HOUSTON, TEXAS 77002
OFFICE: 281.464.4433
FAX: 281.464.4433
info@teo.com

PROPOSED SMALL CELL NETWORK BUILD
HISMAN NO. 4
BROADWAY ST & AIRPORT BLVD
EQUIPMENT & CONSTRUCTION DETAILS

PROJECT NO. 14542

DATE: 04/10/12

SCALE: AS SHOWN

SHEET: 7 OF 7

CITY OF HOUSTON
DEPARTMENT OF PUBLIC WORKS AND ENGINEERING
ATTENTION: PERMITTING DIVISION

PROJECT NO. 14542

DATE: 04/10/12

SCALE: AS SHOWN

SHEET: 7 OF 7

HOBBY AREA MANAGEMENT DISTRICT
(HARRIS COUNTY IMPROVEMENT DISTRICT NUMBER 9)
CITY OF HOUSTON
HARRIS COUNTY, TEXAS

AGENDA MEMORANDUM

TO: Hobby Area Management District Board of Directors
FROM: Executive Director
SUBJECT: Agenda Item Materials

8. Receive an update from the Public Safety Committee.

MEMORANDUM

TO: Hobby Area Management District Board of Directors
FROM: Jerry Lowry
DATE: June 9, 2016
SUBJECT: Public Safety Committee

The Hobby Area Management District Public Safety Committee did not meet in May.

OVERVIEW OF STAFF/CONTRACT ACTIVITY:

1. Lt. McFadden will provide verbal overview of May activities. Reference attached S.E.A.L. report for additional details

ACTION REQUESTED:

No recommendation from committee.



HOBBY AREA DISTRICT



INCIDENT REPORT

May 2016

TX PSB #C15942

Prepared For:



Hobby Area Management District

About Incident Reports:

This is an incident report prepared by S.E.A.L. Security Solutions, LLC each month for the Hobby Area Management District. Throughout the month S.E.A.L.'s dispatch center receives calls from residents and S.E.A.L. officers concerning dangerous or potentially threatening situations or activity, and observations of incidents that occurred in the area. S.E.A.L.'s 24-hour dispatch center also received calls from clients inquiring about information on our services. These calls have been thoroughly recorded to provide Hobby Area Management District on pertinent information that impacts the community.

About S.E.A.L. Security:

S.E.A.L. Security is contracted to safeguard your community and be on call during high risk situations. All S.E.A.L. officers are armed and patrol in marked patrol units. S.E.A.L. Security takes a proactive position on patrolling and securing the Hobby District. S.E.A.L.'s expanded canine (K-9) division includes foot patrol in your community. In addition to patrol services, most dogs are dual purposed in either narcotics or explosive detection, or tracking. S.E.A.L.'s specially-trained Officers and their K-9 partners can be one of the most effective and productive security tools available to dissuade, discourage, and prevent crime. In the interest of safety, we ask that clients and residents do not approach the K-9 or attempt to pet them. We appreciate everyone's support.

May 2016 SUMMARY PAGE

Alarm	0
Animal	1
Assault	0
Assistance	4
Burglary of Business/Habitation	0
Burglary of Motor Vehicle	0
Calls to Call Center	39
CTW	3
Damage/Defacing of Property	5
Disturbance	3
Emergency Medical Services	0
Solicitors	0
Suspicious Activity	10
Suspicious Person	9
Suspicious Vehicle	1
Theft	0
Vehicle Collision	0

CALL CENTER HOTLINE: 713.489.6300

Please call S.E.A.L. Security for any suspicious activity or anything that seems out of place.

MONDAY, MAY 2

5:19 PM Employee from Omega Aviation, 8242 Travel Air Rd contacted dispatch to request additional patrol for the business that evening. The employee explained that the company had let someone go from the business that day and wanted to make sure the property was safe overnight. Officer was contacted by dispatch and informed of employee request and the situation.

7:06 PM Officer received call from dispatch to respond to a report of possibly homeless person setting up in front of 7701 Belfort. Officer arrived on location and located the individual. Officer observed individual packing stuff up and exiting the property.

TUESDAY, MAY 3

11:01 AM Officer observed and noted for report graffiti on the E 7100 block of Swallow and 7778 Braniff.



6:38 PM While the officer was patrolling the parking lot on Broadway and W Belfort, officer spotted suspicious individuals standing between the buildings. Once the individuals observed officer, individuals started walking towards the back of the building. Officer caught up with one of the individuals and made contact with the individual observing he was holding a beer bottle. Officer told Individual not to loiter outside the stores. The officer caught up with the other individual and observed him getting into a vehicle that had stopped to pick him up.

7:11 PM Officer observed female standing outside a store. Officer walked up to female and asked her if everything was OK. Female responded to officer that she was okay and that she was waiting on someone to pick her up and further indicated she lives at the motel next to the Asian market. Officer believed female may have been a prostitute. Officer let female know that she couldn't loiter outside the store. Female proceeded to exit the property without incident.

SUNDAY, MAY 8

1:17 AM An employee called dispatch about a suspicious male loitering outside the Shell station, 9802 Gulf Freeway. Officer arrived on location and made contact with the individual who proceeded to exit the property without incident.

MONDAY, MAY 9

10:01 AM Officer observed and noted for report that the signage at the northeast end of the property had broken loose in high winds and is a possible danger. Manager of convenience store indicated to the officer that he has notified the HFD, the sign company, and the City of Houston.



2:12 PM Officer was contacted by dispatch to respond to a report of disturbance at the Travelodge, 9902 Gulf Freeway. Officer arrived at location and found primary suspects had left however two others remained on the property and management wanted them to leave. Officer made contact with remaining suspects and asked them to exit property. Suspects complied with officer request and exited the property without incident.

6:18 PM Officer was contacted by dispatch to respond to a report made by an employee at the Shell Gas Station, 9802 Gulf Freeway about a man refusing to leave property. Officer arrived on location and spoke with the man; man exited property without incident.

7:34 PM While on patrol at 6547 Northdale, officer noticed movement inside the property. Officer called dispatch requesting a backup officer to assist him in investigating movement inside property. Backup officer arrived on location and together officers cleared the property; no one was found inside property.

TUESDAY, MAY 10

9:01 AM While on patrol at the Travelodge, 9902 Gulf Freeway officer performed a camera check and found the camera was unplugged and a new vending machine was plugged into where the camera had previously been plugged. Officer notified camera technician.

3:15 PM Officer was contacted by dispatch to respond to a report of suspicious activity by a person at the Burger King, locate at 7806 Bellfort. Officer arrived on location and spoke with the management about the subject person who was no longer in the vicinity. After speaking with the management it was determined that the subject person is someone that S.E.A.L. officers have previously encountered on area patrol. Officer continued to patrol the area to ensure that individual had left the immediate area and to act as a deterrent to prevent the subject person's return.

WEDNESDAY, MAY 11

2:01 PM Officer was contacted by dispatch to respond to a report of suspicious activity and persons; possibly prostitution solicitation in front of the Texan Clear Choice Auto business, 8160 Gulf Freeway. Officer arrived at location and suspicious persons were no longer in the vicinity. Officers remained in the area to act as a deterrent to suspicious activity.

4:01 PM Officer observed and noted for report power line down and lying on the ground on the block of 9000 Dexter.



9:15 PM Officer was contacted by dispatch to respond to a report of suspicious person and suspicious activity. Officer arrived on location and observed suspicious person who was known to officer to be a prostitute. Officer made contact with person telling her to exit property and to remain off the property.

Officer returned to patrol car located at 8334 Gulf Freeway where a male approached the officer aggressively and in a threatening manner. Updated HPD that individual may have a weapon. Officer called for backup. HPD arrived and spoke with male. No arrests made by HPD; all clear. All officers cleared the area.

THURSDAY, MAY 12

10:01 AM Officer observed and assisted a motorist at 10402 Gulf Freeway whose steering went out on her vehicle. Officer stood by to assist motorist until tow truck arrived.

MONDAY, MAY 16

11:01 AM Officer received a call from dispatch to respond to a request for assistance checking some traps from BARC Animal Control in the area of Mount Glen and Glen Loch.

THURSDAY, MAY 19

12:01 PM Officer observed and noted for report camera check at 9500 East Haven.



5:59 PM Officer received a call from dispatch to respond to a report of suspicious male hanging out on the side of the building at the Party City Store, 10065 Alameda-Genoa Rd. Officer arrived at location and met with management regarding the suspicious male. Officer met with HPD and provided a description of suspicious male who was no longer in the vicinity. Officer advised dispatch the area was all clear.

FRIDAY, MAY 20

9:01 AM Officer observed and noted dumping under the Orem overpass at Mykawa.



9:46 AM Officer was contacted by dispatch to respond to a report of suspicious person at the Valero Station, 9223 AIRPORT. Officer arrived at location and made contact with suspect and removed him from the property issuing a CTW. Suspect was identified as Michael Millro, D.O.B. 06/17 /1966.



9:00 PM Officer was contacted by dispatch to respond to a report of suspicious vehicle in the parking lot at the Best Western, 8778 Airport Blvd. Officer arrived at location and vehicle was no longer in the vicinity.

TUESDAY, MAY 24

3:10 PM- Officer was contacted by dispatch to respond to a report of possible violent female located at the Melrose, 8321 Broadway. Officer arrived at location to find suspect no longer in the area.

4:11 PM HPD contacted dispatch to request a S.E.A.L. officer to search the area of Sims Bayou including the tree line for a suspect that was involved in an officer-shooting a few blocks from the location. Officer arrived on location and checked the area and found suspect was not in the vicinity. Officer was advised by HPD when HPD called off the search as they had one suspect in custody and the other suspect was identified as the brother of the suspect in custody.

WEDNESDAY, MAY 25, 2016

10:20 AM Officer was contacted by dispatch to respond to a report of suspicious activity at the Texan Clear Choice Auto, 8160 Gulf Freeway. Officer was advised a male and a female refused to leave property. Officer arrived at location and observed the female subject and identified female as Barbra Jean Leggett, D.O.B. 09/06/1982 and issued her a criminal trespass warning.



11:01 AM Officer located the male suspect from the previous incident at the Shell Gas Station, 8320 Bellfort and identified him as Scott Yater. The manager of the Shell Gas Station asked the officer to remove the suspect from the store. Officer complied with manager's request issuing a verbal criminal trespass warning to the suspect for loitering at the Shell Gas Station and also for refusing to leave when asked to leave at the Texan Clear Choice Auto.

8:25 PM While on patrol in the parking lot of 8314 Gulf Fwy, officer observed a female that has been repeatedly been told to stay off the property. Officer issued female a CTW.

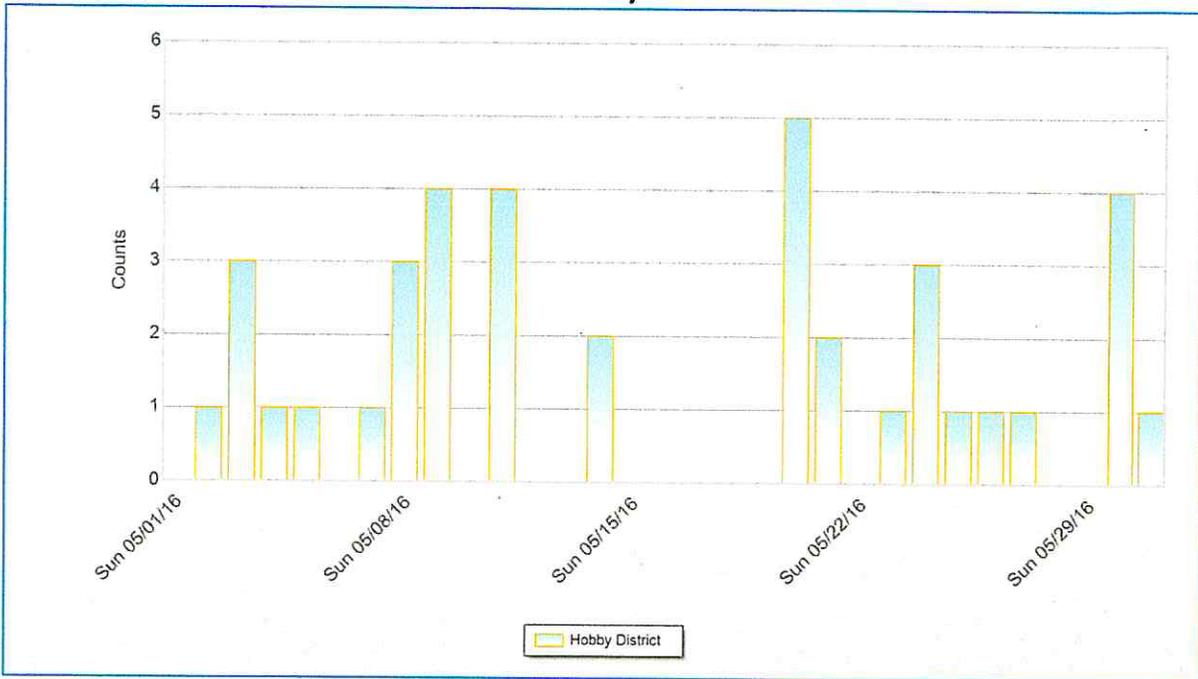


FRIDAY, MAY 27

9:47 AM Office was contacted by dispatch to respond to a report of a fight in progress at the Shell Gas Station. Officer arrived at location and observed suspects were not physically fighting. Officer asked the suspects what was going on they advised officer they were having a verbal argument. The male told the officer that the female was harassing him and he just wanted her to leave him alone but she refused. Officer asked the female suspect, identified as Kimberly Toth, to leave the property. When female suspected started to leave property, officer would start to leave property, and then female suspect would start to return to property. Officer told female suspect that she would be criminally charged with trespassing and arrested if she continued to return to property. Female suspect continued to return to the property at which point officer arrested suspect and notified dispatch of the situation. Dispatch contacted HPD to request transport for the arrested trespasser. When HPD arrived, officer informed HPD of situation. HPD made contact with the suspect and then released her, telling her not to come back on the property or she would go to jail.



Calls Received – May 2016



Call Center

We received **39** calls into our call center from the district for information and tips.

Criminal Trespass Warnings

There were **3** total criminal trespass warnings issued.

Hobby Year-to-Date Summary

Offense:	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sept.	Oct.	Nov.	Dec.	YTD
Alarm	1	0	0	0	0								1
Animal	1	0	0	0	1								2
Assault	0	0	1	0	0								2
Assistance	5	11	1	1	4								22
BMV	27	1	0	1	0								29
Burglary of Habitation	5	1	1	1	0								8
Calls	27	30	41	45	39								182
CTW	5	2	2	3	3								15
Damage/Defacing of Property	3	1	4	1	5								14
Disturbance	4	7	13	6	3								33
Emergency Medical Services	0	0	3	1	0								4
Solicitors	1	0	1	1	0								3
Suspicious Activity	5	8	2	5	10								30
Suspicious Person	17	21	7	3	9								57
Suspicious Vehicle	3	1	1	1	1								7
Theft	1	2	2	5	0								10
Vehicle Collision	1	0	1	0	0								2

During our daily patrols, we made contact with several businesses to introduce S.E.A.L. Security to the district and offer our assistance to the owners and employees, as well as support to other security companies working inside the district.

END OF REPORT



Hobby Area Management District
Litter Abatement and Special Projects Crew
January to December 2016

Month	Streets Cleaned	Milage of ROW Delittered	Milage of ROW Mowed	Bags Filled	Pounds	Bandit Signs Collected	Business Fronts Mowed	Special Projects
January	36	55	14.5	48	2,400	255	66	0
February	43	50.5	50.5	50.5	2,525	435	78	2
March	52	65.15	50	63	3,150	320	156	0
April	34	54.15	8	75	3,750	310	78	3
May	38	66.7	10	52	2,600	347	92	0
Total	203	291.5	133	288.5	14,425	1667	470	5

2016 Totals



Hobby Area Management District
Litter Abatement and Special Projects Crew
 May 2016

Date	Street Cleaned	Milage of ROW Delittered	Milage of ROW Mowed	Bags Filled	Pounds	Bandit Signs Collected	Buisness Fronts Mowed	Special Projects
5/2	Almeda Genoa, Clearwood, Airport	3.9		4.5	225	25		
5/3	Broadway, Belfort, Telephone	6.6		5	250	30		
5/4	Monroe, Telephone, Airport	3.75		4	200	20		
5/6	Mowing Througout District	0	2.5	0	0	0	26	
5/9	Almeda Genoa, Clearwood, Airport	6.6		5	250	40		
5/10	Broadway, Belfort, Telephone	6		5	250	40		
5/11	Monroe, Telephone, Airport	3.9		3.5	175	30		
5/12	Mowing Througout District	0	2.5	0	0	0	25	
5/16	Almeda Genoa	2.3		1	50	25		
5/17	Almeda Genoa, Clearwood, Airport	3.9		4	200	25		
5/18	Broadway, Belfort, Telephone	6.6		4	200	30		
5/19	Mowing Througout District	0	2.5	0	0	0	21	
5/23	Almeda Genoa, Clearwood, Airport	3.9		4	200	20		
5/24	Broadway, Belfort, Telephone	6.6		3	150	20		
5/25	Monroe, Telephone, Airport	3.75		4	200	15		
5/26	Mowing Througout District	0	2.5	0	0	0	20	
5/30	Almeda Genoa	2.3		2	100	12		
5/31	Broadway, Belfort, Telephone	6.6		3	150	15		
Total	38	66.7	10	52	2600	347	92	0

Ledger: June 2016

Hobby Area Management District
P.O. Box 22167
Houston, TX 77227

Make check payable to:
Core Logic Safe Rent
P.O. Box 402453
Atlanta, GA 30384-2453

Invoice Date	Parent #	Acct #	Hobby Area Apartments	Management Company	HAA	RGR	Units	RGR Sub Fees
6/1/2016	T6412	T6590	7518 Morley Street Apts	DJN Ventures, LLC	Yes	Yes	6	\$1.50
6/1/2016	T6412	T6607	Alta Verde	First Choice Management	Yes	Yes	1430	\$357.50
6/1/2016	T6412	T5099	Atlas Broadway	Atlas Broadway Properties	Yes	Yes	210	\$52.50
6/1/2016	T6412	T6452	Bellestone Villas	Creative Property Management	Yes	Yes	60	\$15.00
6/1/2016	T6412	T1152	Bellfort East	Captain Investment Corp	Yes	Yes	58	\$14.50
6/1/2016	T6412	T3294	Bellfort Plaza	Andy Hernandez	Yes	Yes	154	\$38.50
6/1/2016	T6412	T6064	Broadway Casa	Global Investment Properties	Yes	Yes	150	\$37.50
6/1/2016	T6412	T6454	Cabo San Lucas	Nova Property Management	Yes	Yes	1066	\$266.50
6/1/2016	T6412	T6462	Casa Anita	Taylor Real Estate Services	Yes	Yes	24	\$6.00
6/1/2016	T6412	T6461	Casa Cruz	RGJ Apartments	Yes	Yes	262	\$65.50
6/1/2016	T6412	T6451	Casa Grande	CKR Property Management LLC	Yes	Yes	65	\$16.25
6/1/2016	T6412	T3376	Chez Orleans	Kindred Residential	Yes	Yes	23	\$5.75
6/1/2016	T6412	T2631	Clearwood Villas Apts	Picerne Development	Yes	Yes	276	\$69.00
6/1/2016	T6412	T5778	Crescent City	GPI Real Estate Management	Yes	Yes	328	\$82.00
6/1/2016	T6412	T1068	Del Lago	Arcadian Real Estate Group	Yes	Yes	162	\$40.50
6/1/2016	T6412	T2604	Dover Cove Apts	Dover Cove LLC	Yes	Yes	32	\$8.00
6/1/2016	T6412	T6450	Esperanza	CKR Property Management LLC	Yes	Yes	29	\$7.25
6/1/2016	T6412	T6457	Globe	CWD Interests LLC	Yes	Yes	61	\$15.25
6/1/2016	T6412	T6453	Grahamcrest Manor	Orion Real Estate Services	Yes	Yes	50	\$12.50
6/1/2016	T6412	T6459	Las Palmas	Heritage Gulf Coast Properties	Yes	Yes	140	\$35.00
6/1/2016	T6412	T1150	Lennox	Captain Investment Corp	Yes	Yes	41	\$10.25
6/1/2016	T6412	T6460	Leonora	Infinitum Property Management	No	Yes	62	\$15.50
6/1/2016	T6412	T5759	Leonora Square	Infinitum Property Management	No	Yes	38	\$9.50
6/1/2016	T6412	T6480	Los Arcos	Guardian Equity	Yes	Yes	64	\$16.00
6/1/2016	T6412	T1403	Pebble Walk	Gatesco	Yes	Yes	228	\$57.00
7/1/2016	T6412	T6683	Pecan Villa Apts	Pecan Villa Apts, LLC	Yes	Yes	20	\$5.00
6/1/2016	T6412	T4966	Redford Square	BC Redford Square Apts LLC	Yes	Yes	61	\$15.25
6/1/2016	T6412	T6458	Sterling Court Apt Homes	Greater Coastal Management Co	Yes	Yes	140	\$35.00
6/1/2016	T6412	T1509	Telephone Road Apts	Houston Housing Authority	Yes	Yes	200	\$50.00
6/1/2016	T6412	T6463	Vista Verde	Monument Real Estate	Yes	Yes	1040	\$260.00
REMIT THIS STATEMENT WITH PAYMENT							6480	\$1,620.00

HOBBY AREA MANAGEMENT DISTRICT
(HARRIS COUNTY IMPROVEMENT DISTRICT NUMBER 9)
CITY OF HOUSTON
HARRIS COUNTY, TEXAS

AGENDA MEMORANDUM

TO: Hobby Area Management District Board of Directors
FROM: Executive Director
SUBJECT: Agenda Item Materials

9. Receive the Executive Director's monthly report on actions and initiatives in support of the District's Service Plan.



HOBBY AREA MANAGEMENT DISTRICT

SERVICE PLAN

MONTHLY REPORT

MAY 12 – JUNE 9, 2016

COMMITTEE ACTIVITY

STAFF ACTIVITY

COMMITTEE ACTIVITY

Business and Economic Development Committee

The Business and Economic Development Committee did not meet in May.

Environmental, Urban Design and Mobility Committee

The Environmental and Urban Design Committee did not meet in May.

Public Safety Committee

The Public Safety Committee did not meet in May.

STAFF ACTIVITY

MAY 12 – JUNE 9, 2016

- Staff assisted with set up and staffing of the exhibitors booth at the AAAE event. Approximately 100 attendees stopped by the booth to visit and learn about the District and our services.
- Board members and staff attended the Transportation Advisory Group – State of Mobility event featuring keynote speaker, Mayor Turner.
- The business ambassador made 44 visits to 25 different businesses with 33 of the visits being conserved complete in that the BA was able to share information with the owner or the manager. The BA reports that businesses are generally pleased to learn about the District and our services and regularly share information/issues with him. The BA passes along all reports of issues to the Executive Director for follow up.
- Staff made regular updates to the District website and distributed e-news and e-blasts for area partner events.
- Staff continues to work with area partners to promote their events as well as businesses who provide information to the team. The board is now receiving bi-monthly social media reports and a review indicates that the original content creation is working as anticipated in an increase to our Facebook likes and Twitter followers.
- The state of the District event for 2017 has been booked for February 2 at the Double Tree Hotel. The business and economic development committee will begin considering a list of speaker options for consideration by the board at an upcoming meeting.

- Broadway Street Visual Enhancement Project – Developer Agreement between the Gulfgate TIRZ and Scenic Houston and the MOU between HAMD and Scenic Houston were finalized – **both are attached for additional details**. Staff from HAMD, Clark Condon Associates, Scenic Houston, the City of Houston and the contractor team led by Jerdon met for a pre-construction meeting to discuss various parameters of the project. Notice to proceed for the project was given on June 1 and the project is projected to last for 250 days. Work will begin on the section of Broadway between Bellfort and the Gulf Freeway.
- Livable Centers study - The consultant team led by Design Workshop conducted the first of three community outreach workshops on Wednesday, May 25th at the DoubleTree Hotel. Meetings included an initial Stakeholder Discussion, as well as four focus groups, followed by a public meeting in the evening. Daytime meetings were lightly attended while the evening session included approximately 35 residents. The information gathered by the team supplements interviews completed previously by the consultant team, as well as data gathered by both the consultant team and HAMD staff. The consultant team will next determine if additional information is needed prior to seeking solutions as part of the next public workshop.
- Mini-Mural Project – several more murals were completed with leaving two more to be completed.
- Broadway Construction Update – see below.
- Staff, assisted by SEAL Security, responded to a constituent complaint about illegal dumping under the east side of the E. Orem overpass at Mykawa RD. Photos and notifications were sent to 311 and HPD. The CoH responded and placed video surveillance signage at the dump sight. HPD investigators are also following up on a lead provided by the constituent.

Roadway Reconstruction Status Report: June 3, 2016

Timeline discussion

1. The contractor has requested and additional 25 calendar day extension due to constant rain events
2. Initially adjusted extension was 6.7.2016
3. New date will add another 25 calendar days to the first week in July

Roadway Construction Progress

1. Mid-June open Sections 6a and 5 (Section 6a is the currently closed lane closest to Airport)
2. Section 6b remains to be complete (section closest to the ramp)
3. Going to try to complete Morley at the same time as Section 6B
4. Section 6b will be closed at the same time that 6a is open
5. Section 6b is expected to be complete by end of June or 1st week of July
6. The ramp leading to the airport from Broadway Street will never be closed during construction

Requested Median Re-opening

1. *The median re-opening requested near Belfort to access businesses at the intersection of Belfort and Broadway cannot be opened due to proximity to the intersection (650 feet required).*
2. *PWE staff are preparing information to clarify the position disallowing the request to re-open the median near Belfort.*
3. *PWE plans to adjust one currently completed median cut to allow for improved access; however, it will not improve conditions near the intersection of Belfort and Broadway.*

Punch List discussion for Portion of Broadway from Belfort to IH-45

1. *The contractor has received a detailed punch list following a walking tour of the portion of Broadway north of Belfort and was reminded that items need to be completed by end of the extended contract or they become a cost to the contractor*
2. *The contractor is focusing on the areas that would impact our visual enhancement contractor (medians and intersections) prior to focusing on some of the other areas (outside medians)*

New Traffic Signals.

1. *The City of Houston indicated that trees were obstructing the view of the new traffic signals at Dixie Road and Santa Elena and that it was not safe to make the signals fully operational until the trees were trimmed.*
2. *Following approval by the Chairman, HAMD staff acquired the services of SMC Logistics to provide tree trimming services for nine trees (\$3,150 quote for service)*
3. *The City's project does not include costs associated with tree trimming therefore they are looking to HAMD to make the improvements.*

Next Roadway Reconstruction Meeting

June 30th at 10am

METRO Coordination

1. *Tony Allender is coordinating with Russ Frank at METRO regarding HAMD's desire for enhanced bus shelters along Broadway Street with a meeting to discuss next steps and Broadway Street progress in June.*
2. *Clark Condon Associates has submitted the requested proposal for streetscape enhancements elements throughout the Hobby Area Management District (with emphasis on Broadway Street) that includes fees for bus shelter redesign.*

Hobby Area Management District Social Media Report

May 19 - June 2

Facebook

Total number of likes: **1771**

Total Reach: **6,192**

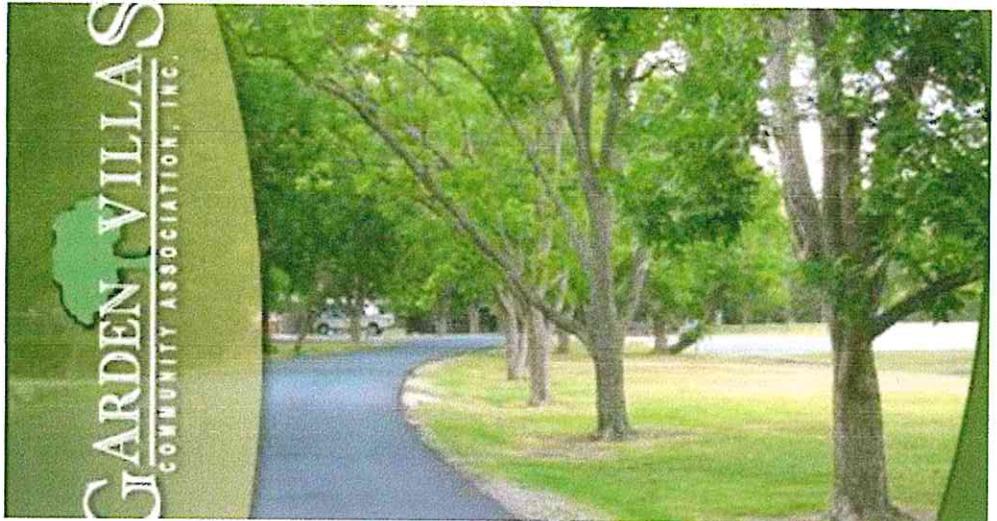
Top 5 Posts

1. Don't miss this epic party!

Garden Villas turns 90 years old and will celebrate with a Food Truck party, May 21.

Link to the event page for the Garden Villas birthday Food Truck party

3.4K reached, 151 reactions, comments & shares



Hobby
LIVABLE CENTERS STUDY

VISION WORKSHOP

Please join us and contribute your ideas to a common future vision for the Hobby Area. Tell us what makes Hobby unique, what makes this neighborhood more than a gateway?



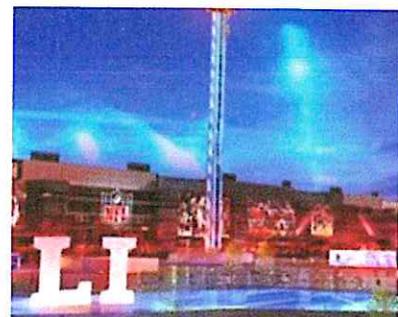
2. Another reminder that May 25, 6-8 PM is a BIG DAY.

Please plan to attend this very important vision workshop to discuss the future of the Hobby area. You have a voice. Use it.

1.2K reached, 58 reactions, comments & shares

3. More fun times ahead: Houston Super Bowl LI introduces Super Bowl Live, a 10-day festival to celebrate the big event.

353 reached, 9 reactions, comments & shares





4. More Mini Murals take flight in the District, including this gorgeous eagle meant as a tribute to Jessup Elementary by Pilot FX Crew and Anat Ronen.

Location: Almeda Genoa at Easthaven, Houston, Texas

Artist: Anat Ronen's murals x Pilot One

Project by: [Up Art Studio](#)

Sponsored by: Yours truly (Hobby District)

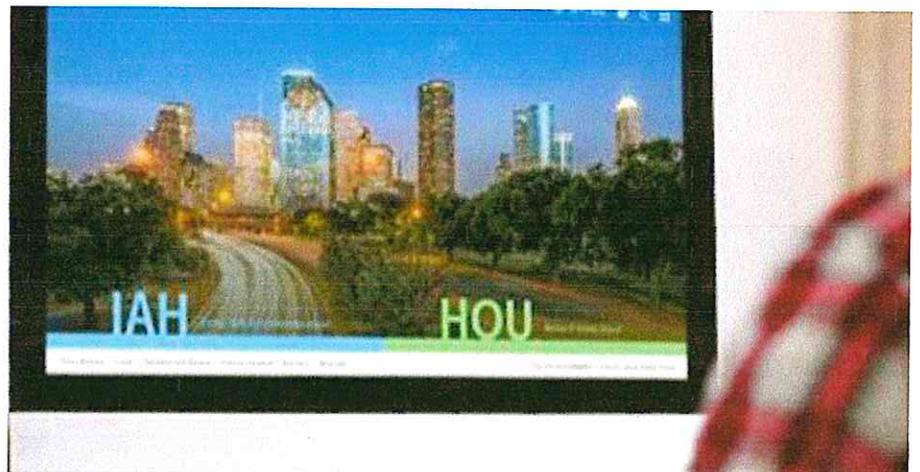
For more info: www.minimurals.org

[#MiniMuralsHou](#)

285 reached, 20 reactions, comments & shares

5. Notice anything different about the [William P. Hobby Airport & George Bush Intercontinental Airport website](#)? More functionality just in time for summer travel.

217 reached, 4 reactions, comments & shares



Twitter

Total number of tweets & retweets for the time period: 13

Total number of impressions for the last 28 days: 4,524

Total number of profile visits for the last 28 days: 93

Total number of followers: 175

Top Tweets

- **Top Tweet** earned 97 impressions (For June only, so hasn't had a lot of time to reach folks, yet.)

On a less rainy note, here's a fabulous photo of another

[#MiniMuralsHOU](#) near Jessup Elementary. <3 [@UPArtStudio1](#)
pic.twitter.com/YzhuX8OWnU

- **Top Tweet** earned 217 impressions (For May)

Can you tell we're proud of the new [#MinuMuralsHOU](#) in our neighborhood? Can't get enough. cc: [@UPArtStudio1](#)
pic.twitter.com/ZFIUuVV87I

“*When the Eyes
of the World
are Watching*”

Large Event Planning Hacks
for Your Airport

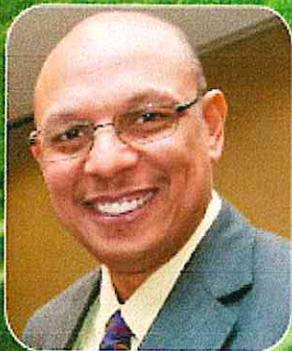
88th Annual
AAAE Conference & Expo



HOBBY AREA DISTRICT

HADistrict.org

Moderator:



Danny R. Perkins
ESC Polytech Consultants
Principle



Brian Shapiro
Shapiro Communications
President



Barbara Yamamoto
LAWA
Community Relations Director



Lloyd Richards, Jr.
NFL Super Bowl LI
V.P., Operations and Logistic

Tuesday,
MAY 17, 2016
@2:30pm - 4pm
George R. Brown - Room 360
1001 Avenida De Las Americas

Featuring Keynote Speakers:

Questions? Contact us at info@HADistrict.org

**AGREEMENT REGARDING ENHANCED BROADWAY/HOBBY CORRIDOR
REDEVELOPMENT PROJECT**

THIS AGREEMENT REGARDING ENHANCED BROADWAY/HOBBY CORRIDOR REDEVELOPMENT PROJECT (this "Agreement") is made and entered into as of the 12th day of May, 2016, by and between **SCENIC HOUSTON**, having an address of 5615 Kirby Drive, Suite 645, Houston, Texas 77005 ("Scenic Houston"), and **HARRIS COUNTY IMPROVEMENT DISTRICT NO. 9**, having an address of c/o Hawes Hill Calderon LLP, 9610 Long Point Rd., Suite 150, Houston, Texas 77005 (the "District").

RECITALS:

A. The District is a management district created in June 2007 under Section 59, Article XVI of the Texas Constitution and Chapter 4110 of the Texas Special District Local Laws Code and as such has the power, among others, to provide and develop within the boundaries of the District public transportation and pedestrian facilities including improved street lighting and street landscaping and improved street access.

B. Scenic Houston is dedicated to preserving and enhancing the quality of the visual character of Houston by promoting sign control, billboard reduction, scenic byway development and enhanced design standards and landscaping for streets and other public projects. Scenic Houston is the primary chapter of Scenic Texas, Inc., a 501c3 organization.

C. The City of Houston, Texas (the "City") has initiated certain improvements to Broadway Street from Interstate 45 to Airport Boulevard under TxDOT Project No. C912-70-64 (the "Original Broadway Project")

D. The District and Scenic Houston have requested that the City modify the Original Broadway Project by adding certain additional elements and making other changes, all as described on Exhibit A attached hereto (the "Additions and Modifications"). The Original Broadway Project as modified by the Additions and Modification is called herein the "Project").

E. The City has agreed to incorporate the Additions and Modifications into the Original Broadway Project so long as the District and/or Scenic Houston provide the funds required to construct such Additions and Modifications to the extent the construction thereof causes the City to incur costs in excess of the costs the City would otherwise incur for the Original Broadway Project (the "Excess Costs").

F. The District has paid, or will pay, to the Centerpoint Energy ("Centerpoint") \$134,678.00 for the installation of enhanced street lights along Broadway Street as part of the Project (the "Streetlight Payment").

G. Pursuant to that certain Agreement Regarding Broadway/Hobby Center Redevelopment Project dated as of February 12, 2015, by and between the District and Scenic Houston (the "Initial Agreement"), Scenic Houston agreed, from the net proceeds of Scenic Houston's comprehensive fundraising campaign, to reimburse the District for the Streetlight

Payment and any payments made by the District to the City for Excess Costs, all as set forth in the Initial Agreement.

H. After the completion of the Project, Scenic Houston and the District intend to work together to design, develop and construct additional enhanced landscaping and other streetscape improvements to Broadway Street (the "Enhanced Project") to further beautify and enhance Broadway Street as a gateway to Hobby Airport.

I. The District and Scenic Houston are executing and entering into this Agreement to memorialize their agreements and understandings with regard to the Enhanced Project.

AGREEMENT:

NOW THEREFORE, in consideration of the mutual covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

1. Design Development Drawings/Construction Drawings. The District has engaged Clark Condon Associates ("Clark Condon") to prepare, and Clark Condon has prepared, the design development drawings for the Enhanced Project described on Exhibit A attached hereto (the "Design Development Drawings"). Scenic Houston and the District will jointly direct Clark Condon, pursuant to a contract between the District and Clark Condon approved by Scenic Houston, to prepare detailed construction drawings for the Enhanced Project based on the Design Development Drawings, with the final detailed construction drawings to be subject to the approval of each of Scenic Houston and the District (such approved final, detailed construction drawings being, the "Construction Drawings"). It is contemplated that the Construction Drawings will be completed and approved by each of Scenic Houston and the District on or before September 15, 2015.

2. Budget. Scenic Houston and the District will jointly develop and agree upon a budget for the design, development and construction of the Enhanced Project. Any changes to the budget must be approved by each of the District and Scenic Houston.

3. Bidding. Upon the completion and approval of the Construction Drawings as provided above, the District and Scenic Houston will jointly cause the construction of the Enhanced Project as set forth in the Construction Drawings to be bid in accordance with all applicable laws. The parties anticipate that the construction of the Enhanced Project will be bid by way of competitive sealed proposals with bid specifications jointly approved by the District and Scenic Houston. At a minimum, the bid specifications will also include one year of maintenance by the contractor after substantial completion. The District and Scenic Houston will jointly evaluate all submitted bids, jointly select the preferred contractor and jointly negotiate the resulting construction and maintenance contract, with such selected contractor and such contract to be subject to the approval of each of the District and Scenic Houston.

4. Project Management and Reporting. The District shall, without fee or other compensation, provide overall project management and reporting for the design, development and construction of the Enhanced Project. Accordingly, the District shall be the party contracting with

Clark Condon and the contractor for the design, development, construction and construction administration of the Enhanced Project, with all such contracts to be subject to the approval of each of the District and Scenic Houston. Notwithstanding the foregoing to the contrary, Scenic Houston, and not the District, will be the party responsible for making payments due to the contractor for the construction of the Enhanced Project. The District shall not execute a contract with the contractor who will construct the Enhanced Project until the District and Scenic Houston mutually agree to do so. The District's duties and obligations with regard to project management and reporting are set forth in Exhibit B attached hereto.

5. Maintenance. As provided above, pursuant to the initial contract with such contractor, the contractor selected to construct the Enhanced Project will be responsible for maintaining the Enhanced Project for ninety (90) days after the substantial completion of the construction of the Enhanced Project. Thereafter, the District hereby agrees to maintain and repair the Enhanced Project, and pay the costs thereof, in accordance with the District's 10-year service and assessment plan and at a minimum in accordance with the standards to which first class, public landscape and hardscape projects paid for in whole or in part by private donations are then maintained and repaired in the City of Houston.

6. Fundraising and Funding. Scenic Houston will use its good faith, reasonable efforts to engage in a comprehensive fundraising campaign to obtain private and/or public funding from donors to provide funds to pay for the costs of the development, construction and interim maintenance of the Enhanced Project. Scenic Houston shall be responsible for making payments directly to the contractor engaged to construct the Enhanced Project, and the construction contract with such contractor shall contain provisions reasonably applicable to Scenic Houston and the District acknowledging that the District shall not be responsible for payments under such contract. Finally, notwithstanding any terms of this Agreement or the Initial Agreement to the contrary, the District hereby subordinates its right to be paid the Streetlight Payment to the payment in full of the Excess Costs and to the payment in full of the costs related to the preparation of the Construction Drawings for the Enhanced Project.

7. Cooperation. The parties will work together cooperatively toward implementing the design, development, construction and maintenance of the Enhanced Project, and will execute future agreements, with third parties and with each other, with regard to their respective obligations and responsibilities in connection with the Enhanced Project as they each deem appropriate at the time. The parties recognize that the phasing of the construction of the Enhanced Project must be coordinated with Scenic Houston's actual receipt of fundraising proceeds so that the District and Scenic Houston do not commit to third-party expenditures in advance of the availability of actual fundraising or other proceeds.

8. Representatives. The District hereby designates David Hawes to be the representative of the District (the "District Representative"), who shall be authorized to act on behalf of the District under this Agreement. The District shall have the right, from time to time, to change the individual who is the District Representative by giving at least ten (10) days' prior written notice to Scenic Houston thereof. With respect to any action, decision or determination to be taken or made by the District under this Agreement, the District Representative shall take such action or make such decision or determination or shall notify Scenic Houston in writing of the person(s) responsible for such action, decision or determination and shall forward any

communications and documentation to such person(s) for response or action. Any written approval, decision, confirmation or determination hereunder by the District Representative shall be binding on the District; *provided, however*, that notwithstanding anything in this Agreement to the contrary, the District Representative shall not have any right amend or terminate this Agreement. Scenic Houston hereby designates Anne Culver to be the representative of Scenic Houston (the "**Scenic Houston Representative**"), who shall be authorized to act on behalf of Scenic Houston under this Agreement. Scenic Houston shall have the right, from time to time, to change the individual who is a Scenic Houston Representative by giving at least ten (10) days' prior written notice to the District thereof. With respect to any action, decision or determination to be taken or made by Scenic Houston under this Agreement, the Scenic Houston Representative shall take such action or make such decision or determination or shall notify the District in writing of the person(s) responsible for such action, decision or determination and shall forward any communications and documentation to such person(s) for response or action. Any written approval, decision, confirmation or determination hereunder by the Scenic Houston Representative shall be binding on Scenic Houston; *provided, however*, that notwithstanding anything in this Agreement to the contrary, the Scenic Houston Representative shall not have any right to amend or terminate this Agreement.

9. Default. If either party believes that the other party has defaulted under the terms of this Agreement, the non-defaulting party must send written notice detailing the nature of the default to the alleged defaulting party. The alleged defaulting party shall have a period of thirty (30) days after receipt of such notice to cure such alleged default to the reasonable satisfaction of the non-defaulting party. Upon the failure of the alleged defaulting party to cure the alleged default as set out above, the non-defaulting party will have the right to pursue all remedies available at law or equity as a result of such alleged default, including the right to terminate this Agreement upon five (5) days' additional written notice to the alleged defaulting party.

10. Independent Contractor. It is understood and agreed that the relationship of the parties shall be that of independent contractors. Nothing contained in this Agreement or inferable herefrom shall be deemed or construed to (i) make either party the agent, servant, or employee of the other party or (ii) create any partnership, joint venture, or other association between the parties.

11. Waiver of Performance. The failure of either party to insist, in any one or more instances, on the performance of any of the terms, covenants or conditions of this Agreement, or to exercise any of its rights under this Agreement, shall not be construed as a waiver or relinquishment by such party of such term, covenant, condition or right with respect to further performance.

12. Governing Law. This Agreement will be governed, construed and enforced in accordance with the laws of the State of Texas.

13. Attorneys' Fees. If either party places the enforcement of this Agreement, or any part hereof, or the exercise of any remedy herein provided, in the hands of an attorney who institutes an action or proceeding upon the same (either by direct action or counterclaim), the non-prevailing party shall pay to the prevailing party its reasonable attorneys' fees and costs of court. In addition to the foregoing award of attorneys' fees to the prevailing party, the prevailing party shall be entitled to its attorneys' fees incurred in any post-judgment proceeding or action to

collect or enforce the judgment. This provision is separate and several and shall survive the expiration or earlier termination of this Agreement or the merger of this Agreement into any judgment on such instrument.

14. Severability. If any provision of this Agreement is held to be illegal, invalid or unenforceable under present or future laws, the legality, validity and enforceability of the remaining provisions of this Agreement shall not be affected thereby, and this Agreement shall be liberally construed so as to carry out the intent of the parties to it.

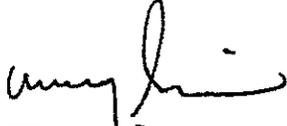
15. Notices. Any notice, request or other communication required or permitted to be given under this Agreement shall be given in writing by delivering it against receipt for it, by depositing it with an overnight delivery service or by depositing it in a receptacle maintained by the United States Postal Service, postage prepaid, registered or certified mail, return receipt requested, addressed to the respective parties at the addresses shown herein (and if so given, shall be deemed given when mailed). Notice sent by any other manner shall be effective upon actual receipt by the party to be notified. Actual notice, however and from whomever given or received, shall always be effective when received. Either party's address for notice may be changed at any time and from time to time, but only after thirty (30) days' advance written notice to the other party and shall be the most recent address furnished in writing by one party to the other. The giving of notice by one party which is not expressly required by this Agreement will not obligate that party to give any future notice.

16. Parties in Interest. The terms of this Agreement shall be binding upon, and inure to the benefit of, the parties hereto and their permitted successors and assigns. Nothing in this Agreement, whether express or implied, shall be construed to give any person or entity (other than the parties hereto and their permitted successors and assigns) any legal or equitable right, remedy or claim under or in respect of any terms or provisions contained in this Agreement or any standing or authority to enforce the terms and provisions of this Agreement.

17. General. The masculine and neuter genders used in this Agreement each includes the masculine, feminine and neuter genders, and whenever the singular number is used, the same shall include the plural where appropriate, and vice versa. Wherever the term "including" or a similar term is used in this Agreement, it shall be read as if it were written "including by way of example only and without in any way limiting the generality of the clause or concept referred to." The headings used in this Agreement are included for reference only and shall not be considered in interpreting, applying or enforcing this Agreement. All exhibits described in this Agreement as being attached to it are hereby incorporated into it. The words "shall" and "will" as used in this Agreement have the same meaning. This Agreement shall not be modified or amended in any manner except by a writing signed by all the parties hereto. This Agreement represents the entire and integrated agreement between the parties with respect to the subject matter hereof. All prior negotiations, representations or agreements not expressly incorporated into this Agreement are hereby superseded and canceled. The parties acknowledge and represent that this Agreement has been jointly drafted by the parties, that no provision of this Agreement will be interpreted or construed against any party solely because that party or its legal counsel drafted such provision and that each of them has read, understood, and approved the language and terms set forth herein. This Agreement may be executed in multiple counterparts, each of which shall constitute but one agreement. All signatures need not be on the same counterpart.

EXECUTED as of the date first set out above.

HARRIS COUNTY IMPROVEMENT
DISTRICT NO. 9

By: 
Name: Danny R. Perkins
Title: Chair

SCENIC HOUSTON

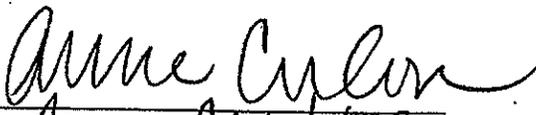
By: 
Name: Anne Culver
Title: PRESIDENT

EXHIBIT A

DESIGN DEVELOPMENT DRAWINGS

1. [LIST DRAWINGS]

EXHIBIT B

PROJECT MANAGEMENT AND REPORTING

1. Design Phase. During the design phase of the Enhanced Project, the District shall coordinate with Scenic Houston and with the Architect to obtain final drawings and specifications (including mock-ups and color samples) acceptable to Scenic Houston, and the District's responsibilities will include, without limitation, the following:

- (a) Reviewing, commenting on and coordinating changes in preliminary design and working drawings, specifications and site plans that are requested by Scenic Houston;
- (b) Providing a design issues tracking system upon which the most recent status of all design issues will be updated and transmitted to Scenic Houston;
- (c) Obtaining cost estimates from contractors and preparing revisions to the budget for the construction phase in light of the development of the design;
- (d) Advising Scenic Houston with respect to preferred construction methods and the constructability of the Enhanced Project pursuant to the then-current drawings and specifications;
- (e) Preparing the Schedule for Completion of the Enhanced Project acceptable to Scenic Houston;
- (f) Reviewing and analyzing the scope of work and all drawings and specifications and making continuing recommendations regarding value engineering and the feasibility of completing the Enhanced Project in accordance with the drawings and specifications and within the parameters of the Schedule and the Budget;
- (g) Coordinating the finalization and approval of final drawings and specifications;
- (h) Identifying and recommending proposed contractors for the Enhanced Project, coordinating the process for the selection of the contractors, analyzing proposals from such proposed contractors and reviewing for acceptability the bids received from contractors;
- (i) Preparing and/or reviewing and evaluating agreements with contractors, and negotiating such agreements (it being understood that all such agreements shall be subject to Scenic Houston's prior approval); and
- (j) Organizing, scheduling and managing all meetings relating to the design phase of the Enhanced Project and consulting with and advising Scenic Houston and the Architect.

2. Construction Phase. Once construction of the Enhanced Project commences, the District will serve as a general project manager, and the District's responsibilities with respect to the Enhanced Project will include, without limitation, the following:

(a) Making regular visits to the job site as and when necessary to perform its obligations pursuant to, and in accordance with, the terms of this Exhibit to review the work and progress of construction with the contractors and with the Architect;

(b) Consulting with Scenic Houston regarding proposed changes and modifications to the Plans and Specifications and coordinating issuance of change orders if and when changes are approved in writing by Scenic Houston and the District, the appropriate contractors, and other necessary parties including, but not limited to, evaluating all proposed change orders with respect to the validity, necessity and cost thereof and any implications to the overall job progress, the overall costs under the Budget, identifying possible alternatives, and preparing and submitting to Scenic Houston a written report, together with recommendations regarding each proposed change order and any possible alternatives prior to commencement of any work contemplated by each change order;

(c) Responding promptly (in no more than forty-eight (48) hours) to any questions from Scenic Houston regarding the work or progress of construction, construction methods, scheduling, and the like;

(d) Requiring special inspection or testing, as appropriate, or reviewing recommendations by contractors or the Architect regarding special inspection or testing of work not in accordance with the Construction Contracts, whether or not such work is fabricated, installed or completed;

(e) Monitoring or causing the contractors to monitor the safety programs developed by the contractors and subcontractors as required by the Construction Contracts, including site security, and informing Scenic Houston of any non-compliance with such programs;

(f) Coordinating and supervising abatement of hazardous materials;

(g) Ensuring that any other construction work is coordinated with the on-site contractors for the Enhanced Project;

(h) Developing and maintaining a non-conformance report log, notifying the contractors and Scenic Houston of any such non-conformances, and monitoring and reporting corrective actions;

(i) Coordinating the turnover of portions of the Enhanced Project as and when the same are appropriately completed, including performing walk-throughs to identify punch list items;

(j) Consulting with the Architect, the contractors and other designated parties regarding the status of the work of each contractor or subcontractor and assisting in

assessing the state of Completion of the Enhanced Project or any part thereof, in order to monitor compliance with established construction schedules and contract documents;

(k) Coordinating efforts by all appropriate parties to complete the Enhanced Project substantially in accordance with the Plans and Specifications thereof, as the same may be amended from time to time with the approval of all necessary parties, such efforts to include, without limitation, assisting in the scheduling of inspections and the preparation of punchlists;

(l) Assisting the Architect to determine the dates of substantial completion and final completion (as such terms are defined in the Construction Contracts) and upon achieving substantial completion, monitoring contractor's obligation to achieve final completion under the construction contract;

(m) Coordinating efforts by all appropriate parties to complete the punchlist items identified by Architect and the District;

(n) Using commercially reasonable efforts to obtain, or causing the Architect or the contractors to obtain all appropriate and necessary governmental permissions to occupy the Enhanced Project;

(o) Procuring a certificate of completion from the Architect and the appropriate contractors and procurement of all other items described in the description of the term "Completion;" and

(p) Observing the initial start up, testing and commissioning by the contractors of utilities, operating systems and equipment.

3. All Phases. During all phases of the Enhanced Project, the District's responsibilities will include, without limitation, the following:

(a) Providing Scenic Houston with monthly progress reports (and at least twice monthly progress reports during construction) so as to keep Scenic Houston fully apprised of the progress of design, development, construction and Completion as provided in Section 10 of this Exhibit, and provide Scenic Houston with the Draw Requests and the Enhanced Project Control Reports as provided in Section 10 of this Exhibit;

(b) If in any month the District determines that the expected cost of design, development or construction in that month will be in excess of the amount set forth in the approved schedule of expenditures forming part of the Budget, the District shall give prompt, detailed, written notice to Scenic Houston of such excess costs to be incurred by Scenic Houston in that month and the reason why the expenditures are in excess of the estimated expenditures for that month;

(c) Notifying Scenic Houston of any actual or anticipated change in the Schedule of which the District becomes aware;

- (d) Notifying Scenic Houston of any actual or anticipated increase in a Budget Category within the Budget of which the District becomes aware;
- (e) Advising Scenic Houston with respect to all material dealings with all governmental authorities who have control over the design, development, construction or Completion of the Enhanced Project;
- (f) Coordinating and managing the performance of the contractors and the Architect under their respective contracts;
- (g) Using commercially reasonable efforts to resolve and settle any conflict among the contractors and the Architect and keeping Scenic Houston fully informed with respect to such conflicts and settlement discussions;
- (h) Negotiating with all applicable utility companies, whether governmental or otherwise, for the installation of all applicable utility services to the Enhanced Project on a timely basis;
- (i) Organizing and coordinating a schedule of monthly draw meetings to be attended by the District, Scenic Houston and Architect, which schedule shall set forth the dates on which the monthly draw meetings will be held for the ensuing three (3) months;
- (j) Reviewing applications for payment submitted by Architect and the contractors and preparing documentation for all requests for payments from Scenic Houston, in form and content sufficient to permit Scenic Houston to determine the appropriateness of such payments;
- (k) Coordinating the performance of any tests and inspections required by any governmental authority;
- (l) Using commercially reasonable efforts to accomplish Completion of the Enhanced Project in accordance with the Schedule, within the Budget, and in accordance with the Plans and Specifications and applicable law;
- (m) Sending to Scenic Houston the Monthly Draw Package and copies of all material notices received by the District from the Architect, the contractors and legal authorities;
- (n) Advising Scenic Houston with respect to any master planning issues relating to the Enhanced Project;
- (o) Obtaining, through contractors, all permits, licenses and approvals related to the development, construction and Completion of the Enhanced Project, and management of the progress of all contractors with the terms of such permits, licenses and approvals;
- (p) Recording and reporting to Scenic Houston the progress of the construction of the Enhanced Project, which reports shall be made on a weekly basis and shall include

reports on the status of Completion of the Enhanced Project relative to the Schedule, the expenditures under the Budget, any changes in the Plans and Specifications that the District believes may be required, lists of change orders and any other matters affecting, or that the District believes may affect, in any material respect the timely Completion of the Enhanced Project in accordance with the Budget and the Plans and Specifications;

(q) Attending meetings with and assisting Scenic Houston in providing progress reports to Scenic Houston's Finance Committee or other stakeholders and assisting Scenic Houston with the communication of pertinent information pertaining to the Enhanced Project to interested parties and the general public;

(r) Preparing and maintaining complete and accurate files, books of account and other records of all development and construction costs and expenses of the Enhanced Project incurred by Scenic Houston in accordance with generally accepted accounting principles;

(s) Recommending and implementing strategies and schedules to realize cost and time efficiencies, including development and implementation of recovery plans to achieve Completion of the Enhanced Project by the Completion Date;

(t) Evaluating the contents of all claims, obtaining the factual information concerning any such claim, reviewing the time/cost impact of the alleged cause of such claim, and making recommendations with regard to such claim;

(u) Coordinating the submission of all insurance claims and processing all paperwork relating to such claims;

(v) Developing a confidential tracking system that will allocate the responsibility for changes and claims to the party responsible for the cause of the change or claim; and

(w) Performing generally such other acts and functions as may be required in accordance with this Exhibit for the full and complete supervision and coordination of the design, development, construction and Completion of the Enhanced Project and advising and consulting with Scenic Houston with respect thereto.

4. Completion of the Enhanced Project. The District hereby agrees to diligently use its commercially reasonable efforts and devote sufficient time and personnel to prosecute, in accordance with the terms of this Exhibit, the coordination and management of the design, development, construction and Completion of the Enhanced Project in compliance with the time parameters established therefor by Scenic Houston and the District as herein provided and in compliance with such contractual obligations of the District, and to use its commercially reasonable efforts to cause all construction required for Completion to be completed on or before the applicable Completion Date set forth in the Schedule, in accordance with the Budget and in compliance with applicable law and the Plans and Specifications.

5. Employees. The District shall have in its employ at all times a sufficient number of capable employees to enable the District to properly perform its duties and obligations under this

Exhibit including, without limitation, managing, arranging, supervising and coordinating activities necessary to achieve Completion of the Enhanced Project in accordance with the Schedule. The District shall be responsible out of the District's own funds for all costs and expenses related to the employment of such personnel. All persons employed by the District in the performance of its responsibilities hereunder shall be exclusively controlled by and shall be the employees of the District and not of Scenic Houston, and Scenic Houston shall have no liability, responsibility or authority with respect thereto. The identity of the project manager and other key personnel of the District involved in the design, development, construction and Completion of the Enhanced Project are listed on Schedule 1 attached hereto (collectively, "Key Persons"), and any replacements of such Key Persons shall be subject to the prior written approval of Scenic Houston, in Scenic Houston's sole and absolute discretion.

6. Information. The District shall keep Scenic Houston fully informed on a weekly basis of the progress of the development, design, construction and completion of any work to be accomplished in connection with the Enhanced Project, including, without limitation, (a) all meetings to be held with governmental officials, (b) all meetings of the project construction team, which shall include Scenic Houston and the contractors, architects and engineers engaged in connection therewith, and (c) any defaults, or potential defaults of any material nature under this Exhibit or any of the agreements entered into in connection with this Exhibit. All notices, progress reports, monthly and weekly reports (as provided in Section 10 of this Exhibit), documents and other such information required to be delivered by the District to Scenic Houston under this Agreement shall be delivered pursuant to Section 15 of the Agreement.

7. Implementation of Budget. The District shall use prudence and diligence and shall employ its commercially reasonable efforts to ensure that the actual costs incurred for each Budget Category as set forth in the Budget shall not exceed such category in the Budget. The District shall advise Scenic Houston promptly if it appears that the total costs in any Budget Category specified in the Budget will exceed the amount budgeted therefor. All expenses shall be charged to the proper Budget Category in the Budget, and, except as otherwise expressly provided herein, no expenses may be classified or reclassified for the purpose of avoiding an excess in the budgeted amount of a Budget Category without Scenic Houston's prior written approval. The District shall secure Scenic Houston's prior written approval before incurring or paying any cost which will result in aggregate expenditures under any one Budget Category in the Budget exceeding the amount budgeted therefore or which would result in the Budget being "out of balance," i.e., would result in the remaining costs, as reasonably anticipated by Scenic Houston, exceeding the remaining funds in the Budget. Nothing contained in this Section 7 shall act to amend or otherwise modify the Budget or the Schedule, unless Scenic Houston and the District shall agree otherwise in writing.

8. Revision of Budget. If the District at any time determines that the Budget for the Enhanced Project is not compatible with the then-prevailing status of the Enhanced Project and does not adequately provide for the Completion of the Enhanced Project, the District shall promptly prepare and submit to Scenic Houston an appropriate revision of the Budget. Any such revision shall require the prior written approval of Scenic Houston, and if Scenic Houston objects to any such revision, Scenic Houston shall notify the District in writing of its disapproval of the proposed revision and specify in such notice the items to which it objects. The failure of Scenic Houston to object to any such proposed revision shall not be deemed to be Scenic Houston's

consent to such revision. In the event of any such objection, the District and Scenic Houston shall consult and endeavor to reconcile their differences. No revision to the Budget shall change the Schedule or limit the liability of the District under this Agreement, unless Scenic Houston shall agree otherwise in writing.

9. Books of Account. The District shall maintain or cause to be maintained for a period of not less than three (3) years after the Completion of the Enhanced Project, proper and complete records and books of account which shall fully and accurately reflect the design, development, construction and Completion of the Enhanced Project. All entries to such books of account shall be supported by sufficient documentation to permit Scenic Houston and any of their auditors to ascertain that said entries are properly and accurately recorded. Such books of account shall be located at the District's principal office and shall be maintained in accordance with generally accepted accounting principles consistently applied. The District shall keep vouchers, statements, receipted bills and invoices and all other records covering all collections, if any, disbursements and other data prior to final completion of construction. Upon request by Scenic Houston at any time prior to the third (3rd) anniversary of the Completion of the Enhanced Project, the originals of all such accounts and records, including all correspondence, shall be delivered to Scenic Houston without charge therefor. Records and accounts shall be maintained on a basis sufficient to permit the preparation therefrom of financial statements in accordance with generally accepted accounting principles and shall be adequate to provide Scenic Houston and its representatives with all financial information as may reasonably be needed by Scenic Houston. The provisions of this Section 9 shall survive any termination of this Agreement.

10. Monthly Reports. Promptly following the end of each calendar month in which construction activities are ongoing, the District shall prepare both a "Draw Request" and a "Project Control Report" with respect to the Enhanced Project, and shall cause the same to be delivered to Scenic Houston no later than the tenth (10th) day of each month. The Draw Request and Project Control Report for the month shall include a project cost summary spreadsheet which shall be a static financial account of all costs incurred (hard and soft) as more particularly set forth on Schedule 2 (the "Monthly Draw Package") and any funding required from Scenic Houston. The Draw Request and Project Control Report shall also include an Enhanced Project to date lien waiver summary spreadsheet identifying all lien waivers received and accrued to date which shall equal the amount of hard costs paid through the previous Draw Request. The Project Control Report shall include an updated project schedule, the most current progress reports or other written reports received from the Architect, and a comparison of the amount of actual costs incurred as of the effective date of such report to the budgeted costs as of such date, shown on a line-item basis using the same categories or line items set forth in the applicable Budget. The Project Control Report shall include a daily project diary of all details of the work, equipment and labor on site. The Project Control Report shall also include information with respect to the status of contractor defaults, force majeure events or other such problems encountered previously, and shall otherwise be in a form and contain types of information reasonably satisfactory to Scenic Houston. Together with each Draw Request, the District shall submit (or cause the contractors to submit) to Scenic Houston AIA documents G702 Application for Payment (approved by the Architect) and G703 Continuation Sheet for each direct contract in place. All documents shall be type written and shall not have any handwritten changes to dollar values. Any handwritten changes of a non-dollar nature shall be initialed and dated by the person who made the change. Each such request shall be

certified by the District's project manager to the best of such person's knowledge after reasonably diligent inquiry.

11. Examination of Books and Records. Scenic Houston and Scenic Houston's agents and representatives, at Scenic Houston's expense, shall have the right at all reasonable times during normal business hours and upon at least twenty-four (24) hours advance notice, to audit, examine, and make copies of or extracts from the books of account and records maintained by the District with respect to the Enhanced Project. If Scenic Houston shall notify the District of either weaknesses in internal control or errors in record keeping, the District shall correct such weaknesses and errors as soon as possible after they are disclosed to the District. The District shall notify Scenic Houston in writing of the actions taken to correct such weaknesses and errors. If any such audit shall disclose any overpayment by Scenic Houston to the District, written notice of such overpayment shall be provided to the District and the amount of such overpayment shall be promptly reimbursed by the District to Scenic Houston together with interest at the rate of one percent (1%) per month from the date of payment by Scenic Houston until the date repaid by the District. The provisions of this Section 11 shall survive any termination of this Agreement.

12. Indemnity of Scenic Houston. To the extent permitted by applicable law, the District hereby agrees to indemnify, defend and hold harmless Scenic Houston and their respective officers, directors, parents, subsidiaries, trustees, investment advisors, agents and employees, from and against any and all claims, demands, losses, liabilities, actions, lawsuits and other proceedings, judgments and awards, and costs and expenses (including without limitation reasonable attorneys' fees and court costs incurred in connection with the enforcement of this indemnity or otherwise), suffered or incurred by Scenic Houston as a result of (i) any failure by the District to comply with its obligations under this Exhibit or (ii) fraud, negligence or willful misconduct of the District in connection with this Exhibit or the District's services or work hereunder or (iii) the District acting outside the scope of its duties or authority hereunder. The District shall have the right to defend, and shall defend, at its expense and by counsel of its own choosing (subject to Scenic Houston's approval of such counsel, not to be unreasonably withheld), against any claim or liability to which the indemnity agreement set forth in this Section 12 would apply. Any settlement of any such claim or liability by the District shall be subject to the reasonable approval of Scenic Houston. The right of Scenic Houston or any Persons to be defended hereunder to defend or settle any such claim shall be limited to those cases where the District has failed or refused to defend after written notice to the District or to where Scenic Houston or any Persons to be defended hereunder reasonably determine that a conflict of interest exists. The District or Scenic Houston, as applicable, shall regularly apprise the other of the status of all proceedings. The provisions of this Section 12 hereof shall survive the completion of the District's services hereunder or any termination of this Agreement.

13. Insurance Requirements. The District shall carry and maintain, or cause its consultants working on the Enhanced Project to carry and maintain, insurance with respect to the Enhanced Project in accordance with the provisions contained in Schedule 3 attached hereto and incorporated herein by this reference. A certificate of insurance in force, issued by the insurer as provided in Schedule 3 attached hereto, shall be delivered by the District, or its consultants, to Scenic Houston on or before the commencement of the District's, or its applicable consultant's, services hereunder, and with respect to renewal or replacement policies, not less than thirty (30) calendar days prior to the expiration of the policy being renewed or replaced.

14. Definitions. As used in this Exhibit B, the following terms shall have the following meanings:

“Architect” shall mean the architect engaged by the District in connection with the design and construction of the Enhanced Project. The current Architect is Clark Condon Associates.

“Architect’s Contract” shall mean the architect’s contract entered into by the District and Architect providing for the plans, drawings, specifications, contract administration and related matters appropriate for the construction of the improvements comprising the Enhanced Project.

“Budget” shall mean the budget(s), as amended from time to time with the parties’ prior written approval, of all expenses estimated and projected to be incurred with respect to the design, development and construction of the Enhanced Project.

“Budget Category” shall mean the categories of costs and/or expenses set forth in the Budget.

“Business Day” shall mean any day other than Saturday, Sunday or any other day on which banks or savings and loan associations in the metropolitan area where the Enhanced Project is located are permitted or required to be closed.

“Completion” shall mean the following shall have occurred with respect to the Project: (i) completion of the Plans and Specifications, (ii) all permits and approvals for the commencement of construction have been obtained, (iii) the construction and equipping of the Enhanced Project shall have been completed in accordance with the Plans and Specifications, including completion of landscaping and all punchlist items, as evidenced by a certificate to such effect from the Architect, (iv) the District shall have received final lien waivers from all contractors, vendors and suppliers furnishing labor, supplies or materials to the Project together with a final lien waiver summary spreadsheet, (v) the District shall have received a statement from the engineer for the Project performing construction materials and testing indicating all work (soil, concrete, steel inspections, welding, asphalt, etc.) was performed according to the Plans and Specifications, (vi) all required utilities are available, (vii) all permits have been issued, (viii) a certificate of occupancy has been issued by the appropriate governmental authority, (ix) the District shall have received delivery of reproducible mylar “as-built” drawings upon which are shown all changes in the location of concealed utilities, mechanical or electrical system and components, shop drawings, changes in specifications, (x) the District shall have received delivery of an assignment and/or transfer of all guarantees and warranties from contractors, vendors, suppliers and manufacturers and (xi) the District shall have received delivery of all manuals relating to the maintenance and/or operation of any equipment or machinery included in the Enhanced Project.

“Completion Date” shall mean the date on which Completion of the Enhanced Project is to be achieved pursuant to the Schedule.

“Construction Contracts” shall mean the construction contracts entered into by the District providing for the development and construction of the Enhanced Project.

"Construction Costs" shall mean all costs incurred by the District for construction services in connection with the construction of the Enhanced Project pursuant to the Construction Contracts.

"Draw Request" shall have the meaning set forth in Section 10 of this Exhibit.

"Key Persons" shall have the meaning set forth in Section 5 of this Exhibit.

"Monthly Draw Package" shall have the meaning set forth in Section 10 of this Exhibit.

"Person" shall mean an individual, partnership, corporation, limited liability company, trust, real estate investment trust, unincorporated association, joint stock company or other entity or association.

"Plans and Specifications" shall mean the Construction Drawings approved by each of the District and Scenic Houston pursuant to the terms of this Agreement.

"Project Control Report" shall have the meaning set forth in Section 10 of this Exhibit.

"Schedule" shall mean, with respect to the Enhanced Project, the timetable projected with respect to the planning, design, construction and Completion of the Enhanced Project which has been approved by Scenic Houston and the District from time to time.

"Scope Changes" shall mean, with respect to the Enhanced Project, material changes in the scope of the work to be performed pursuant to the Construction Contracts and reflected in change orders or construction change directives.

SCHEDULE 2

MONTHLY DRAW PACKAGE

1. Contractor's monthly application for payment prepared on AIA Documents G702 and G703 or similar format.
2. Approved Budget and construction draw allocation to Budget Categories.
3. Allowable Budget reallocations with explanations.
4. Invoice register listing current draw invoice backup of requested amounts. Invoices should be grouped by Budget line item or cost code with copies of contractor, subcontractor and consultant pay applications and vendor and material invoices to substantiate amounts requested on the current month's draw. Invoices should tie to schedule of values.
 - a. Invoicing and/or other approved documentation to support requests for "General Conditions" for the current month.
 - b. Backup invoicing for amounts requested over and above the contractor's request.
 - c. Unconditional lien releases for the full amount of the prior month's payments for all contractors and subcontractors.
 - d. Conditional lien releases for the full amount of the current month's payments for contractors and subcontractors.
5. If a computerized cost tracking system is used, a monthly Job Cost History Report sorted by cost code or vendor to match current draw amount.
6. Monthly Development Status Report
7. Change Order Summary

SCHEDULE 3

INSURANCE REQUIREMENTS

A. Insurance Requirements.

- i) Workers compensation insurance at no less than statutory requirements, and Employer's liability insurance with a limit of not less than \$1 Million per occurrence, each coverage and policy limit. Such insurance shall contain a waiver of subrogation in favor of Scenic Houston.
- ii) Commercial general liability insurance coverage on an occurrence basis with limits of not less than \$2 Million each occurrence and a general aggregate limit of not less than \$2 Million. Such insurance shall include products and completed operations which coverage shall be maintained for a period of not less than two (2) years following completion of the Enhanced Project.

B. Approval of Insurance Companies and Policy Requirements.

- i) All insurance required to be carried hereunder shall be written with companies licensed or authorized to do business in the state in which the property is located and having a Best's Rating in the most current issue of Insurance Reports, of A VIII or better or as otherwise approved by Scenic Houston.
- ii) As between Scenic Houston and the District, the liability insurance policies of the District and its consultants shall be primary and non-contributory to any insurance maintained by Scenic Houston in the case of the District's or its consultant's acts beyond the scope of its authority in this Agreement, the District's or its consultant's breach of this Agreement or the District's or its consultant's willful misconduct or negligence.
- iii) All insurance policies shall provide that Scenic Houston be given not less than 30 days' advance written notice of any proposed cancellation or material change. All liability policies (except employers liability and professional liability) shall name Scenic Houston as an additional insured. Such liability policies also shall contain endorsements which contain cross-liability, waiver of subrogation and such other provisions as Scenic Houston may reasonably require.

DEVELOPMENT AGREEMENT

Between

REINVESTMENT ZONE NUMBER 8,

CITY OF HOUSTON, TEXAS

and

GULFGATE REDEVELOPMENT AUTHORITY

and

SCENIC TEXAS, INC.

May 25, 2016

DEVELOPMENT AGREEMENT

This Development Agreement ("*Agreement*"), effective May 25, 2016 ("*Effective Date*"), is made by and between REINVESTMENT ZONE NUMBER EIGHT, CITY OF HOUSTON, TEXAS ("*Gulfgate Zone*"), a tax increment reinvestment zone created by the City of Houston, Texas (the "*City*") pursuant to Chapter 311 of the Texas Tax Code, as amended, acting by and through its governing body, the Board of Directors (the "*Zone Board*"), GULFGATE REDEVELOPMENT AUTHORITY ("*Gulfgate Authority*"), a local government corporation created and organized under the provisions of the Texas Transportation Corporation Act, Chapter 431, Transportation Code, and authorized and approved by the City under Resolution No. 97-66 adopted on December 10, 1997, acting by and through its governing body, the Board of Directors (the "*Authority Board*"), and SCENIC TEXAS, INC., a Texas nonprofit corporation (the "*Developer*").

RECITALS

Pursuant to Chapter 311 of the Texas Tax Code and by Ordinance No. 97-1524, the City Council of the City created (and subsequently enlarged by Ordinance No. 1999-707) the Gulfgate Zone in the City pursuant to a preliminary Project Plan and preliminary Reinvestment Zone Financing Plan, and appointed its Board of Directors.

By Resolution No. 97-66 of the City Council of the City adopted on December 10, 1997, the City authorized the creation of the Gulfgate Authority to aid, assist and act on behalf of the City in the performance of the City's governmental and proprietary functions with respect to the common good and general welfare of the Gulfgate Zone and neighboring areas as described in Ordinances No. 97-1524, 1999-707 and 2014-1193.

The City, the Gulfgate Zone and the Gulfgate Authority have entered into that certain Agreement dated December 17, 1997, and approved in Ordinance No. 97-1571, as amended and restated by that certain Amended Agreement approved in Ordinance No. 2001-411 (the "*Gulfgate Agreement*"), pursuant to which the City delegated to the Gulfgate Authority the power and authority to administer the Gulfgate Zone including, but not limited to, the power to engage in activities relating to the acquisition and development of land, construct and improve infrastructure in the Gulfgate Zone, enter into development agreements with developers/builders in the Gulfgate Zone and to issue, sell or deliver its bonds, notes or other obligations in accordance with and subject to the limitations set forth in, the Gulfgate Agreement and Project and Financing Plan (as defined below).

The Zone Board adopted a final Project Plan and Reinvestment Zone Financing Plan (as amended, the "*Project and Financing Plan*"). The Zone Board submitted the Project and Financing Plan to the City Council of the City for approval, and on December 17, 1997, the City Council approved the Project and Financing Plan by Ordinance No. 97-1572. The Project and Financing Plan was amended by City Ordinance No. 1999-707 on July 7, 1999, City Ordinance No. 1999-824 on August 11, 1999 and City Ordinance No. 2014-1193 on December 17, 2014.

The Texas Tax Code provides that the Gulfgate Zone may enter into agreements as the Zone Board considers necessary or convenient to implement the Project and Financing Plan and achieve its purposes.

The Authority Board and the Zone Board have determined that it is in the best interest of the Gulfgate Zone and the Gulfgate Authority to contract with the Developer, in order to provide for the efficient and effective implementation of certain aspects of the Project and Financing Plan.

The Developer desires to proceed with improvements to Broadway Street (the "Broadway Improvements") as described on **Exhibit A**, which constitutes an eligible Public Improvement consistent with the Project and Financing Plan as further described in Article 3.

The Gulfgate Authority intends to make available a portion of the Available Tax Increment to finance the construction of the Broadway Improvements.

AGREEMENT

For and in consideration of the mutual promises, covenants, obligations, and benefits of this Agreement, the Gulfgate Zone, the Gulfgate Authority and the Developer contract and agree as follows:

ARTICLE 1 GENERAL TERMS

1.1 Definitions. The terms "Agreement," "City," "Developer", "Gulfgate Agreement," "Authority Board," "Gulfgate Agreement," "Gulfgate Authority," "Gulfgate Zone," and "Project and Financing Plan," have the above meanings, and the following terms have the following meanings:

"Act" shall mean the Tax Increment Financing Act, Chapter 311, Texas Tax Code, as amended.

"Administrative Fees" shall mean the costs incurred by the Gulfgate Authority in operating and administering the Gulfgate Zone, approved annually in the Gulfgate Authority's budget by the City Council, which include, but are not limited to, fees or salaries and benefits for the Gulfgate Authority staff or administrative consultants, office expenses, legal costs, and other professional consulting costs, in an amount not to exceed \$150,000 in any fiscal year.

"Authority Obligations" shall mean any bond, note or other obligation issued or incurred by the Gulfgate Authority as listed in the Authority's fiscal year 2015 audit which is secured by Available Tax Increment or funds deposited in the Tax Increment Revenue Fund.

"Available Tax Increment" shall mean funds in the Tax Increment Revenue Fund, other than those funds required to be used to pay 1) Administrative Fees; 2) the principal on any outstanding Note or other Authority Obligation incurred prior to the Effective Date; and 3) costs of contractual obligations of the Gulfgate Authority incurred prior to the Effective Date.

“*Bank*” shall mean Compass Bank (or any permitted successors or assigns) serving as the lender in conjunction with Bank Loan.

“*Bank Loan*” shall mean that certain Loan Agreement between Developer and Bank (and related Promissory Note) each expected to be dated as of June 1, 2016, pursuant to which the Bank (or permitted successors and assigns) advances \$1,000,000 to fund Project Costs for the Broadway Improvements.

“*City*” shall mean the City of Houston, a municipal corporation and home-rule city of the State of Texas principally situated in Harris County, acting by and through its governing body, the City Council.

“*Completion*” shall mean the substantial completion of all aspects of the Broadway Improvements in accordance in all material respects with the Plans and Specifications, subject only to minor punch-list type items.

“*County*” shall mean Harris County, Texas.

“*Debt Service Fund*” shall mean the debt service fund as defined in the Bank Loan.

“*Director of Finance*” shall mean the Director of the Finance Department of the City or his or her designee (currently the Chief Development Officer of the City).

“*Director of Public Works and Engineering*” shall mean the Director of the Public Works and Engineering Department of the City or his or her designee.

“*Gulfgate*” shall mean all of the property located within the boundaries of the Gulfgate Zone.

“*HISD*” shall mean the Houston Independent School District.

“*Interest*” shall mean all amounts of interest payable by Developer on the principal amounts outstanding from time to time pursuant to the Bank Loan.

“*Legal Costs*” shall mean all legal fees and expenses incurred by Developer in connection with the drafting, negotiating and execution of this Agreement and the documents and agreements in connection with the Bank Loan and shall also include any origination fee paid by the Developer under the Bank Loan.

“*Parties*” or “*Party*” shall mean the Gulfgate Zone, the Gulfgate Authority, and the Developer.

“*Plans and Specifications*” shall mean the Project Plans for the Broadway Improvements.

“*Pledge Agreement*” shall mean that certain Pledge Agreement between Developer and Bank expected to be dated as of June 1, 2016, pursuant to which Developer shall pledge all of Developer’s right, title and interest in and to its rights under this Agreement and Developer’s right to apply the Available Tax Increment to secure the payment and performance of amounts owing under the Bank Loan, the Promissory Note and the Pledge Agreement.

“*Project Costs*” shall mean the costs of the Broadway Improvements as described in Article 3 of this Agreement.

“*Broadway Improvements*” shall have the meaning provided in Article 3 of this Agreement.

“*State*” shall mean the State of Texas.

“*Tax Increment*” shall mean the amount of property taxes collected each year by each Taxing Unit participating in the Gulfgate Zone, to the extent of their participation, and paid to the Gulfgate Authority in accordance with the Gulfgate Agreement.

“*Tax Increment Revenue Fund*” shall mean the special fund established by the Gulfgate Authority and funded with payments made by the City, pursuant to the Gulfgate Agreement (which payments are attributable to ad valorem property taxes paid to each Taxing Unit on real properties in Gulfgate).

“*Taxing Unit*” shall mean individually and collectively, the City, the County, HISD and any other taxing unit that participates in the Gulfgate Zone.

1.2 Singular and Plural. Words used herein in the singular, where the context so permits, also include the plural and vice versa. The definitions of words in the singular herein also apply to such words when used in the plural where the context so permits and vice versa.

ARTICLE 2 REPRESENTATIONS

2.1 Representation of Gulfgate Authority. The Gulfgate Authority hereby represents to the Developer that as of the date hereof:

(A) The Gulfgate Authority is duly authorized, created and existing in good standing under the laws of the State and is duly qualified and authorized to carry on the governmental functions and operations as contemplated by this Agreement.

(B) The Gulfgate Authority has the requisite power, authority and legal right to enter into and perform its obligations under this Agreement. The Gulfgate Authority has taken all requisite action to authorize the execution and delivery by it of this Agreement and to authorize the performance by it of its obligations hereunder. The execution and delivery by the Gulfgate Authority of the Agreement and the performance of its obligations hereunder (i) do not and will not violate the organizational documents of the Gulfgate Authority or its Articles of Incorporation and Bylaws, (ii) to the best of its knowledge, do not and will not violate any applicable judgment, order, law or regulation, and (iii) do not constitute a default under, or result in the creation of, any lien, charge, encumbrance or security interest upon any assets of the Gulfgate Authority under any agreement or instrument to which the Gulfgate Authority is a party or by which the Gulfgate Authority or its assets may be bound or affected.

(C) The Broadway Improvements and the Project Costs are consistent with the Project and Financing Plan and the Act.

(D) This Agreement, constitutes a legal, valid and binding obligation of the Gulfgate Authority, enforceable in accordance with its terms except to the extent that (i) the enforceability of such instruments may be limited by bankruptcy, reorganization, insolvency, moratorium or other similar laws of general application in effect from time to time relating to or affecting the enforcement of creditors' rights and (ii) certain equitable remedies including specific performance may be unavailable.

(E) The execution, delivery and performance of this Agreement by the Gulfgate Authority do not require the consent, approval or authorization of any person which has not been obtained.

(F) The Gulfgate Authority has an exemption from the payment of sales and use taxes pursuant to the statute under which the Gulfgate Authority was created.

2.2 Representation of Gulfgate Zone. The Gulfgate Zone hereby represents to the Developer that:

(A) The Gulfgate Zone is duly authorized, created and existing under the laws of the State and is duly qualified and authorized to carry on the governmental functions and operations as contemplated by this Agreement.

(B) The Gulfgate Zone has the power, authority and legal right to enter into and perform its obligations under this Agreement. The Gulfgate Zone has taken all requisite action to authorize the execution and delivery by it of this Agreement and to authorize the performance by it of its obligations hereunder. The execution and delivery by the Gulfgate Zone of the Agreement and the performance of its obligations hereunder (i) do not and will not violate the laws governing the Gulfgate Zone, (ii) to the best of its knowledge, do not and will not violate any applicable judgment, order, law or regulation, and (iii) do not constitute a default under, or result in the creation of, any lien, charge, encumbrance or security interest upon any assets of the Gulfgate Zone under any agreement or instrument to which the Gulfgate Zone is a party or by which the Gulfgate Zone or its assets may be bound or affected.

(C) The Broadway Improvements and the Project Costs are consistent with the Project and Financing Plan.

(D) This Agreement constitutes a legal, valid and binding obligation of the Gulfgate Zone, enforceable in accordance with its terms except to the extent that (i) the enforceability of such instruments may be limited by bankruptcy, reorganization, insolvency, moratorium or other similar laws of general application in effect from time to time relating to or affecting the enforcement of creditors' rights and (ii) certain equitable remedies including specific performance may be unavailable.

(E) The execution, delivery and performance of this Agreement by the Gulfgate Zone do not require the consent, approval or authorization of any person which has not been obtained.

2.3 Representations of the Developer. The Developer hereby represents to the Gulfgate Authority and the Gulfgate Zone that:

(A) The Developer is duly authorized, created and existing in good standing under the laws of the State of Texas, is qualified to do business in the State and is duly qualified to do business wherever necessary to carry out the operations contemplated by this Agreement.

(B) The Developer has the requisite power, authority and legal right to enter into and perform its obligations under in this Agreement. The Developer has taken all requisite action to authorize the execution and delivery by it of this Agreement and to authorize the performance by it of its obligations hereunder. The execution and delivery by the Developer of the Agreement and the performance of its obligations hereunder (i) do not and will not violate the organizational documents of Developer, (ii) will not, to the best of its knowledge, violate any judgment, order, law or regulation applicable to the Developer, and (iii) do not constitute a default under or result in the creation of, any lien, charge, encumbrance or security interest upon any assets of the Developer under any agreement or instrument to which the Developer is a party or by which the Developer or its assets may be bound or affected.

(C) This Agreement constitutes a legal, valid and binding obligation of the Developer, enforceable in accordance with its terms extent that (i) the enforceability of such instruments may be limited by bankruptcy, reorganization, insolvency, moratorium or other similar laws of general application in effect from time to time relating to or affecting the enforcement of creditors' rights and (ii) certain equitable remedies including specific performance may be unavailable.

ARTICLE 3

THE BROADWAY IMPROVEMENTS AND PROJECT COSTS

3.1 Broadway Improvements and Project Costs. The Broadway Improvements shall be and include the infrastructure listed on **Exhibit A** hereto. The estimated Project Costs of the Broadway Improvements are described in **Exhibit A**. The Project Costs payable from the Available Tax Increment may not exceed the total shown in **Exhibit A** (\$1,000,000 plus Interest thereon plus the Legal Costs plus \$500,000).

ARTICLE 4

DUTIES AND RESPONSIBILITIES OF THE DEVELOPER

4.1 Construction Manager. Developer agrees to construct or cause to be constructed the Broadway Improvements in accordance in all material respects with the Plans and Specifications and to provide and furnish, or cause to be provided and furnished, all materials and services as and when required in connection with the construction of the Broadway Improvements. The Developer will obtain or cause to be obtained all governmental authorizations and permits required for the commencement of construction of the Broadway Improvements and provide or cause to be provided supervision of all phases of construction of the Broadway Improvements. In addition, the Developer will provide reports regarding the status of the construction of the Broadway Improvements. Developer will provide a copy of such reports regarding the status of the construction of the Broadway Improvements to the Gulfgate Authority.

4.2 Participation of Disadvantaged Businesses. The Developer shall (a) use good faith efforts to achieve the goal of awarding contracts, subcontracts and supply agreements to

persons who are certified by the City as Small/Minority/Women-owned/Disadvantaged Enterprises or persons with Disabilities Enterprises, and (b) provide reports regarding Developer's efforts to meet such goal. Developer will provide a copy of such reports regarding such goal as it related to the Broadway Improvements to the Gulfgate Authority.

4.3 Completion. Upon Completion, Developer shall provide the Gulfgate Authority with a final cost summary of all costs associated with such Broadway Improvements, a written certification from the Developer certifying that completion of the Broadway Improvements has been achieved, and evidence that all amounts owing to contractors and subcontractors have been paid in full evidenced by customary affidavits executed by such contractors.

4.4 Cooperation. With respect to the design, development, acquisition, construction and installation of the Broadway Improvements, Developer agrees that it will cooperate with the Gulfgate Zone and the Gulfgate Authority and will provide all necessary information reasonably requested to the Gulfgate Authority and its consultants in order to assist the Gulfgate Authority in complying with the Gulfgate Agreement, including without limitation the completion of the audit and construction audit required therein.

4.5 Ineligible Project Costs. The Developer will be responsible for payment of any costs that are ineligible Project Costs under the Act. The Gulfgate Authority shall not be responsible for any payments to the Developer for services or items that are determined to be ineligible Project Costs under the Act. The Developer will repay the Gulfgate Authority for any payment made by the Gulfgate Authority to the Developer that is determined to be an ineligible Project Cost.

ARTICLE 5

ADDITIONAL DUTIES AND RESPONSIBILITIES OF THE DEVELOPER

5.1 Availability of Loan Proceeds. The Developer anticipates obtaining loan proceeds from the Bank pursuant to the Bank Loan solely for the purpose of paying Project Costs for the Broadway Improvements.

5.2 Modifications to the Bank Loan or Subsequent Loans. The Developer may modify the Bank Loan only if the Developer obtains prior written consent from the Gulfgate Authority, such consent not to be unreasonably withheld. The Developer may extend or enter into subsequent loans to assist with the financing of the Broadway Improvements only if the Developer obtains prior written consent from the Gulfgate Authority, which consent shall not be unreasonably withheld so long as the terms of any such extended Bank Loan or new loan are substantially the same as the terms and conditions of the Bank Loan.

5.3 Prepayment of Bank Loan. The Gulfgate Authority may compel the Developer to prepay the Bank Loan in accordance with the terms of the Bank Loan. The Gulfgate Authority may only compel such prepayment if and only if the Gulfgate Authority pays the amount of funds necessary to satisfy the prepayment amount in accordance with the Bank Loan.

ARTICLE 6
DUTIES AND RESPONSIBILITIES OF THE GULFGATE AUTHORITY

6.1 Gulfgate Authority Contributions. The Gulfgate Authority shall be obligated to pay the Available Tax Increment, only to the extent that those funds are actually received by the Gulfgate Authority from the City. As provided in Section 7.3 hereof, the Gulfgate Authority shall pay the Available Tax Increment to the Debt Service Fund (other than amounts to reimburse the Developer for Legal Costs) in accordance with the Bank Loan, at the times such payments are due under the Bank Loan, but no later than within 30 days of receipt of the Available Tax Increment from the City. As provided in Section 7.3 hereof, the Gulfgate Authority shall pay the Available Tax Increment to Developer to reimburse Developer for its Legal Costs (as defined herein), within 30 days of receipt of Available Tax Increment from the City. The Gulfgate Authority owes no obligation to pay the full amount of the Available Tax Increment pledged to the Developer under this Agreement, if the Available Tax Increment has not been collected, to satisfy the total amount necessary to pay the Project Costs directly or to pay debt service and other costs due under the Bank Loan, to the extent the proceeds of the Bank Loan are spent on the Project Costs. The Developer may not look to any other source of funds other than the Available Tax Increment for reimbursement for its payment of the Project Costs under this Agreement.

6.2 Excess Available Tax Increment. To the extent in any fiscal year, that there may be excess Available Tax Increment that is greater than (i) the annual debt service and other costs owed by the Developer in accordance with the Bank Loan and Pledge Agreement, including but not limited to, accrued and unpaid Interest and (ii) the unpaid Legal Fees then outstanding, the Gulfgate Authority may use and pledge such excess Available Tax Increment in any manner permitted under the Act and the Gulfgate Agreement. Notwithstanding the foregoing, however, any pledge of the Available Tax Increment shall be subordinate to the obligations of the Gulfgate Authority to make payments to the Developer or Bank under this Agreement, unless the Bank consents to any such pledge. The Gulfgate Authority shall notify the Bank at least 15 days prior to the incurrence of any obligation of the Gulfgate Authority which shall be secured by a pledge of Available Tax Increment and the documentation for any such obligation may not allow for such obligation to be accelerated as a remedy for any default.

6.3 Financial Statements. The Gulfgate Authority shall, within 270 days after the end of each fiscal year, furnish to Bank its audited consolidated balance sheet and related statements of operations, stockholders' equity and cash flows as of the end of and for such year, setting forth in each case in comparative form the figures for the previous fiscal year, all reported on by independent public accountants of recognized national standing (without a "going concern" or like qualification or exception and without any qualification or exception as to the scope of such audit) to the effect that such consolidated financial statements present fairly in all material respects the financial condition and results of operations of the Gulfgate Authority in accordance with generally accepted accounting principles, consistently applied.

ARTICLE 7
BROADWAY IMPROVEMENTS FINANCING AND FUNDING

7.1 The Bank Loan. The Gulfgate Zone and the Gulfgate Authority hereby consent to the assignment by Developer of its rights under this Agreement, including its right to apply the Available Tax Increment, as security for the Bank Loan. Subject to the availability of the Available Tax Increment, the Developer is obligated to apply the Available Tax Increment solely for the purpose of (i) either paying the Project Costs directly or paying debt service and other costs due under the Bank Loan and (ii) paying any unpaid Legal Costs. To the extent the proceeds of the Bank Loan are not spent on the Project Costs, the Authority is not obligated to make payments from or make available the Available Tax Increment in the amount of such expenditures. Advances of the Bank Loan shall detail the type of costs being paid and shall be certified by the Developer and the Gulfgate Authority that such costs are Project Costs.

7.2 Use of Available Tax Increment. If the Available Tax Increment is not used to pay Project Costs directly, the Available Tax Increment shall be used to pay debt service and other costs due under the Bank Loan or to pay any unpaid Legal Costs or reimburse the Developer for the payment thereof. To the extent the proceeds of the Bank Loan are not spent on the Project Costs, the Authority is not obligated to make payments from or make available the Available Tax Increment in the amount of such expenditures. For so long as the Bank Loan remains outstanding, the obligation of the Gulfgate Authority to deposit Available Tax Increment into the Debt Service Fund shall not be suspended, terminated or reduced for any reason (except for the collection of the Available Tax Increment by the Gulfgate Authority) including without limitation the default by the Developer of its obligations hereunder or the termination of this Agreement.

7.3 Funding of Debt Service Fund and Other Costs. Annually, within thirty days of the Gulfgate Authority's receipt of Available Tax Increment from the City, the Gulfgate Authority will (i) deposit Available Tax Increment into the Debt Service Fund in an amount not to exceed \$500,000 plus applicable Interest accrued under the Bank Loan to the Date of such deposit, until the Bank Loan is paid in full and (ii) from Available Tax Increment, pay to Developer any accrued and unpaid Legal Costs outstanding at such time or reimburse the Developer for the payment thereof; provided, however, the first payment of Available Tax Increment in the amount of \$500,000 to be paid on or about June/July 2016 shall be paid directly to the Developer to be used by the Developer for the payment of Project Costs. In any year that the amount deposited by the Gulfgate Authority to the Debt Service Fund is less than the amount required to be deposited in the preceding sentence, then the difference between the amount required to be deposited and the amount actually deposited shall be added to the amount required to be deposited in the subsequent year (and in succeeding years as needed) until such difference is fully deposited.

ARTICLE 8
INSURANCE; RELEASE

8.1 Insurance. With no intent to limit any contractor's liability or obligation for indemnification, the Developer shall require that each contractor providing work or service on the Project provide and maintain certain insurance in full force and effect at all times during the

construction of the Project and shall require that the City, the Gulfgate Authority, and the Gulfgate Zone are named as additional insureds under such contractor's insurance policies.

The insurance, at a minimum, must include the following coverages and limits of liability:

<u>Coverage</u>	<u>Limit of Liability</u>
Worker's Compensation	Statutory
Employer's Liability	Bodily Injury \$100,000 (each accident) Bodily Injury by Disease \$500,000 (policy limit) Bodily Injury by Disease \$100,000 (each employee)
Comprehensive General Liability: Including Broad Form Coverage, Contractual Liability, Bodily and Personal Injury, and Completed Operations (for a period of one year after completion of work)	Combined Limits of \$500,000 per Occurrence and \$1,000,000 in the Aggregate
Automobile Liability Insurance (for automobiles used in performing under this Agreement, including Employer's Non-Ownership and Hired Auto Coverage)	\$500,000 Combined Single Limit per Occurrence
Professional Liability Coverage (for professional service contract only)	\$500,000 per occurrence \$1,000,000 aggregate

Defense costs are excluded from the face amount of the policy. Aggregate Limits are per 12-month policy period unless otherwise indicated.

If the amount of any contract awarded by Developer to construct the Broadway Improvements shall exceed \$1,000,000, Developer shall contract with the contractor to maintain Commercial General Liability coverage for at least twice the combined minimum limits specified above.

(A) Form of Policies. The Authority Board may approve the form of the insurance policies, but nothing the Authority Board does or fails to do relieves Developer of its obligation to provide the required coverage under this Agreement. The Authority Board's actions or inactions do not waive the Gulfgate Zone's or Gulfgate Authority's rights under this Agreement.

(B) Issuers of Policies. The issuer of each policy shall have a certificate of authority to transact insurance business in Texas or a Best's rating of at least B+ and a Best's Financial Size Category of Class VI or better, according to the most current edition *Best's Key Rating Guide, Property-Casualty United States*.

(C) Insured Parties. Each policy, except those for Workers' Compensation, Employer's Liability, and Professional Liability, must name the Gulfgate Authority (and its officers, agents, and employees) as additional insured parties on the original policy and all renewals or replacements.

(D) Deductibles. Developer shall be responsible for and bear (or shall contract with each applicable contractor to bear and assume) any claims or losses to the extent of any deductible amounts and waives (and shall contract with each contractor to waive) any claim it may have for the same against the Gulfgate Authority or Gulfgate Zone, its officers, agents, or employees.

(E) Cancellation. Each policy must state that it may not be canceled, materially modified, or nonrenewed unless the insurance company gives the Gulfgate Authority 30 days' advance written notice. Developer shall (and shall contract with each contractor to) give written notice to the Gulfgate Authority within five days of the date on which total claims by any party against such person reduce the aggregate amount of coverage below the amounts required by this Agreement. In the alternative, the policy may contain an endorsement establishing a policy aggregate for the particular project or location subject to this Agreement.

(F) Subrogation. Each policy must contain an endorsement to the effect that the issuer waives any claim or right of subrogation to recover against the Gulfgate Authority, its officers, agents, or employees.

(G) Primary Insurance Endorsement. Each policy, except Workers' Compensation and Professional Liability (if any), must contain an endorsement that the policy is primary to any other insurance available to the additional insured with respect to claims arising under this Agreement.

(H) Liability for Premium. Developer shall pay (or shall contract with contractors to pay) all insurance premiums for coverage required by this Section, and the Gulfgate Authority or Gulfgate Zone shall not be obligated to pay any premiums.

(I) Subcontractors. Notwithstanding the other provisions of this Section, the amount of coverage contracted to be provided by subcontractors shall be commensurate with the amount of the subcontract, but in no case less than \$500,000 per occurrence. Developer shall provide (or shall contract with contractors to provide) copies of insurance certificates to the Gulfgate Authority.

(J) Proof of Insurance. Promptly after the execution of this Agreement and from time to time during the term of this Agreement at the request of the Gulfgate Authority, Developer shall furnish the Gulfgate Authority with certificates of insurance maintained by Developer in accordance with this Section along with an affidavit from Developer confirming that the certificates accurately reflect the insurance coverage maintained. If requested in writing by the Gulfgate Authority, Developer shall furnish the Director of Public Works and Engineering with certified copies of Developer's actual insurance policies. If Developer does not comply with the requirements of this Section, the Gulfgate Authority, at its sole discretion, may (1) suspend performance by the Gulfgate Authority hereunder and begin procedures to terminate this Agreement for default or (2) purchase the required insurance with Gulfgate Authority or

Gulfgate Zone funds and deduct the cost of the premiums from amounts due to Developer under this Agreement. The Gulfgate Authority shall never waive or be estopped to assert its right to terminate this Agreement because of its acts or omissions regarding its review of insurance documents.

(K) Other Insurance. If requested by the Gulfgate Authority, Developer shall furnish adequate evidence of Social Security and Unemployment Compensation Insurance, to the extent applicable to Developer's operations under this Agreement.

8.2 Indemnification and Release.

DEVELOPER SHALL DEFEND, INDEMNIFY, AND HOLD THE GULFGATE AUTHORITY, THE GULFGATE ZONE, AND THE CITY AND THEIR AGENTS, EMPLOYEES, OFFICERS, AND LEGAL REPRESENTATIVES (COLLECTIVELY, THE "INDEMNIFIED PERSONS") HARMLESS FOR ALL CLAIMS, CAUSES OF ACTION, LIABILITIES, FINES, AND EXPENSES (INCLUDING, WITHOUT LIMITATION, ATTORNEYS' FEES, COURT COSTS, AND ALL OTHER DEFENSE COSTS AND INTEREST) FOR INJURY, DEATH, DAMAGE, OR LOSS TO PERSONS OR PROPERTY SUSTAINED IN CONNECTION WITH OR INCIDENTAL TO PERFORMANCE UNDER THIS AGREEMENT, INCLUDING, WITHOUT LIMITATION, THOSE CAUSED BY:

A. DEVELOPER'S AND/OR ITS AGENTS', EMPLOYEES', OFFICERS', DIRECTORS', CONTRACTORS', OR SUBCONTRACTORS' (COLLECTIVELY, "DEVELOPER'S") ACTUAL OR ALLEGED NEGLIGENCE OR INTENTIONAL ACTS OR OMISSIONS;

B. THE INDEMNIFIED PERSONS' AND DEVELOPER'S ACTUAL OR ALLEGED CONCURRENT NEGLIGENCE, WHETHER DEVELOPER IS IMMUNE FROM LIABILITY OR NOT; AND

C. THE INDEMNIFIED PERSONS' AND DEVELOPER'S ACTUAL OR ALLEGED STRICT PRODUCTS LIABILITY OR STRICT STATUTORY LIABILITY, WHETHER DEVELOPER IS IMMUNE FROM LIABILITY OR NOT.

DEVELOPER SHALL DEFEND, INDEMNIFY, AND HOLD THE INDEMNIFIED PERSONS HARMLESS DURING THE TERM OF THIS AGREEMENT AND FOR FOUR YEARS AFTER THIS AGREEMENT TERMINATES.

Notwithstanding any other provision of this Section or other provisions of this Agreement, (1) the Developer's indemnification of all Indemnified Persons other than Gulfgate Zone directors is limited to \$1,000,000 per occurrence; and (2) the Developer shall not be obligated to indemnify any Indemnified Person for the Indemnified Person's sole negligence; and (3) the Developer shall not be obligated to indemnify any Indemnified Persons to the extent that any claims which might otherwise be subject to indemnification hereunder resulted, in whole or in part, from the gross negligence, recklessness or intentional act or omission of any Indemnified Person or Persons.

If an Indemnified Person or Developer receives notice of any claim or circumstance which could give rise to an indemnified loss, the receiving party shall give written notice to the other party within 10 days. The notice must include a description of the indemnification event in reasonable detail, the basis on which indemnification may be due, and the anticipated amount of the indemnified loss. This notice shall not estop or prevent an Indemnified Person from later asserting a different basis for indemnification or a different amount of indemnified loss than that indicated in the initial notice. If an Indemnified Person does not provide this notice within the 10 day period, it does not waive any right to indemnification except to the extent that Developer is prejudiced, suffers loss, or incurs expense because of the delay.

Developer shall assume the defense of the claim at its own expense with counsel chosen by it that is reasonably satisfactory to the Indemnified Person. Developer shall then control the defense and any negotiations to settle the claim. Within 10 days after receiving written notice of the indemnification request, Developer shall advise the Indemnified Person as to whether or not it will defend the claim. If Developer does not assume the defense, the Indemnified Person shall assume and control the defense, and all defense expenses incurred by it shall constitute an indemnification loss.

If Developer elects to defend a claim, the Indemnified Person may retain separate counsel at the sole cost and expense of such Indemnified Person to participate in (but not control) the defense and to participate in (but not control) any settlement negotiations. Developer may settle the claim without the consent or agreement of the Indemnified Person, unless the settlement (i) would result in injunctive relief or other equitable remedies or otherwise require the Indemnified Person to comply with restrictions or limitations that adversely affect the Indemnified Person, (ii) would require the Indemnified Person to pay amounts that Developer does not fund in full, or (iii) would not result in the Indemnified Person's full and complete release from all liability to the plaintiffs or claimants who are parties to or otherwise bound by the settlement.

DEVELOPER RELEASES EACH INDEMNIFIED PERSON FROM ALL LIABILITY FOR INJURY, DEATH, DAMAGE, OR LOSS TO PERSONS OR PROPERTY SUSTAINED IN CONNECTION WITH OR INCIDENTAL TO PERFORMANCE UNDER THIS AGREEMENT, EVEN IF THE INJURY, DEATH, DAMAGE, OR LOSS IS CAUSED BY THE INDEMNIFIED PERSON'S CONCURRENT NEGLIGENCE AND/OR THE INDEMNIFIED PERSON'S STRICT PRODUCTS LIABILITY OR STRICT STATUTORY LIABILITY, BUT NOT SUCH INDEMNIFIED PERSON'S SOLE NEGLIGENCE OR FROM ANY DAMAGE OR LOSS TO THE EXTENT RESULTING FROM THE GROSS NEGLIGENCE, RECKLESSNESS OR INTENTIONAL ACT OR OMISSION OF THE INDEMNIFIED PERSON.

DEVELOPER SHALL REQUIRE ALL CONTRACTORS ENGAGED BY IT TO CONSTRUCT THE BROADWAY IMPROVEMENTS (AND THEIR SUBCONTRACTORS) TO RELEASE AND INDEMNIFY THE INDEMNIFIED PERSONS TO THE SAME EXTENT AND IN SUBSTANTIALLY THE SAME FORM AS ITS RELEASE OF AND INDEMNITY TO THE INDEMNIFIED PERSONS HEREUNDER.

8.3 RELEASE. THE DEVELOPER SHALL ALSO REQUIRE THAT ALL GENERAL CONTRACTORS INDEMNIFY THE CITY, THE GULFGATE AUTHORITY, AND THE GULFGATE ZONE AND THEIR RESPECTIVE OFFICIALS AND EMPLOYEES FROM AND AGAINST ANY AND ALL CLAIMS, LOSSES, DAMAGES, CAUSES OF ACTION, SUITS AND LIABILITIES ARISING OUT OF SUCH CONTRACTOR'S WORK AND ACTIVITY RELATED TO THE BROADWAY IMPROVEMENTS.

ARTICLE 9
DEFAULT

9.1 Default.

(A) If the Gulfgate Authority or the Gulfgate Zone does not perform its obligations hereunder in substantial compliance with this Agreement, in addition to the other rights given the Developer under this Agreement, the Developer may enforce specific performance of this Agreement or seek actual damages incurred by the Developer for any such default. Neither the Gulfgate Authority nor the Gulfgate Zone are required to make payments of the Available Tax Increment, if there are no Available Tax Increments or if such funds have not been collected or received by the Gulfgate Authority.

(B) In the event the Developer does not perform its obligations hereunder in substantial compliance with this Agreement, in addition to the other rights given to the Gulfgate Authority and the Gulfgate Zone under this Agreement, the Gulfgate Authority and the Gulfgate Zone may enforce specific performance or seek actual damages incurred for any such default.

ARTICLE 10
GENERAL

10.1 Inspections, Audits. The Developer agrees to keep such operating records relating to the Broadway Improvements as may be required under prudent practice. The Developer shall allow the Gulfgate Authority reasonable access to documents and records in the Developer's possession, custody or control that the Gulfgate Authority deems reasonably necessary to assist the Gulfgate Authority in determining the Developer's compliance with this Agreement.

10.2 Developer Operations and Employees. All personnel supplied or used by the Developer in the performance of this Agreement shall be deemed employees or subcontractors of the Developer and will not be considered employees, agents or subcontractors of the Gulfgate Authority or the City for any purpose whatsoever. The Developer shall be solely responsible for the compensation of all such personnel, for withholding of income, social security and other payroll taxes and for the coverage of all workers' compensation benefits.

10.3 Personal Liability of Public Officials. To the extent permitted by State law, no director, officer, employee or agent of the Gulfgate Zone or the Gulfgate Authority, and no officer, employee or agent of the City, shall be personally responsible for any liability arising under or growing out of the Agreement.

10.4 Notices. Any notice sent under this Agreement (except as otherwise expressly required) shall be written and mailed, or sent by electronic or facsimile transmission confirmed by mailing written confirmation at substantially the same time as such electronic or facsimile transmission, or personally delivered to an officer of the receiving party at the following addresses:

If to the Gulfgate Zone or
the Gulfgate Authority:

Reinvestment Zone Number 8,
City of Houston, Texas and
Gulfgate Redevelopment Authority
c/o Hawes Hill Calderon
9610 Long Point Road, Suite 150
Houston, Texas 77055
Phone: (281) 888-6011
Attn: David Hawes

If to the Developer:

Scenic Texas, Inc.
5615 Kirby Drive, #645
Houston, Texas 77005
Phone: (713) 629-0481
Attn: Anne Culver

If to the Bank:

Compass Bank
BBVA Compass Plaza
2200 Post Oak Boulevard, 20th Floor
Houston, Texas 77056
Attention: Cindy Castaneda and
Jason Consoli

Each party may change its address by written notice in accordance with this Section. Any communication addressed and mailed in accordance with this Section shall be deemed to be given when so mailed, any notice so sent by electronic or facsimile transmission shall be deemed to be given when receipt of such transmission is acknowledged, and any communication so delivered in person shall be deemed to be given when receipted for by, or actually received by, the Director of Finance, the Gulfgate Zone, the Gulfgate Authority, or the Developer, as the case may be.

10.5 Amendments and Waivers. Any provision of this Agreement may be amended or waived if such amendment or waiver is in writing and is signed by the Gulfgate Zone, the Gulfgate Authority, and the Developer. No course of dealing on the part of the Developer, nor any failure or delay by the Developer with respect to exercising any right, power or privilege of

the Developer under this Agreement shall operate as a waiver thereof, except as otherwise provided in this Section. Any amendment to the Agreement impacting the Bank Loan or the obligation of the Gulfgate Authority to deposit Available Tax Increment into the Debt Service Fund shall be subject to consent of the Bank for so long as the Bank Loan remains outstanding.

10.6 Invalidity. In the event that any of the provisions contained in this Agreement shall be held unenforceable in any respect, such unenforceability shall not affect any other provision of this Agreement.

10.7 Successors and Assigns. All covenants and agreements contained by or on behalf of the Gulfgate Authority and the Gulfgate Zone in this Agreement shall bind their successors and assigns and shall inure to the benefit of the Developer and their respective successors and assigns. Except as otherwise provided in Section 7.1, no party may assign its rights and obligations under this Agreement or any interest herein without the prior written consent of other parties.

10.8 Exhibits; Titles of Articles, Sections and Subsections. The exhibits attached to this Agreement are incorporated herein and shall be considered a part of this Agreement for the purposes stated herein, except that in the event of any conflict between any of the provisions of such exhibits and the provisions of this Agreement, the provisions of this Agreement shall prevail. All titles or headings are only for the convenience of the parties and shall not be construed to have any effect or meaning as to the agreement between the parties hereto. Any reference herein to a Section or Subsection shall be considered a reference to such Section or Subsection of this Agreement unless otherwise stated. Any reference herein to an exhibit shall be considered a reference to the applicable exhibit attached hereto unless otherwise stated.

10.9 Construction. This Agreement is a contract made under and shall be construed in accordance with and governed by the laws of the United States of America and the State of Texas, as such laws are now in effect.

10.10 Entire Agreement. This written agreement represents the final agreement between the parties and may not be contradicted by evidence of prior, contemporaneous, or subsequent oral agreements of the parties. There are no unwritten oral agreements between the parties.

10.11 Term. This Agreement shall be in force and effect from the date of execution hereof for a term expiring on the date the Available Tax Increment has been paid to the Developer in full.

10.12 Bank Third Party Beneficiary. The Parties hereby agree that the Bank shall be a third party beneficiary and entitled to enforce the provisions of this Agreement for its benefit for as long as the Bank Loan remains unpaid and this Agreement is in effect.

10.13 Approval by the Parties. Whenever this Agreement requires or permits approval or consent to be hereafter given by any of the parties, the parties agree that such approval or consent shall not be unreasonably withheld or delayed.

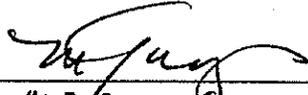
[Signature page follows]

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be duly executed as of the date first set out above.

**REINVESTMENT ZONE NUMBER 8,
CITY OF HOUSTON, TEXAS**

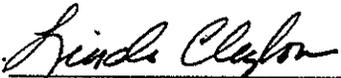
**GULFGATE REDEVELOPMENT
AUTHORITY**

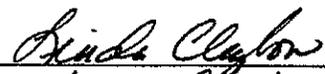
By: 
Name: M.E. Sonny Garza
Title: CHAIR

By: 
Name: M.E. Sonny Garza
Title: CHAIR

ATTEST:

ATTEST:

By: 
Name: LINDA CLAYTON
Title: _____

By: 
Name: Linda Clayton
Title: _____

SCENIC TEXAS, INC.

By: 
Name: Anne Culver
Title: Executive Vice President

APPROVED:

**CHIEF DEVELOPMENT OFFICER, CITY
OF HOUSTON**

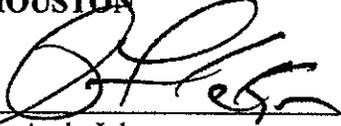
By: 
Name: Andy Icken

EXHIBIT A



CLARK CONDON
ASSOCIATES
LANDSCAPE ARCHITECTURE

Broadway Blvd.
Landscape Improvements

5/5/2016
114-098

Mobility/ Infrastructure Construction Costs

<u>Item</u>	<u>Qty.</u>	<u>Unit</u>	<u>Unit Cost</u>	<u>Extension</u>
Base Bid				
<u>General Items</u>				
COH Infrastructure Change Order	1	LS	\$ 597,503.00	\$ 597,503.00
Bonds	1	LS	\$ 18,255.00	\$ 18,255.00
Construction Permits	1	LS	\$ 7,335.00	\$ 7,335.00
SWPPP	1	LS	\$ 26,163.00	\$ 26,163.00
Traffic Control	1	LS	\$ 62,505.00	\$ 62,505.00
Site Prep & Mobilization	1	LS	\$ 187,968.00	\$ 187,968.00
TOTAL GENERAL ITEMS				\$ 899,729.00
<u>Hardscape</u>				
Decomposed Granite	25,000	SF	\$ 2.50	\$ 62,500.00
Sawcutting of Concrete	4,808	SF	\$ 4.00	\$ 19,232.00
Clay Brick Pavers	54,000	SF	\$ 18.00	\$ 972,000.00
Concrete Subbase	37,405	SF	\$ 10.00	\$ 374,050.00
6" Concrete edge	24,082	LF	\$ 7.50	\$ 180,615.00
TOTAL HARDSCAPE				\$ 1,608,397.00
<u>Lighting & Electrical</u>				
Centerpoint Lighting Upcharge	1	LS	\$ 134,678.00	\$ 134,678.00
TOTAL LIGHTING				\$ 134,678.00
MOBILITY/ INFRASTRUCTURE TOTAL				\$ 2,642,804.00