

HOBBY AREA MANAGEMENT DISTRICT



HOBBY AREA DISTRICT

Agenda and Agenda Materials
Meeting of the Board of Directors

September 10, 2015



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, September 10, 2015, 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 August 13, 2015.
4. Receive Assessment Collection Report.
5. Receive Bookkeeper's Report and approve invoices for payment.
6. Approve FY2014 Financial Audit Report.
7. Receive update from the Environment, Urban Design and Mobility Committee.
8. Receive update from the Business & Economic Development Committee.
9. Receive update from the Public Safety Committee.
10. Receive Executive Director's monthly report on actions/initiatives in support of the District's Service Plan.
11. Adjourn.



Executive Director

Persons with disabilities who plan to attend this meeting and would like to request auxiliary aids or services are requested to contact the District's Executive Director at (713) 595-1200 at least three business days prior to the meeting so that the appropriate arrangements can be made.

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 August 13, 2015.

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

August 13, 2015

DETERMINE QUORUM; CALL TO ORDER.

The Board of Directors of the Hobby Area Management District held a regular meeting on Thursday, August 13, 2015, 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 -	Perry J. Miller	Position 10 -	Vic J. Zachary
Position 5 -	Ann Collum	Position 11 -	Alberto Cardenas
Position 6 -	Sue De Haven, <i>Secretary</i>		

and all were present, with the exception of Directors Szilagyi, Miller and Zachary, thus constituting a quorum. Also present were David Hawes, Josh Hawes, Gretchen Larson, Tony Allender, Linda Clayton, Jerry Lowry and Eoles Whitaker, all with Hawes Hill Calderon, LLP; Clark Lord, Bracewell & Giuliani; Jack Roland, Roland Fry & Warren; Mario Ramirez, Hobby Business Ambassador. Others attending the meeting were Robert Belt, Belt Harris Pechacek; Joaquin Martinez, Councilman Gallegos' office; Rhedonda Cox, S.E.A.L. Security; and Ann Culver, Scenic Houston. Chairman Perkins called the meeting to order at 1:05 p.m.

RECEIVE PUBLIC COMMENTS.

There were no public comments.

APPROVE MINUTES OF MEETING HELD JULY 9, 2015.

Upon a motion duly made by Director Cardenas, and being seconded by Director Collum, the Board voted unanimously to approve the Minutes of the July 9, 2015, Board meeting, as presented.

RECEIVE ASSESSMENT COLLECTION REPORT.

Mr. Hawes presented the Assessment Collection Report, included in the Board agenda materials. He reported 97% collected on the 2014 assessments, no uncertified property and 43 unsettled accounts. No action from the Board was required.

RECEIVE BOOKKEEPER'S REPORT AND APPROVE INVOICES FOR PAYMENT.

Mr. Roland presented the Bookkeeper's Report and went over invoices, included in the Board agenda materials. Upon a motion duly made by Director De Haven, and being seconded by Director Nelson, the Board voted unanimously to accept the Bookkeeper's Report and approved invoices for payment, as presented.

RECEIVE REPORT FROM THE ENVIRONMENT, URBAN DESIGN AND MOBILITY COMMITTEE.

Mr. Allender gave an update on the Broadway Blvd. project. He reported the Airport Blvd. enhancement project was on currently on target with its schedule. Ms. Culver handed out Scenic Houston's cash flow projection spreadsheet, fundraising update and benchmark report on the Broadway Blvd. project, a copy is attached as Exhibit A. Mr. Hawes updated the Board on the progress of funding for the Broadway

project from Gulfgate TIRZ. Chairman Perkins expressed sincere appreciation to Scenic Houston for its fundraising efforts for the Broadway project. No action from the Board was required.

DISCUSS AND CONSIDER AN INTERLOCAL AGREEMENT WITH HOUSTON-GALVESTON AREA COUNCIL REGARDING THE LIVABLE CENTERS STUDY.

Mr. Allender went over the Interlocal Agreement with Houston-Galveston Area Council (H-GAC), included in the Board agenda materials, and answered questions. He reported H-GAC is now prepared to begin the process of hiring a consultant team for completion of the study. He reported the Agreement binds both H-GAC and the District in regards to funding and expectations. He reported the total projected cost is estimated to be \$268,750 with the District's obligation in the amount of \$55,362, which was part of the current budget. He reported the study is geared toward implementation and ultimately it would be TxDOT funds for the implementation. Upon a motion duly made by Director De Haven, and being seconded by Director Bonsall, the Board voted unanimously to approve the Interlocal Agreement with Houston-Galveston Area Council, as presented.

RECEIVE AND APPROVE FY2014 FINANCIAL AUDIT REPORT FROM BELT HARRIS PECHACEK.

Mr. Belt presented the FY2014 Financial Audit, a copy is attached as Exhibit B. He went over the budget vs. actual comparison, independent audit report, statement of net position and governmental fund balance sheet, and statement of activities. Mr. Hawes requested on page 17 under the revenues that property taxes be changed to assessments. Mr. Belt went over the auditor disclosure letter and reported no exceptions during the audit process. He answered questions regarding earmarking funds for projects for future years. No action was taken to give the Board time to review the audit for approval at next month's meeting.

RECEIVE REPORT FROM THE BUSINESS & ECONOMIC DEVELOPMENT COMMITTEE.

Ms. Larson reported the Committee continues work on the State of the District event. She reported the Business Ambassador visited 106 businesses with 48 complete and has been well received. Mr. Hawes reported staff was working on identifying local property owners in the District. He reported the Business Ambassador would be visiting with local business owners first. Ms. Larson reported the summer newsletter should be ready for print next week. No action from the Board was required.

RECEIVE REPORT FROM THE PUBLIC SAFETY COMMITTEE.

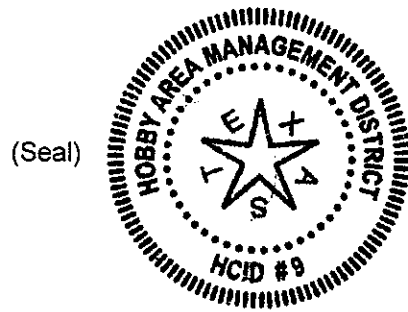
Mr. J. Hawes reported the Committee met on July 15 and received the latest report on RCR in the District. He reported the County Attorney has filed two nuisance lawsuits and was currently working with HPD to address game room and after hour parlors in the District. Mr. Whitaker provided an update on the vagrancy issues along the I-45 corridor. The SEAL Security Year-to-Date Summary Report, January-June 2015, was handed out, a copy is attached as Exhibit C. No action from the Board was required.

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

Mr. Hawes reported Scenic Houston and District were working together with TxDOT to discuss the most effective way to clean the corridor. There was general discussion regarding maintaining the service roads along Gulf Freeway. Mr. Whitaker provided an overview of the tour of I-45. He reported during the tour options were discussed on cleaning the corridor. Mr. Martinez reported there was a small section before 610 that was not part of the District or any other District. Mr. Hawes reported there were ongoing discussions regarding the area and would be brought to Committee for discussion. Mr. Cardenas announced the opening of the International terminal at Hobby with its first flight scheduled October 15. No action from the Board was required.

ADJOURN.

There being no further business to come before the Board, Chairman Perkins adjourned the meeting at 2:01 p.m.



Secretary

List of Exhibits:

- A. Scenic Houston fundraising update and benchmark report on the Broadway Blvd. project
- B. Draft FY2014 Financial Audit
- C. SEAL Security Year-to-Date Summary Report, January-June 2015

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
 August 2015
BILLING AND COLLECTION SUMMARY
FISCAL YEAR
01/01/15 - 12/31/15

YEAR	RATE	TOTAL LEVY	COLLECTIONS	RECEIVABLE	% COLLECTED
2014	0.15000	\$1,542,932.59	\$1,511,945.89	\$30,986.70	98%
2013	0.15000	\$1,359,312.25	\$1,348,539.87	\$10,772.38	99%

Current Month Activity

Revenue:	Current Month	Year to Date
2014 Assessment Collected	13,821.09	1,261,296.52
2013 Assessment Collected	-980.78	2,229.67
Penalty & Interest	3,777.18	26,102.73
Overpayments	612.78	3,438.14
CAD Lawsuits	7,101.72	39,643.21
CAD Corrections	0.00	0.00
Collection Fees	4,743.82	16,401.50
Court Fees	0.00	0.00
Total Revenue	29,075.81	1,349,111.77
Overpayments Presented for Refund	7,714.50	44,264.01
Overpayments Applied to Assessment	0.00	0.00

ASSESSED VALUE FOR 2014:	1,043,464,998	Uncertified:	0
ASSESSED VALUE FOR 2013:	920,723,792	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	1,359,312	1,291,347	\$1,348,539.87	
2014	0.15000	1,386,498	1,317,174	\$1,511,945.89	
2015	0.15000	1,414,228	1,343,517		
2016	0.15000	1,442,513	1,370,387		
2017	0.15000	1,471,363	1,397,795		
2018	0.15000	1,500,791	1,425,751		
2019	0.15000	1,530,806	1,454,266		
2020	0.15000	1,561,422	1,483,351		
2021	0.15000	1,592,651	1,513,018		
2022	0.15000	1,624,504	1,543,279		
		14,884,090	17,000,371		1,488,409

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

August 2015 TOP TEN ASSESSMENT PAYERS					
PROPERTY OWNER	ACCOUNT NOS	SITUS	PROPERTY TYPE	VALUE	ASSESSMENT
BROADWAY POST PARTNERS LLC	0402390000108	8750 BROADWAY ST #222 77061	MULTI-FAMILY	40,000,000	60,000.00
8205 SANTA MONICA BLVD STE 298	1141750000001	8955 BROADWAY ST #208 77061			
WEST HOLLYWOOD CA 90046-5967	0402390000101	8200 BROADWAY ST #224 77061			
	1097860000001	8751 BROADWAY ST #213 77061			
	1097860000002	7900 MORELY ST #292 77061			
	1097860000003	8801 GLENCREST ST #322 77061			
	1097870000007	8900 GLENCREST ST #208 77061			
	1097870000008	8950 GLENCREST ST #200 77061			
	1141690000001	8915 BROADWAY ST #200 77061			
	0402390000100	8601 BROADWAY ST #380 77061			
ALMEDA-ROWLETT RETAIL LLC	1260630010010	10009 ALMEDA GENOA RD 77075	RETAIL CENTER	28,543,387	42,815.08
900 TOWN AND COUNTRY LN STE 210	1260630010006	10025 ALMEDA GENOA RD 77075			
HOUSTON TX 77024-2229	1260630010005	10013 ALMEDA GENOA RD 77075			
	1260630010002	0 MINNESOTA ST 77075			
	1260630010001	0 GULF FWY			
ATRIUM FINANCE II LP	0342030040003	9100 GULF FWY 77061	HOTEL	20,230,064	30,345.10
MARRIOTT HOBBY	0342030020130	9100 GULF FWY 77061			
4243 HUNT RD	0342030020118	9100 GULF FWY #287 77017			
BLUE ASH OH 45242-6645					
POWELL ELECTRICAL SYSTEMS LLC	1193970010001	7232 AIRPORT BLVD 77061	MANUFACTURING	17,591,087	26,386.63
8550 MOSLEY RD					
HOUSTON TX 77075-1116					
CENTER AMERICA PROPERTY TRUST LP	1254930010002	10235 ALMEDA GENOA RD 77034	RETAIL CENTER	17,050,000	25,575.00
3901 BELLAIRE BLVD	1254930010001	10225 ALMEDA GENOA RD 77034			
HOUSTON TX 77025-1100					
VIVA PROPERTIES LLC	0971580000001	0 VILLA DR 77061	WAREHOUSE	17,019,951	25,529.93
P O BOX 405	1199160010001	0 NEUHAUS AVE 77061			
LOLITA TX 77971-0405	0971580000002	8300 TEWANTIN DR			
INLAND DIVERSIFIED HOUSTON OREM LLC	1307400010001	6905 E OREM DR 77075	TRUCK TERMINAL	21,902,050	22,953.21
P O BOX 460069	1296790010001	6903 E OREM DR 77075			
ESCONDIDO CA 92046-0069					

HARRIS COUNTY IMPROVEMENT DISTRICT NO. 9

August 2015 TOP TEN ASSESSMENT PAYERS					
1859 HISTORIC HOTELS LTD	0963850000001	8181 AIRPORT BLVD #303 77061	HOTEL	14,152,580	21,228.87
2302 POST OFFICE ST	0963850000003	0 RUTHBY 77061			
GALVESTON TX 77550-1935					
MANHEIM REMARKETING INC	0421910000083	8215 KOPMAN DR 77075	WAREHOUSE	14,008,645	21,012.97
8215 KOPMAN DR	1197090010001	8215 KOPMAN DR 77061			
HOUSTON TX 77061-5050	1066260000002	800 BRISBANE ST 77075			
	0421910000112	800 BRISBANE ST 77061			
	0421910000107	800 BRISBANE ST 77075			
OREILLY AUTO ENTERPRISES LLC	0342070120005	8601 TAVENOR LN 77075	WAREHOUSE	13,675,582	20,513.37
233 S PATTERSON AVE	1250380010001	8910 TAVENOR LN 77075			
SPRINGFIELD MO 65802-2210					

HARRIS COUNTY IMPROVEMENT DISTRICT 9

August 2015					
TOP TEN DELINQUENT ACCOUNTS					
PROPERTY OWNER	ACCOUNT NO	SITUS	PROPERTY TYPE	ASSESSMENT YEAR(S)	ASSESSMENT
RIVERSIDE GENERAL HOSPITAL PO BOX 8128 HOUSTON TX 77288-8128	91 095 063 000 0022	7655 BELLFORT ST 77061	VACANT	2013 - 2014	4,053.50
COMERICA BANK *	91 034 203 003 0123	9100 AIRPORT BLVD 77061	BANK	2014	2,891.85
% COLLIERS INTERNATIONAL 2 CORPORATE DR STE 300 SOUTHFIELD MI 48076-3759					
FURNITURE BANK 2100 HUSSION ST HOUSTON TX 77003-5629	91 034 203 002 0122	8220 MOSLEY RD 77075	WAREHOUSE	2014	2,643.00
RBIP TRANSPORTATION LLC 110 E 4TH ST HOUSTON TX 77007-2502	91 034 207 011 0025	9201 TAVENOR LN 77075	WAREHOUSE	2014	2,577.78
UPLIFT HOUSE P O BOX 8241 HOUSTON TX 77288-8241	91 060 077 007 0029	6636 BELLFORT ST #26 77087	SUBSIDIZED HOUSING	2013 - 2014	1,593.18
HAMS AVIATION MAINTENANCE SRV INC 7766 BRANIFF ST HOUSTON TX 77061-5120	91 043 228 000 0031	8703 TELEPHONE RD 77061	STORAGE HANGAR	2013 - 2014	1,420.69
HOUSTON AREA BRKLAYERS JAC P O BOX 34583 HOUSTON TX 77234-4583	91 063 033 031 0009	9105 EDGEBROOK ST 77075	RETAIL STORE	2013 - 2014	1,362.52
NEMINATH LLC 3615 OLD SPANISH TRL HOUSTON TX 77021-2204	91 040 239 000 0013	8381 BROADWAY BLVD #38 77061	HOTEL/MOTEL	2014	1,180.22
BLACKBURN INSTRUMENTS CO 7525 WYNLEA ST HOUSTON TX 77061-2833	91 040 239 000 0050	7525 WYNLEA ST 77061	WAREHOUSE	2014	1,129.88
GUZMAN MARTHA R 1803 ADRIANA LN #L HOUSTON TX 77049-1668	91 034 203 002 0073	8850 CANNIFF ST 77061	VACANT	2014	1,019.96
* Pending HCAD Value Lawsuits					

Harris County Improvement District No. 9 / Hobby Area
Lawsuit and Arbitration Status Summary as of 8/14/2015

Jur 943

Summary

Settled

1,256,077,962	Original value of Settled accounts as of 8/14/2015
413	Number of Settled accounts as of 8/14/2015
186,505,448	Reduction in value of Settled accounts
14.85%	Average % reduction in value of Settled accounts*

Unsettled

140,071,351	Original value of Unsettled accounts as of 8/14/2015
46	Number of Unsettled accounts as of 8/14/2015

.15 Tax rate per \$100 valuation

\$31,197	Estimated reduction in assessment on 46 Unsettled accounts, based on 14.85% 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."*

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

JULY 2015

Hobby Area Management District
Balance Sheet
As of July 2015

	<u>July 15</u>
ASSETS	
Current Assets	
Checking/Savings	
1010 · Amegy Bank	11,773.54
1020 · Wells Fargo Bank	310,051.49
1030 · Plains State Bank - CD	245,799.41
1040 · TexSTAR-Operating	<u>480,220.46</u>
Total Checking/Savings	<u>1,047,844.90</u>
Other Current Assets	
1200 · Assessment Receivable	<u>61,752.24</u>
Total Other Current Assets	<u>61,752.24</u>
Total Current Assets	<u>1,109,597.14</u>
TOTAL ASSETS	<u><u>1,109,597.14</u></u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
2000 · Accounts Payable	<u>72,905.24</u>
Total Accounts Payable	<u>72,905.24</u>
Other Current Liabilities	
2100 · Assessment Refunds Payable	6,188.91
2200 · Deferred Assessment Revenue	<u>686,094.87</u>
Total Other Current Liabilities	<u>692,283.78</u>
Total Current Liabilities	<u>765,189.02</u>
Total Liabilities	765,189.02
Equity	
3000 · Retained Earnings	415,114.05
Net Income	<u>(70,705.93)</u>
Total Equity	<u>344,408.12</u>
TOTAL LIABILITIES & EQUITY	<u><u>1,109,597.14</u></u>

Hobby Area Management District
Statement of Sources & Uses - Budget vs Actual
July 2015

	<u>July 15</u>	<u>Budget</u>	<u>Jan - July 15</u>	<u>YTD Budget</u>	<u>Annual Budget</u>
SOURCES OF FUNDS					
4000 · District Assessments	129,063.94	122,960.00	907,795.90	860,720.00	1,475,516.00
4010 · Penalty & Interest Revenue	3,589.43	1,667.00	22,325.55	11,669.00	20,000.00
4020 · Overpayments	4,593.02	1,167.00	35,366.85	8,169.00	14,000.00
4030 · Assessment Refunds	-4,818.02	-2,000.00	-36,549.51	-14,000.00	-24,000.00
4040 · Street Light Reimbursement	0.00	0.00	0.00	0.00	134,678.00
4050 · Grant and Donations	0.00	0.00	0.00	0.00	40,000.00
4060 · Interest Revenue	41.01	25.00	290.48	175.00	300.00
Total SOURCES OF FUNDS	<u>132,469.38</u>	<u>123,819.00</u>	<u>929,229.27</u>	<u>866,733.00</u>	<u>1,660,494.00</u>
USES OF FUNDS					
Public Safety					
6010 · Contract Public Safety	15,417.00	16,848.00	104,814.00	117,936.00	202,180.00
6015 · Apartment Life Initiatives	1,613.50	2,083.00	11,586.00	14,581.00	25,000.00
6020 · Mobile Cameras	3,235.44	2,618.00	18,235.44	15,708.00	28,800.00
6020 · Nuisance Abatement Program	4,020.75	5,000.00	20,103.75	25,000.00	50,000.00
6030 · Street Light Outage Survey	0.00	175.00	1,050.00	1,225.00	2,100.00
6035 · Graffiti Abatement	0.00	2,792.00	16,000.00	19,544.00	33,500.00
Total Public Safety	<u>24,286.69</u>	<u>29,516.00</u>	<u>171,789.19</u>	<u>193,994.00</u>	<u>341,580.00</u>
Mobility, Environ, Urban Design					
6050 · Porter Service	5,416.67	4,375.00	37,916.69	30,625.00	52,500.00
Total Mobility, Environ, Urban Design	<u>5,416.67</u>	<u>4,375.00</u>	<u>37,916.69</u>	<u>30,625.00</u>	<u>52,500.00</u>
Business & Economic Development					
6060 · Economic Developmt Programs	675.24	13,500.00	12,904.59	94,500.00	162,000.00
6065 · Events, Festivals, Comm. Proj.	0.00	3,083.00	13,564.67	21,581.00	37,000.00
6070 · Creative ED Support	3,425.00	5,975.00	10,789.29	41,825.00	71,700.00
6075 · Marketing Mtls & Promo Items	759.00	2,333.00	6,442.94	16,331.00	28,000.00
Total Business & Economic Development	<u>4,859.24</u>	<u>24,891.00</u>	<u>43,701.49</u>	<u>174,237.00</u>	<u>298,700.00</u>
Administration					
Exec & Board Support Services					
6110 · Administration & Management	9,292.00	9,292.00	65,044.00	65,044.00	111,504.00
6115 · Meeting Expense	1,196.64	417.00	2,641.21	2,919.00	5,000.00
6120 · Reimbursable Expenses	315.09	667.00	4,369.92	4,669.00	8,000.00
6125 · Postage	8.07	8.00	174.20	56.00	100.00
6130 · Office Supplies	289.01	117.00	2,990.82	819.00	1,400.00
6135 · Public Notices, Advertising	0.00	100.00	72.19	700.00	1,200.00
Total Exec & Board Support Services	<u>11,100.81</u>	<u>10,601.00</u>	<u>75,292.34</u>	<u>74,207.00</u>	<u>127,204.00</u>
6140 · Legal Services	7,824.30	2,500.00	26,201.71	17,500.00	30,000.00
6145 · Audit Services	0.00	250.00	3,600.00	1,750.00	3,000.00
6150 · Bookkeeping	600.00	600.00	4,200.00	4,200.00	7,200.00
6155 · Assessment Billing	1,958.00	1,875.00	18,007.54	13,125.00	22,500.00
6160 · Assessmt Database Mgmt	300.00	300.00	2,100.00	2,100.00	3,600.00
6165 · Office Equipment	0.00	250.00	0.00	1,750.00	3,000.00
6170 · Insurance	0.00	125.00	443.42	875.00	1,500.00
6175 · Other	13.00	58.00	139.00	406.00	700.00
Total Administration	<u>21,796.11</u>	<u>16,559.00</u>	<u>129,984.01</u>	<u>115,913.00</u>	<u>198,704.00</u>

Hobby Area Management District
Statement of Sources & Uses - Budget vs Actual
July 2015

	<u>July 15</u>	<u>Budget</u>	<u>Jan - July 15</u>	<u>YTD Budget</u>	<u>Annual Budget</u>
Community Development Fund					
Hobby Fest					
6210 · Committee Support & Supplies	0.00	333.00	0.00	2,331.00	4,000.00
6220 · Marketing & Promotional Items	0.00	1,333.00	22,333.80	9,331.00	16,000.00
6230 · Creative Services	0.00	417.00	8,428.02	2,919.00	5,000.00
Total Hobby Fest	<u>0.00</u>	<u>2,083.00</u>	<u>30,761.82</u>	<u>14,581.00</u>	<u>25,000.00</u>
Other Community Projects	0.00	0.00	0.00	0.00	15,000.00
Total Community Development Fund	<u>0.00</u>	<u>2,083.00</u>	<u>30,761.82</u>	<u>14,581.00</u>	<u>40,000.00</u>
 Total USES OF FUNDS - General Fund	<u>56,358.71</u>	<u>77,424.00</u>	<u>414,153.20</u>	<u>529,350.00</u>	<u>931,484.00</u>
 Excess (Deficiency) of Sources over Uses-GF	<u>76,110.67</u>	<u>46,395.00</u>	<u>515,076.07</u>	<u>337,383.00</u>	<u>729,010.00</u>
 Capital Projects					
8010 · Fund Reserve - District Office	0.00	4,167.00	0.00	29,169.00	50,000.00
8020 · Broadway Blvd. Hardscape	0.00	0.00	557,432.00	557,432.00	557,432.00
8030 · Livable Centers Grant Match	0.00	0.00	0.00	0.00	53,750.00
8040 · CIP/Project Manager	4,050.00	4,050.00	28,350.00	28,350.00	48,600.00
 Total Capital Projects	<u>4,050.00</u>	<u>8,217.00</u>	<u>585,782.00</u>	<u>614,951.00</u>	<u>709,782.00</u>
 Total Excess (Deficiency) of Sources over Uses	<u>72,060.67</u>	<u>38,178.00</u>	<u>-70,705.93</u>	<u>-277,568.00</u>	<u>19,228.00</u>
 Cash on Hand 01-01-2015					<u>428,278.00</u>
 Net Budget					<u>447,506.00</u>

**Hobby Area Management District
Bank Account Registers
As of September 10, 2015**

<i>Type</i>	<i>Date</i>	<i>Num</i>	<i>Name</i>	<i>Memo</i>	<i>Amount</i>	<i>Balance</i>
Amegy Bank						20,546.13
Debit	07/02/2015		Amegy Bank	Wire transaction fee	(13.00)	20,533.13
Bill Pmt -Check	08/14/2015	1353	Bracewell & Giuliani LLP	General Counsel	(3,295.13)	17,238.00
Bill Pmt -Check	08/14/2015	1354	Cracked Fox	Marketing, branding, research	(1,385.00)	15,853.00
Bill Pmt -Check	08/14/2015	1355	SEAL Security Solutions LLC	Security	(3,888.00)	11,965.00
Bill Pmt -Check	08/14/2015	1356	SMC Logistics	Liter abatement of right-of-way	(5,416.67)	6,548.33
Bill Pmt -Check	08/14/2015	1357	TML Intergovernmental Risk Pool	Insurance	(898.24)	5,650.09
Check	08/26/2015	1358	United States Treasury	Form 1023 - fee	(850.00)	4,800.09
Transfer	09/10/2015		TexSTAR	Transfer from TexSTAR	50,000.00	54,800.09
Bill Pmt -Check	09/10/2015	1359	Belt Harris Pechacek, LLP	2014 Audit	(2,450.00)	52,350.09
Bill Pmt -Check	09/10/2015	1360	Deborah Quinn Hensel	Newsletter & website	(140.00)	52,210.09
Bill Pmt -Check	09/10/2015	1361	Harris County Treasurer	Sept. - Interlocal Contract	(4,020.75)	48,189.34
Bill Pmt -Check	09/10/2015	1362	Roland Fry & Warren, LLC	August Bookkeeping	(658.42)	47,530.92
Bill Pmt -Check	09/10/2015	1363	SEAL Security Solutions LLC	Security	(11,097.00)	36,433.92
Bill Pmt -Check	09/10/2015	1364	Core Logic Safe Rent	Apartment Life Initiatives	(1,615.00)	34,818.92
Bill Pmt -Check	09/10/2015	1365	Mario N. Ramirez	August Business Ambassador	(1,707.33)	33,111.59
Total Amegy Bank					12,565.46	33,111.59
Wells Fargo Bank						310,051.49
Total Wells Fargo Bank					0.00	310,051.49
Plains State Bank						245,799.41
Total Plains State Bank					0.00	245,799.41
TexSTAR-Operating						405,190.89
Deposit	07/31/2015		Interest	July Interest	29.57	405,220.46
Transfer	09/10/2015	Trf	Amegy Bank	Transfer to Amegy Operating	(50,000.00)	355,220.46
Total TexSTAR-Operating					(49,970.43)	355,220.46
TOTAL					(37,404.97)	944,182.95

Restricted for management's use only

Bracewell & Giuliani LLP
ATTORNEYS AT LAW

P. O. Box 84566
Dallas, TX 75284-8566
713 223-2300
TAX ID 74-1024827

Hobby Area Management District
711 Louisiana
Suite 2300
Houston, TX 77002

August 7, 2015
Invoice: 21624055
B/A: 04674

Page 1

Our Matter #: 069002.000001 For Services Through July 31, 2015
General Counsel

			Hours	Rate/Hr	Amount
07/01/15	Conferences with A Edwards and T Greenwalt regarding Form 1023	Brian P. Teaff	0.50	\$35.00	267.50
07/01/15	Discuss open issues with Clark Lord.	Amanda K. Edwards	0.25	\$55.00	138.75
07/02/15	Conference with A Edwards; review organizational documents	Brian P. Teaff	0.50	\$35.00	267.50
07/02/15	Compile documentation for completion of the 501(c)3 application; discussions with A Edwards regarding same	Deborah Russell	0.25	\$15.00	78.75
07/07/15	Obtain and provide tax language for Form 1023; conference with A Edwards regarding same	Brian P. Teaff	0.75	\$55.00	401.25
07/08/15	Conferences with A Edwards regarding Form 1023; revise Narrative; review enabling legislation	Brian P. Teaff	1.50	\$55.00	802.50
07/23/15	Telephone conference with D Perkins; telephone conference with D Haives regarding project issues	Clark Stockton Lord	1.00	450.00	450.00
07/27/15	Prepare for and attend meeting with E Wulfe regarding Broadway Funding issues	Clark Stockton Lord	1.00	450.00	450.00
9/7/29/15	Prepare for and attend meeting with Rep. Coleman	Clark Stockton Lord	1.50	450.00	675.00
07/31/15	Confer with Clark Lord about status of 1023 application.	Amanda K. Edwards	0.25	\$55.00	138.75

STATEMENT FOR PROFESSIONAL SERVICES IS PAYABLE UPON PRESENTATION
INVOICE AMOUNT DUE IN UNITED STATES DOLLARS

Bracewell & Giuliani LLP
ATTORNEYS AT LAW

Page 2

Hobby Area Management District

August 7, 2015
Invoice: 21624055

Summary of Fees

	Hours	Rate/Hr	Amount
Clark Stockton Lord	3.50	450.00	1,575.00
Amanda K. Edwards	0.50	555.00	277.50
Brian P. Teaff	3.25	555.00	1,798.75
Deborah Russell	0.25	315.00	78.75
Total	7.50	463.75	3,670.00

Less Discount (374.87)

Total Fees for Professional Services \$ 3,295.13

Fees for Professional Services.....\$ 3,295.13

Total Current Billing for this Matter \$ 3,295.13

STATEMENT FOR PROFESSIONAL SERVICES IS PAYABLE UPON PRESENTATION
INVOICE AMOUNT DUE IN UNITED STATES DOLLARS



hello! you have an invoice from:
Cracked Fox
2815 Bermuda Dunes Dr. Missouri City, TX 77459
Phone: 281.354.4012 | www.CrackedFox.com

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

Date	Invoice No.	Terms
08/01/15	558	Due on receipt
Payments/Credits	Balance Due	
\$0.00	\$1,385.00	

Item	Description	Quantity	Rate	Amount
marketing	marketing, graphic design and photography, research, meetings and other... for the month of July		0.00	0.00
Design	Research, photography and collateral for wiki page and website	5.2	100.00	520.00
Design	Research, photography and collateral for brochure/marketing campaign	5.6	100.00	560.00
1	Branding, Marketing and Research including logo quality assurance in usps and recreation of logo used in district print collateral	0.5	100.00	50.00
2	Editing, proof reading, and checking for website, information/hyperlink integrity	2.2	100.00	20.00
3	Meetings, Correspondence, Phone Calls, and invoicing	0.15	100.00	15.00
4	Photography: editing (color correction, sharpening, 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 harddrives, web sites, and DVDs for backup	0.6	100.00	60.00
5	Providing licensing, stock photography, and partner requests and print requests.	1.1	100.00	110.00
6	Social media: Facebook/twitter/pinterest/instagram updates, photographs, posting, tagging, creation of cover photos. Backup monitoring of Facebook, with response and interaction with visitors requests/questions.	0.3	100.00	30.00
	Print and Web resolution creation of files in proper formats for distribution to printers, web developers, partners and staff.			
Total				\$1,385.00

Thank you for your business

SEAL Security Solutions LLC

1525 Blalock Road
Houston, TX 77080-7318

Invoice

Date	Invoice #
8/3/2015	27415

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	144	27.00	3,888.00
Patrol Period 07/27/2015 through 08/02/2015			
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			\$3,888.00

Thank you for allowing us to earn your business.

www.scribd.com/doc/10407464

Date	Invoice #
8/10/2015	593

Texas Municipal League
Intergovernmental Risk Pool
1821 Rutland Lane, First Floor
Austin, Texas 78754
(512) 491-2300 • (800) 537-6655

Statement Date: 8/01/15
Due Date : DUE UPON RECEIPT
Contract No. : 6830

OK to pay

TOTAL DUE: \$898.24

RETURN THE BOTTOM PORTION WITH PAYMENT

[illegible]

TXL Intergovernmental Risk Pool
PO BOX 388
SAN ANTONIO TX 78292-0388
(512) 491-2300

13147 James Ln
Stafford, TX 77677

www.scribd.com/doc/10407464

Date	Invoice #
8/10/2015	593

BILLING STATEMENT
Questions? Please contact Carol Platt at
cplatt@amlrp.org or extension 415

Texas Municipal League
Intergovernmental Risk Pool
1821 Rutland Lane, First Floor
Austin, Texas 78754
(512) 491-2300 • (800) 537-6655

Harris County ID #9
Attn: Ms. Susan Hill
PO Box 22167
Houston, TX 77227

Statement Date: 8/01/15
Due Date : DUE UPON RECEIPT
Contract No. : 6830

Date	Description	Total Amount
7/01/15	BALANCE FROM PREVIOUS STATEMENT	.00
8/01/15	Errors & Omission 14/15FY	667.00
8/01/15	Liability Equity Return Applied to Contribution	21.00
8/01/15	General Liability 14/15FY	271.00
8/01/15	Liab 2% Pre-Pay Disc	18.76

OK to pay

TOTAL DUE: \$898.24

RETURN THE BOTTOM PORTION WITH PAYMENT

[illegible]

Harris County ID #9
Attn: Ms. Susan Hill
PO Box 22167
Houston, TX 77227

TXL Intergovernmental Risk Pool
PO BOX 388
SAN ANTONIO TX 78292-0388
(512) 491-2300

From: Edwards, Amanda [Amanda.Edwards@bcgip.com]
Sent: Wednesday, August 26, 2015 4:23 PM
To: Susan Hill; Lord, Clark
Cc: ccraig; David Hawes
Subject: RE: Check for the 1023 application

It is a check for \$850 made payable to the United States Treasury.

AMANDA K. EDWARDS
Associate
Amanda.Edwards@bgllp.com
T: +1.713.221.3318 | F: +1.800.404.3970 | M: +1.832.431.7626

BRACEWELL & GIULIANI LLP
711 Louisiana Street Suite 2300 | Houston, TX | 77002-2770
bglp.com | [profile](#) | [download v-card](#)

CONFIDENTIALITY STATEMENT

This message is sent by a law firm and may contain information that is privileged or confidential. If you received this transmission in error, please notify the sender by reply e-mail and delete the message and any attachments.

From: Susan Hill [mailto:s.hill@hhcdo.com]
Sent: Wednesday, August 26, 2015 3:57 PM
To: Edwards, Amanda; Lord, Clark
Cc: Cindy Craig; David Hawes
Subject: Check for the 1023 application

How much? \$800 or \$850? I think it's \$850. Made out to the U. S. Treasury or to the IRS? (Cindy, more details as I get them. ~ This is for Hobby)

L. Susan Hill
Hawes Hill Calderon LLP
PO Box 22167
Houston TX 77227-2167
9610 Long Point Road, Suite 150
Houston TX 77055
713-595-1200
713-595-1205 (direct)
281-888-6314 (fax)

Belt Harris Pechacek, LLP
3210 Bingle Road, Ste. 300
Houston, Texas 77055



Invoice 2543
August 10, 2015

Harris County Improvement District No. 9
c/o Hawes Hill Calderon LLP
9610 Long Point Rd, Ste 150
Houston, TX 77055

Terms: Due on Receipt

Description	Amount
For professional services rendered in connection with the audit for the year ending 12/31/2014 - Audit-Financial Statement. Final Billing	\$2,450.00
Total	\$2,450.00

Thank you for your prompt payment.

Remit Payment To
3210 Bingle Road Suite 300
Houston, Texas 77055

Phone: 713.263.1123
Fax: 713.263.1550

Website: www.texasauditors.com
E-Mail: info@texasauditors.com
Tax ID: 26-2685915

Deborah Quinn Hensel

7030 Concho
Houston, Texas 77074
Phone 832-372-5383

DATE: July 18, 2015
INVOICE # 07182015HAMD
FOR: Newsletter writing
and photography

Bill To:

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

DESCRIPTION	AMOUNT
Writing and photography for Hobby Area Management District's newsletter and website at \$35 for the first 20 hours	
Danny Perkins column	
Interview with Perry Miller	
4 hours at \$35 per hour	
	\$140.00
TOTAL	\$ 140.00

Make all checks payable to Deborah Quinn Hensel
If you have any questions concerning this invoice, contact Dr Deborah Hensel at 832-372-5383

THANK YOU FOR YOUR BUSINESS!

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

Ledger: September 2015
Hobby Area Management District
P.O. Box 22167
Houston, TX 77227

Invoice Date	Invoice #	Account #	Description	Amount	Due Date	Payment	Balance
9/1/2015	16412	16590	2518 Merley Street Apts	Yes	6	51.50	
9/1/2015	16412	16590	Alta Verde	Yes	1430	\$152.50	
9/1/2015	16412	16590	Alta Verde	Yes	210	\$52.50	
9/1/2015	16412	16590	Alta Verde	Yes	60	\$15.00	
9/1/2015	16412	16590	Alta Verde	Yes	58	\$14.50	
9/1/2015	16412	16590	Alta Verde	Yes	134	\$15.50	
9/1/2015	16412	16590	Alta Verde	Yes	150	\$17.50	
9/1/2015	16412	16590	Alta Verde	Yes	1066	\$166.50	
9/1/2015	16412	16590	Alta Verde	Yes	24	\$6.00	
9/1/2015	16412	16590	Alta Verde	Yes	262	\$65.50	
9/1/2015	16412	16590	Alta Verde	Yes	65	\$17.50	
9/1/2015	16412	16590	Alta Verde	Yes	23	\$5.75	
9/1/2015	16412	16590	Alta Verde	Yes	276	\$50.00	
9/1/2015	16412	16590	Alta Verde	Yes	328	\$48.00	
9/1/2015	16412	16590	Alta Verde	Yes	162	\$40.50	
9/1/2015	16412	16590	Alta Verde	Yes	37	\$9.00	
9/1/2015	16412	16590	Alta Verde	Yes	29	\$7.25	
9/1/2015	16412	16590	Alta Verde	Yes	61	\$15.25	
9/1/2015	16412	16590	Alta Verde	Yes	50	\$12.50	
9/1/2015	16412	16590	Alta Verde	Yes	140	\$35.00	
9/1/2015	16412	16590	Alta Verde	Yes	41	\$10.25	
9/1/2015	16412	16590	Alta Verde	Yes	91	\$25.25	
9/1/2015	16412	16590	Alta Verde	Yes	64	\$16.00	
9/1/2015	16412	16590	Alta Verde	Yes	238	\$52.00	
9/1/2015	16412	16590	Alta Verde	Yes	61	\$15.25	
9/1/2015	16412	16590	Alta Verde	Yes	140	\$35.00	
9/1/2015	16412	16590	Alta Verde	Yes	209	\$50.00	
9/1/2015	16412	16590	Alta Verde	Yes	1040	\$260.00	
9/1/2015	16412	16590	Alta Verde	Yes	6460	\$1615.00	

REMIT THIS STATEMENT WITH PAYMENT

BARBARA J. SCHOTT
HARRIS COUNTY AUDITOR
1001 Preston, Suite 800
Houston, Texas 77002
(713) 755-1160



INVOICE

HOBBY AREA MANAGEMENT
ATTN: DAVID HAWES & BILL C
PO BOX 22167
HOUSTON, TX 77227-2167

REMIT PAYMENT TO:
Harris County Treasurer
Orlando Sanchez
1001 Preston, Room 652
Houston, Texas 77002

Invoice / Statement No.: AH009974

Customer No.: V00091127

Amount Due: 4,020.75

Amount Paid:

(Please detach and mail this top portion with payment)

DATE	DESCRIPTION	AMOUNT
08/12/15	SEP'15: ASSIST. ATTORNEY FEE	4,020.75

The above amount is for County services. Amounts are due upon receipt of the invoice. If you have any questions, contact Accounts Receivable at 713-755-1160.

REMIT PAYMENT TO: HARRIS COUNTY TREASURER
Orlando Sanchez
1001 Preston, Room 652
Houston, Texas 77002

County Auditor's Form #581
Harris County, Texas (REV 3/07)

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

Invoice Number: 2
Date: 08/31/15

Invoice
August 2015

Bill To:
Hobby Area District
P O Box 22167
Houston, Tx. 77221

Ship To:
Mario N. Ramirez
P.O. Box 262607
Houston, Tx. 77207

Description: Business Ambassador Contract Amount: \$1,560.00
Monthly duties required as Business Ambassador along with other duties as assigned. Mileage (August 2015)= \$117.33
Miscellaneous (August 2015) = \$29.45

Amount Paid: 0.00
Amount Due: \$1,707.33

Shipping:
Sub Total:
Total: \$1,707.33

0-30 days	31-60 days	61-90 days	>90 days	Total

ROLAND, FRY & WARREN, L.L.C.

Certified Public Accountants

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

9/1/2015

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

For Professional Services Rendered:

Bookkeeping services provided during August 2015 for the month c July 2015	600.00
Postage	17.02
Mileage	41.40
	<u>\$658.42</u>

SEAL Security Solutions LLC1525 Blalock Road
Houston, TX 77080-7318**Invoice**

Date	Invoice #
8/16/2015	27472

Bill ToHobby 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	127	27.00	3,429.00
Patrol Period 08/03/2015 through 08/09/2015			
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			\$3,429.00

Thank you for allowing us to earn your business.

SEAL Security Solutions LLC1525 Blalock Road
Houston, TX 77080-7318**Invoice**

Date	Invoice #
8/17/2015	27529

Bill ToHobby 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	148	27.00	3,996.00
Patrol Period 08/10/2015 through 08/16/2015			
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			\$3,996.00

Thank you for allowing us to earn your business.

**SEAL Security Solutions LLC**1525 Blalock Road
Houston, TX 77080-7318**Invoice**

Date	Invoice #
8/24/2015	27582

Bill ToHobby 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	136	27.00	3,672.00
Patrol Period 08/17/2015 through 08/23/2015			
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			\$3,672.00

Thank you for allowing us to earn your business.

PERDUE, BRANDON, FIELDER, COLLINS & MOTT L.L.P.
DELINQUENT ASSESSMENT REPORT
HARRIS COUNTY IMPROVEMENT DISTRICT #9
September 10, 2015

Amounts shown are 2014 base assessment amounts unless indicated.

Interventions into County or ISD suits:

Riverside General Hospital 13-14 assessments \$4,053.50, 7655 Bellfort St.-0950630000022

We have intervened in a suit filed by Harris County; a trial date was set for 1/13/15 but the defendant requested a motion for a continuance which was granted. A new trial date is set for 12/8/15. The property was carried as exempt by HCAD for 2014 but the exemption was removed in November 2014.

Houston Area Bricklayers JAC 13-14 assessments \$1,362.52, 9105 Edgebrook St.-0630330310009

We have intervened in a suit filed by Harris County; a trial date is set for 9/30/15. We will monitor the case.

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. A hearing date has not been set at this time; 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; judgment was signed on 7/29/15. The judgment is final; a judgment letter has been sent.

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.

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

We have intervened in a suit filed by Harris County; a trial date is set for 10/20/15.

The following accounts have been paid in full:

RMF Plant LLC \$3,269.79, 7922 Hansen Rd.-0342030020081

Comerica Bank \$2,891.85, 9100 Airport Blvd.-0342030030123

Northden Holdings Ltd. \$1,873.67, 8329 Hansen Rd. and adjacent tract-0342030020108,
0342030020145

Mom's Investments LLC \$1,074.26, 8470 Gulf Fwy.-0402390010007

Grant Gerhardt Machine & Mfg. Co. Inc. \$1,051.81, 8303 Hansen Rd.-0342030020107

Ricky Box \$989.09, 11414 Gulf Fwy.-0280630020075

Tasarim LLC \$664.83, 7991 Bellfort St.-1216070010001

Jesus R. Parra \$546.02, 6826 Lindbergh St.-0620310050003

TMT Braniff LLC \$385.90, 8107 & 8109 Braniff St.-0690030070026, 0690030070027

Place of Beginning LLC 13-14 assessments \$292.00, 4143 Colgate St.

National Xtreme Sportswear Inc. \$282.33, 4108 Glenbrook Ct.-0630610000002

Capital Wiz LP 13-14 assessments \$262.46, 7006 Bellfort St.-0741530030003

Alfonso Gomez \$175.25, 5920 Hogue St. & 5927 Heffernan St.-0640610010016, 0640650160007

Ngog Huynh Hoang & My Ly Ngo \$130.68, Tract 8A-1 Block 11 on Tavenor Ln.-0342070110009

Fernando & Marcela Portillo \$64.96, Lot 1 Robincrest on Dixie Dr. & Lot 2 Robincrest on Vena Dr.-0823370000001, 0823370000002

TPS Hobby LLC \$54.51, .0334 U/D interest in lots 79 & 80 on Hansen Rd.-0342030020189

Warithudeen Mohammed Masjid \$37.50, 6515 Hogue St.-0600770080027

Ingrid A. Argueta \$9.94, North 1/2 of Lots 21 & 22 Block 47 on Edgebrook Dr.-0630350470028

2014 accounts:

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

We are intervening in a suit recently filed by Pasadena ISD.

The Furniture Bank \$2,643.00, 8220 Mosley Rd.-0342030020122

We recently spoke to the executive director, Oli Mohammed, again; he said that they filed for exempt status on 8/12. A statement has also been sent to the lienholder, Compass Bank.

Neminath LLC \$1,180.22, 8381 Broadway Blvd.-0402390000013

There has been no response to our demand letters or phone call. A statement has been sent to the lienholder, Heritage Bank.

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

We spoke to Patsy and she requested an emailed statement which was sent but the account is still due; another demand letter is being sent and we are calling again.

TPS Hobby Cannif LLC (was Martha A. Guzman) \$1,019.96, 8850 Canniff St.-0342030020073

We spoke to Martha and she said she would talk to her realtor to find out why the assessments weren't paid at closing.

Niday Funeral Home Inc. nka Crespo Funeral Home \$1,003.50, 4136 Broadway St.-0283010000022

Last month we spoke to Marissa at Crespo Funeral Home; she said she would ask the manager, Norman Gonzales, to return our call but we have not heard from him. We called again last week and we left a message with the person who answered. We updated the address to Crespo's main office and a new demand letter has been sent to that address.

- In addition to the accounts listed above, there are 33 accounts with 2014 base assessments ranging from \$2 to \$989; 24 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:

Uplift House 13-14 assessments \$1,593.18, 6636 Bellfort St.-0600770070029

We spoke to Rodney Underwood on 3/31 and he said he would call the assessment office to discuss setting up a payment agreement. There has been no response to our recent demand letters or phone calls. A statement has been sent to the lienholder, Bayview Loan Servicing.

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 almost \$130,000 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 11 accounts with base assessments between \$400 and \$853 and 32 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

PerdueBrandonFielderCollins&Mott LLP
ATTORNEYS AT LAW



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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

6. Approve the FY 2014 financial audit report.

ANNUAL FINANCIAL REPORT

of the

**HARRIS COUNTY
IMPROVEMENT DISTRICT No. 9**

For the Year Ended
December 31, 2014

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HARRIS COUNTY IMPROVEMENT DISTRICT No. 9

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December 31, 2014

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
Harris County Improvement District No. 9:

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and the major fund of Harris County Improvement District No. 9 dba Hobby Area District (the "District") as of and for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the District's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the major fund of the District as of December 31, 2014, and the respective changes in financial position for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and budgetary comparison information, identified as Required Supplementary Information on the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the Required Supplementary Information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The Texas Supplementary Information (TSI) is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The TSI has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and, accordingly, we express no opinion or provide any assurance on it.

Additional Procedures

The fiscal year ending December 31, 2014 was the first year the District received an audit. Additional procedures were performed related to beginning balances as expenditures were incurred by the District in prior years.

 BELT HARRIS PECHACEK, LLP

Belt Harris Pechacek, LLP
Certified Public Accountants
Houston, Texas
July 30, 2015

***MANAGEMENT DISCUSSION
AND ANALYSIS***

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For the Year Ended December 31, 2014

THE STRUCTURE OF OUR ANNUAL REPORT



HARRIS COUNTY IMPROVEMENT DISTRICT NO. 9

MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

For the Year Ended December 31, 2014

occurs, regardless of the timing of related cash flows – the accrual method rather than modified accrual that is used in the fund level statements.

The Statement of Net Position and the Statement of Activities present the District's financials using one class of activity:

1. Governmental Activities – All Districts' activities are reported within this class.

The government-wide financial statements can be found after the MD&A.

FUND FINANCIAL STATEMENTS

Funds may be considered as operating companies of the parent corporation, which is the District. They are usually segregated for specific activities or objectives. The District uses fund accounting to ensure and demonstrate compliance with finance-related legal reporting requirements. The District's operations are reported using governmental funds.

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as *balances of spendable resources* available at the end of the year. Such information may be useful in evaluating the District's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balance provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The District maintains one individual governmental fund. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balance for the general fund, which is always, consider a major fund for reporting purposes.

The District adopts an annual budget for its general fund. A budgetary comparison schedule has been provided for the general fund to demonstrate compliance with this budget.

Notes to Financial Statements

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes are the last section of the basic financial statements.

Other Information

In addition to basic financial statements, MD&A, and accompanying notes, this report also presents certain Required Supplementary Information (RSI). The RSI includes a budgetary comparison schedule for the general fund. RSI can be found after the notes to the basic financial statements.

HARRIS COUNTY IMPROVEMENT DISTRICT NO. 9

MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

For the Year Ended December 31, 2014

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of the District's financial position. Assets exceeded liabilities and deferred inflows of resources by \$833,394 as of December 31, 2014.

A portion of the District's net position reflects its investments in capital assets (e.g., land, equipment, and infrastructure) less any debt used to acquire those assets that is still outstanding. The District uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the assets themselves cannot be used to liquidate these liabilities.

Statement of Net Position:

The following table provides a summary of the District's change in net position:

		Governmental Activities	
		2014	2013
Current and other assets	\$	2,099,733	\$ 1,363,086
Capital assets, net		362,195	-
Total Assets		2,461,928	1,363,086
Other liabilities		86,464	104,169
Total Liabilities		86,464	104,169
Property Assessment		1,542,070	1,363,103
Total Deferred Inflows of Resources		1,542,070	1,363,103
Net position:			
Net investment in capital assets		362,195	-
Unrestricted		471,199	(104,186)
Total Net Position	\$	833,394	\$ (104,186)

During the current fiscal year, the District's net position increased by \$937,580. The District had no assessment revenue in the prior year as the 2013 assessment levy was the first levy for the District and it was fully deferred to the fiscal year 2014.

HARRIS COUNTY IMPROVEMENT DISTRICT No. 9

MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

For the Year Ended December 31, 2014

Statement of Activities:

The following table provides a summary of the District's changes in net position.

	Governmental Activities	
	2014	2013
Revenues		
Property assessment	\$ 1,383,594	\$ -
Other revenues	20,397	2
Total Revenues	<u>1,403,991</u>	<u>2</u>
Expenses		
Professional services	27,561	81,361
Contracted services	124,334	-
Public safety and security	198,273	-
Environmental and urban design	27,083	-
Business and economic development	72,747	-
Other	16,413	-
Total Expenses	<u>466,411</u>	<u>81,361</u>
Change in Net Position	937,580	(81,359)
Beginning net position	(104,186)	(22,827)
Ending Net Position	<u>\$ 833,394</u>	<u>\$ (104,186)</u>

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

As noted earlier, fund accounting is used to demonstrate and ensure compliance with finance-related legal requirements.

Governmental Fund – The District's general fund fund balance as of December 31, 2014 was \$415,114. The fund balance increased by \$519,300 from prior year. This increase was due to the District Assessment and collections property assessment during the fiscal year.

GENERAL FUND BUDGETARY HIGHLIGHTS

Actual revenues were \$98,122 less than budgeted primarily as the result of a donation funded reimbursement that was budgeted for but not received. Actual expenditures were \$358,937 less than budgeted primarily due to less public safety and security, environmental and urban design, and business and economic development expenditures than anticipated.

HARRIS COUNTY IMPROVEMENT DISTRICT NO. 9

MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

For the Year Ended December 31, 2014

CAPITAL ASSETS

At the end of the year, the District's government activities had invested \$362,195 in variety of capital assets, net of accumulated depreciation.

Major capital asset events during the current year include the following:

- Master plan project for \$173,599
- Broadway street reconstruction for \$53,918
- Decorative street lighting for \$134,678

More detailed information on the District's capital assets is presented in note 5 to the financial statements

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The District's budgeted expenditures for 2015 are \$1,641,266. The District's property assessment rate will be \$0.15 per \$100 for the 2015 fiscal year.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide a general overview of the District's finances. Questions concerning this report or requests for additional information should be addressed to Harris County Improvement District No. 9, c/o Hawes Hill Calderon, LLP, 9610 Long Point Road, Suite 150, Houston, Texas 77055.

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BASIC FINANCIAL STATEMENTS

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HARRIS COUNTY IMPROVEMENT DISTRICT No. 9

STATEMENT OF NET POSITION AND GOVERNMENTAL FUND BALANCE SHEET

For the Year Ended December 31, 2014

	Governmental Fund Balance Sheet General Fund	Adjustments	Statement of Net Position
<u>Assets</u>			
Cash and cash equivalents	\$ 403,104	\$ -	\$ 403,104
Investments	350,862	-	350,862
Property assessment receivable	1,345,767	-	1,345,767
Construction in progress	-	362,195	362,195
Total Assets	2,099,733	362,195	2,461,928
Accounts payable	86,464	-	86,464
Total Liabilities	86,464	-	86,464
<u>Deferred Inflows of Resources</u>			
Unavailable revenue - property assessment	1,598,155	(56,085)	1,542,070
Total Deferred Inflows of Resources	1,598,155	(56,085)	1,542,070
<u>Fund Balance/Net Position</u>			
Fund balance:			
Unassigned	415,114	(415,114)	-
Total Fund Balance	415,114	(415,114)	-
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	\$ 2,099,733		
Net Position:			
Net investment in capital assets		362,195	362,195
Unrestricted		471,199	471,199
Total Net Position		\$ 833,394	\$ 833,394

See Notes to Financial Statements.

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HARRIS COUNTY IMPROVEMENT DISTRICT No. 9

RECONCILIATION OF THE GOVERNMENTAL FUND BALANCE SHEET TO THE

STATEMENT OF NET POSITION

For the Year Ended December 31, 2014

Total fund balances for governmental funds	\$	415,114
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Deferred assessment revenue for the 2013 and prior levies became part of recognized revenue in the governmental activities of the District.		56,085
Capital assets used in governmental activities are not financial resources and, therefore, are not reported as assets in governmental funds.		
Capital assets - non-depreciable		<u>362,195</u>
Net Position of Governmental Activities	\$	<u><u>833,394</u></u>

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HARRIS COUNTY IMPROVEMENT DISTRICT No. 9

STATEMENT OF ACTIVITIES AND GOVERNMENTAL FUND REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

For the Year Ended December 31, 2014

	Statement of Revenues, Expenditures, and Changes in Fund Balance General Fund	Adjustments	Statement of Activities
Revenues			
Property assessment	\$ 1,327,509	\$ 56,085	\$ 1,383,594
Penalty and interest revenue	19,300	-	19,300
Investment earnings	1,097	-	1,097
Total Revenues	<u>1,347,906</u>	<u>56,085</u>	<u>1,403,991</u>
Expenditures/Expenses			
Service operations:			
Professional fees	27,561	-	27,561
Contracted services	124,334	-	124,334
Public safety and security	198,273	-	198,273
Environmental and urban design	27,083	-	27,083
Business and economic development	72,747	-	72,747
Other	16,413	-	16,413
Capital outlay	<u>362,195</u>	<u>(362,195)</u>	<u>-</u>
Total Expenditures/Expenses	<u>828,606</u>	<u>(362,195)</u>	<u>466,411</u>
Net Change in Fund Balance/Net Position	<u>519,300</u>	<u>418,280</u>	<u>937,580</u>
Beginning fund balance/net position	<u>(104,186)</u>	<u>-</u>	<u>(104,186)</u>
Ending Fund Balance/Net Position	<u>\$ 415,114</u>	<u>\$ 418,280</u>	<u>\$ 833,394</u>

See Notes to Financial Statements.

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HARRIS COUNTY IMPROVEMENT DISTRICT No. 9
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGE
IN FUND BALANCE OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES

For the Year Ended December 31, 2014

Net Change in fund balances - total governmental funds	\$	519,300
Amounts reported for governmental activities in the Statement of Activities are different because:		
Governmental funds report capital expenditures in the period purchased.		
However, in the Statement of Net Position, capital assets are increased by new purchases		362,195
Governmental funds report assessment revenue when it is collected.		
However, in the Statement of Net Assets, revenue is recorded in the accounting period for which the assessments are levied.		<u>56,085</u>
Change in Net Position of Governmental Activities	\$	<u><u>937,580</u></u>

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HARRIS COUNTY IMPROVEMENT DISTRICT No. 9

NOTES TO FINANCIAL STATEMENTS

For the Year Ended December 31, 2014

NOTE 1 – CREATION OF DISTRICT

Harris County Improvement District No. 9 dba Hobby Area District (the “District”) was created, effective June 15, 2007, by the Texas Legislature under provisions of House Bill No. 4110, of the 80th Legislature, Regular Session, 2007, codified as Chapter 3859, Texas Special District Local Laws Code. Pursuant to the provisions of the Act creating the District, the District is empowered to promote, develop, encourage, and maintain employment, commerce, transportation, housing, tourism, recreation, the arts, entertainment, economic development, safety, and the public welfare in the area of the District. The Board of Directors held its organizing meeting on June 22, 2007.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying financial statements and accounting policies of the District are prepared in conformity with generally accepted accounting principles for local governmental units as prescribed by the Governmental Accounting Standards Board (GASB), which is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The District’s significant accounting policies are described below.

A. Reporting Entity

The District has adopted GASB Statements No. 14, *The Financial Reporting Entity*, and No. 39, *Determining Whether Certain Organizations Are Component Units*. In accordance with these statements, a financial reporting entity consists of the primary government, organizations for which the primary government is financially accountable, and other organizations for which the primary government is not accountable, but for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity’s financial statements to be misleading or incomplete. There are no component units that are legally separate for which the District is considered financially accountable.

The District is governed by a board of directors consisting of 11 directors who serve staggered terms of four years with five or six directors’ terms expiring June 1 of each odd-numbered year. Naming of the initial board of directors was part of the legislative process. While it is typical that most board members appointed to the initial board satisfy the basic requirements for service described in Chapter 375 of the *Texas Local Government Code*, it is not required that they do so. Board resignations, replacements, and appointments will be made in accordance with Chapter 375 of the *Texas Local Government Code*. As required by generally accepted accounting principles, these financial statements present the activities of the District, which is considered to be the primary government as well as the reporting entity. There are no other organizations which meet the criteria for inclusion herein as part of the financial reporting entity.

B. Government-Wide Financial Statements

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all activities of the primary government. Governmental activities are normally supported by assessment and intergovernmental revenues.

C. Basis of Presentation – Government-Wide Financial Statements

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds.

HARRIS COUNTY IMPROVEMENT DISTRICT No. 9

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended December 31, 2014

D. Basis of Presentation – Fund Financial Statements

The fund financial statements provide information about the District's funds. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column.

The District reports the following governmental fund:

General Fund

The general fund is used to account for and all financial resources not accounted for reported in another fund. The general fund is considered a major fund for reporting purposes.

E. Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as *current financial resources* or *economic resources*. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property assessment is recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

Property assessment and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year end). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year end). All other revenue items are considered to be measurable and available only when cash is received by the District.

HARRIS COUNTY IMPROVEMENT DISTRICT No. 9

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended December 31, 2014

F. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance

1. Budget

An unappropriated budget is adopted for the general fund. The budget is prepared using the same method of accounting as for financial reporting and serves as a planning tool. Encumbrance accounting is not utilized.

2. Cash and Cash Equivalents

The District's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition.

3. Investments

Temporary investments consist of certificates of deposit and time deposits and are stated at cost, which approximates market value.

4. Capital Assets

Capital assets, which include property, plant, and equipment, are reported in the applicable governmental activities columns in the government-wide financial statements. In accordance with GASB Statement No. 34, any infrastructure has been capitalized retroactively. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. Major outlays for capital assets and improvements are capitalized as projects are constructed. Depreciation is calculated on each class of depreciable property using the straight-line method of depreciation.

Interest costs incurred in connection with the construction of governmental fund capital assets are capitalized when the effects of capitalization materially impact the financial statements. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the assets' lives are not capitalized.

5. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. The District has no items that qualify for reporting in this category.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. The District has only one type of item, which arises only under a modified accrual basis of accounting, that qualifies for reporting in this category. Accordingly, the item, *unavailable revenue*, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from property assessment. This amount is deferred and recognized as an inflow of resources in the

HARRIS COUNTY IMPROVEMENT DISTRICT No. 9

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended December 31, 2014

period that the amount becomes available. At the government-wide level, the District reports a deferred inflow of resource for that portion of property assessment that was collected for use in the subsequent period.

6. Long-Term Obligations

The District has no long-term obligation at year end.

7. Net Position Flow Assumption

Sometimes the District will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the government-wide financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the District's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

8. Fund Balance Flow Assumptions

Sometimes the District will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the District's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

9. Fund Balance Policies

Fund balances of governmental funds are reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The District itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance).

Amounts that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact are classified as nonspendable fund balance. Amounts that are externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or imposed by law through constitutional provisions are classified as restricted fund balance.

The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the District's highest level of decision-making authority. The Board of Directors is the highest level of decision-making authority for the District that can, by adoption of an ordinance prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the ordinance remains in place until a similar action is taken (the adoption of another ordinance) to remove or revise the limitation.

Amounts in the assigned fund balance classification are intended to be used by the District for specific purposes but do not meet the criteria to be classified as committed. The Board of Directors may also assign fund balance as it does when appropriating fund balance to cover a gap between

HARRIS COUNTY IMPROVEMENT DISTRICT No. 9

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended December 31, 2014

estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

10. Estimates

The preparation of financial statements, in conformity with generally accepted accounting principles, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

NOTE 3 – CASH AND TEMPORARY INVESTMENTS

As of December 31, 2014, the District had the following investments:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Weighted Average Maturity(Years)</u>
Certificates of deposit	\$ 245,799	0.53
TexSTAR	105,062	0.00
Total Fair Value	\$ 350,861	
Portfolio weighted average maturity		0.37

Interest rate risk. In accordance with its investment policy, the District manages its exposure to declines in fair values by structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations and invest operating funds primarily in short-term securities.

Custodial credit risk- deposits. Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District's investment policy requires that its deposits be fully insured by FDIC insurance or its agencies and instrumentalities. As of year end, the District's FDIC coverage and collateral pledged exceeded bank balances.

Custodial credit risk – investments. For an investment, this is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The District's investment policy requires that it will seek to safekeeping securities at financial institutions, avoiding physical possession. Further, all trades, where applicable, are executed by delivery versus payment to ensure that securities are deposited in the District's safekeeping account prior to the release of funds.

Credit risk. Credit risk is the risk that the issuer or other counterparty to an investment will not fulfill its obligations. At December 31, 2014 the District's investment in TexSTAR was rated AAAM by Standard & Poor's

TexSTAR

The Texas Short Term Asset Reserve Fund ("TexSTAR") is a local government investment pool organized under the authority of the Interlocal Cooperation Act, Chapter 791, Texas Government Code, and the Public Funds Investment Act, Chapter 2256, Texas Government Code. TexSTAR was created in April 2002 by contract among its participating governmental units and is governed by a board of directors. JPMorgan Fleming Asset Management (USA), Inc. and First Southwest Asset Management, Inc. act as co-administrators providing investment management services, participant services, and marketing,

HARRIS COUNTY IMPROVEMENT DISTRICT No. 9

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended December 31, 2014

respectively. JPMorgan Chase Bank and/or its subsidiary, J.P. Morgan Investor Services, Inc., provide custodial, transfer agency, fund accounting, and depository services. Finally, Standard and Poor's rate TexSTAR "AAAm". TexSTAR operate in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940. TexSTAR use amortized cost rather than market value to report net assets to compute share prices. Accordingly, the fair value of the position in TexSTAR is the same as the value of TexSTAR shares.

NOTE 4 – ANNUAL ASSESSMENT

In accordance with the Act creating the District, the District may levy an ad valorem tax, an assessment, an impact fee, or another fee in accordance Chapter 49, Water Code, for a purpose specified by Chapter 375, Local Government Code, to provide improvements and services for a project or activity the District is authorized to acquire, construct, improve, or provide under this Act.

On November 14, 2013, an order was adopted granting a petition for a service plan and an assessment roll for the District. The order authorized levying an annual assessment which would assure sufficient funding for the services to be provided under the ten-year (2008-2017) term of the service plan. The order authorized an assessment of \$0.15 per \$100 valuation on land and improvements of commercial property owners within the District throughout the term of the service plan.

For the 2014 assessment year, the District levied an ad valorem assessment of \$0.15 per \$100 of assessed valuation, resulting in an assessment of \$1,542,070. Revenue recognition for the 2014 assessment has been fully deferred to the 2015 fiscal year.

The District's calendar for collection of the assessment is as follows:

Levy Date	October 1 or as soon thereafter as practicable
Lien Date	January 1.
Due Date	Not later than January 31
Delinquent Date	February 1, at which time the assessment payer is liable for penalty and interest

NOTE 5 – CAPITAL ASSETS

A summary of changes in capital assets for the year ended is as follows:

	Beginning Balances	Primary Government		Ending Balances
		Additions	Deletions	
Governmental Activities				
Capital assets not being depreciated:				
Construction in progress	\$ -	\$ 362,195	\$ -	\$ 362,195
Total capital assets not being depreciated	<u>-</u>	<u>362,195</u>	<u>-</u>	<u>362,195</u>
Governmental Activities				
Capital Assets, Net	<u>\$ -</u>	<u>\$ 362,195</u>	<u>\$ -</u>	<u>\$ 362,195</u>
		Net Investment in capital Assets		<u>\$ 362,195</u>

NOTE 6 – RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters for which the District participates along with 2,617

HARRIS COUNTY IMPROVEMENT DISTRICT No. 9

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended December 31, 2014

other entities in the Texas Municipal League's Intergovernmental Risk Pools (the "Pool"). The Pool purchases commercial insurance at group rates for participants in the Pool. The District has no additional risk or responsibility to the Pool, outside of the payment of insurance premiums. The District has not significantly reduced insurance coverage or had settlements which exceeded coverage amounts for the past three years.

NOTE 7 – AGREEMENT WITH SCENIC HOUSTON

On February 12, 2015 the District entered into an agreement with Scenic Houston regarding the Broadway/Hobby Corridor Redevelopment Project (the "Project"). The District has agreed to pay \$134,678 for the installation of enhanced streetlights (the "Streetlight Payment") along Broadway Street. The District has also agreed to pay the City of Houston approximately \$549,722 for excess costs (the "Excess Costs Payment"), as defined in the agreement, related to the Project.

Scenic Houston has agreed to engage in a comprehensive fundraising campaign to obtain private funding from donors to (i) provide funds to pay for the costs of the design, development, construction, and interim maintenance of the Project and (ii) provide funds to repay the District for the Streetlight Payment and the Excess Costs Payment. Repayment by Scenic Houston will only be made after Scenic Houston has net proceeds in hand from the fundraising campaign. Scenic Houston's obligation to repay the District for the Excess Costs Payment shall not exceed the greater of the actual payments made by the District or \$549,722 without the prior written approval of Scenic Houston.

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REQUIRED SUPPLEMENTARY INFORMATION

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HARRIS COUNTY IMPROVEMENT DISTRICT No. 9

BUDGETARY COMPARISON SCHEDULE

GENERAL FUND

For the Year Ended December 31, 2014

	Original Budgeted Amounts	Final Budgeted Amounts	Actual	Variance Positive (Negative)
Revenues				
Property assessment revenue	\$ 1,300,000	\$ 1,300,000	\$ 1,327,509	\$ 27,509
Penalty and Interest Revenue	24,000	24,000	19,300	(4,700)
Investment earnings	50	50	1,097	1,047
Street Light Reimbursement	-	134,678	-	(134,678)
Total Revenues	<u>1,324,050</u>	<u>1,458,728</u>	<u>1,347,906</u>	<u>(110,822)</u>
Expenditures				
Service operations:				
Professional fees	17,000	17,100	27,561	(10,461)
Contracted services	139,300	139,300	124,334	14,966
Public safety and security	291,580	291,580	198,273	93,307
Environmental and urban design	145,000	52,500	27,083	25,417
Business and economic development	200,000	200,000	72,747	127,253
Other	139,167	139,167	16,413	122,754
Capital outlay	79,500	360,596	362,195	(1,599)
Total Expenditures	<u>1,011,547</u>	<u>1,200,243</u>	<u>828,606</u>	<u>371,637</u>
Net Change in Fund Balance	<u>\$ 312,503</u>	<u>\$ 258,485</u>	<u>519,300</u>	<u>\$ 260,815</u>
Beginning fund balance			<u>(104,186)</u>	
Ending Fund Balance			<u>\$ 415,114</u>	

Notes to Required Supplementary Information:

1. Annual budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP).

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TEXAS SUPPLEMENTARY INFORMATION

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HARRIS COUNTY IMPROVEMENT DISTRICT No. 9

TSI-2 GENERAL FUND EXPENDITURES

For the Year Ended December 31, 2014

Purchased Services:

Public safety and security	\$	198,273
Environmental and urban design		27,083
Business and economic development		72,747
		<u>298,103</u>

Professional Fees:

Legal		27,561
		<u>27,561</u>

Contracted Services:

Bookkeeping		6,600
Assessment collector		23,989
District administrator		93,745
		<u>124,334</u>

Administrative:

Office supplies		1,103
Postage		149
Insurance		1,230
Other		13,931
		<u>16,413</u>

Capital Outlay

362,195

Total Expenditures \$ 828,606

HARRIS COUNTY IMPROVEMENT DISTRICT No. 9

TSI-3 TEMPORARY INVESTMENTS

For the Year Ended December 31, 2014

<u>General Fund</u>	<u>Identification or Certificate Number</u>	<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Balance</u>
Certificates of deposit	4188617	0.70%	7/14/2015	\$ 245,799
TexSTAR	255011110	Varies	Daily	<u>105,062</u>
			Total	<u><u>\$ 350,861</u></u>

HARRIS COUNTY IMPROVEMENT DISTRICT No. 9

TSI-4 ANALYSIS OF ASSESSMENT LEVIED AND RECEIVABLE

For the Year Ended December 31, 2014

	General Fund	
Assessment Receivable - Beginning of Year	\$	1,222,816
Adjusted to beginning balance		20,490
Original assessment roll -2014		1,542,070
Total to be Accounted for		2,785,376
Assessment collections:		
Current year		252,388
Prior years		1,187,221
Total Collections		1,439,609
Assessment Receivable, Net - End of Year	\$	1,345,767
Assessment Receivable - By Year		
2014	\$	1,289,682
2013		56,085
Assessment Receivable, Net - End of Year	\$	1,345,767
	2014	2013
Assessed Property Valuations	\$ 1,042,889,920	\$ 937,070,640
Total Assessment Rate (per \$100 Valuation)	\$ 0.15	\$ 0.15
Assessment Rolls	\$ 1,564,335	\$ 1,405,606

HARRIS COUNTY IMPROVEMENT DISTRICT No. 9

TSI-7 COMPARATIVE SCHEDULE OF REVENUES AND EXPENDITURES

GENERAL FUND

For Last Two Years

	Amounts		Percentage of Total	
	2014	2013	2014	2013
<u>General Fund Revenues</u>				
Property assessment	\$ 1,327,509	\$ -	98.5 %	- %
Penalty and interest revenue	19,300	-	1.4	-
Investment earnings	1,097	2	0.1	100
Total Revenues	1,347,906	2	100	100
<u>General Fund Expenditures</u>				
Professional fees	27,561	30,107	3.3	37.0
Contracted services	124,334	44,117	15.0	54.2
Public safety and security	198,273	-	23.9	-
Environmental and urban design	27,083	-	3.3	-
Business and economic development	72,747	-	8.8	-
Other	16,413	7,137	2.0	8.8
Capital outlay	362,195	-	43.7	-
Total Expenditures	828,606	81,361	100.0	100.0
Revenues Over (Under)				
Expenditures	\$ 519,300	\$ (81,359)	\$ 38.5 %	(4,067,950.0) %

HARRIS COUNTY IMPROVEMENT DISTRICT No. 9

TSI-8 BOARD MEMBERS, KEY PERSONNEL, AND CONSULTANTS

For the Year Ended December 31, 2014

District's Mailing Address:

Harris County Improvement District No.9
c/o Hawes Hill Calderon, LLP
9610 Long Point Road, Suite 150
Houston, TX 77055

District's Business Telephone Number:

(713) 595-1200

Board Members	Term	Fees	Expenses	Title
Danny R. Perkins	06/13-06/17 Appointed	\$ -	\$ -	Position 1 Chairman
Helen Bonsall	06/13-06/17 Appointed	\$ -	\$ -	Position 2 Vice Chair
Todd Szilagyi	01/14-06/17 Appointed	\$ -	\$ -	Position 3
Perry Miller	01/14-06/17 Appointed	\$ -	\$ -	Position 4
Ann Collum	06/13-06/17 Appointed	\$ -	\$ -	Position 5
Sue De Haven	10/13-06/17 Appointed	\$ -	\$ -	Position 6 Secretary
Marjorie Evans	06/11-06/15 Appointed	\$ -	\$ -	Position 7
Vacant		\$ -	\$ -	Position 8
Darryl Bailey	06/11-06/15 Appointed	\$ -	\$ -	Position 9
Vic J. Zachary	01/14-06/15 Appointed	\$ -	\$ -	Position 10
Alberto Cardenas	09/14-06/15 Appointed	\$ -	\$ -	Position 11

Submission Date of the most recent District Registration Form:

5/20/2008

Limit on Fees of Office that a Director may receive during a fiscal year:

\$7,200

HARRIS COUNTY IMPROVEMENT DISTRICT No. 9

TSI-8 BOARD MEMBERS, KEY PERSONNEL, AND CONSULTANTS(Continued)

For the Year Ended December 31, 2014

Consultants	Date Hired	Fees	Title
Hawes Hill Calderon, LLP 9610 Long Point Road, Suite 150 Houston, TX 77055	08/24/07	\$ 112,951	Administrator
Equi Tax, Inc. P.O. Box 73109 Houston, TX 77273-3109	09/19/07	\$ 23,989	Assessment Collector
Bracewell & Giuliani, LLP 711 Louisiana Street, Suite 2300 Houston, TX 77339	07/24/13	\$ 27,561	Attorney
Roland, Fry & Warren, P. C. 1525 Lakeville Drive, Suite 121 Kingwood, TX 77339	02/13/14	\$ 7,092	Bookkeeper
Perdue, Brandon, Fielder, Collins & Mott, LLP 1235 North Loop West, Suite 600 Houston, TX 77025	06/12/14	\$ 12,701	Delinquent Assessment Attorney
Clark Condon & Associates 10401 Stella Link Road Houston, TX 77025	02/13/14	\$ 188,599	Environmental Design Services
Nathelyne A. Kennedy & Associates 6200 Savoy Dr., Suite 1250 Houston, TX 77036	08/14/14	\$ 53,918	Engineers
Roland, Fry & Warren, LLC 1525 Lakeville Drive , Suite 121 Kingwood, TX 77339	05/18/14	\$ -	Investment Officer
Belt Harris Pechacek, LLLP 3210 Bingle Rd., Suite 300 Houston, TX 77055	01/08/15	\$ -	Auditor

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 from the Environmental, Urban Design, and Mobility Committee.
 1. Receive update Broadway enhancement project
 2. Receive update on Long Range Planning Initiatives
 - a. H-GAC Livable Centers Grant
 - b. TIRZ 8 Existing Condition Assessment
 3. Receive update on Airport Blvd enhancement project

MEMORANDUM

TO: Hobby Area Management District Board of Directors

FROM: David Hawes

DATE: September 10, 2015

SUBJECT: Environmental, Urban Design and Mobility Committee

The Hobby Area Management District Environmental, Urban Design and Mobility Committee held a meeting on August 19, 2015 at 10:00am at the Doubletree Hilton Hobby – 8181 Airport Blvd, 77061.

District Board and Committee members present: Danny Perkins, Helen Bonsall, Ann Collum, and Joe Ed Nelson.

Staff member present: David Hawes, Josh Hawes, Eoles B. Whitaker, Tony Allender, Gretchen Larson, Jerry Lowry, and Mario Ramirez.

Public Present: Connie Nelson, Julie Levine, Mercy Carballo, Holli Lubelski, and Patti Joiner.

THE COMMITTEE CONSIDERED THE FOLLOWING:

1. Receive update on Broadway Enhancement project.
 - a. The City of Houston is on target for the project and currently on schedule for 2016 completion
 - b. Scenic Houston on target with goals timeline
 - c. Discussion on landscape easements through TIRZ
 - d. Discussion on letter to City of Houston for request to issue debt
2. Receive update on Long Range Planning Initiatives.
 - a. H-GAC Livable Centers Grant
 - i. Coordinating with HGAC for RFP framework next month
 - ii. District Special Project committee will review RFP
 - iii. Selections slated to be made mid-December
 - b. TIRZ 8 Existing Condition Assessment
 - i. TIRZ board offered an intent to approve \$1.5 million for transportation and infrastructure related portions of Broadway project
 - ii. City of Houston signed off on allocation by TIRZ
 - iii. Existing conditions assessment to be completed by end of August and submitted to TIRZ 8 Board in September
3. Receive update on Airport Blvd Enhancement project.
 - a. City of Houston wants Hobby Airport to cover Airport Blvd
4. Discuss Environmental, Urban Design and Mobility projects in the District.

- a. Monument Real Estate Services would like to consult with Clark Condon & Associates regarding landscape possibilities for Broadway consistency

COMMITTEE RECOMMENDATIONS:

None.

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 Business and Economic Development Committee.

STAFF NOTE: The minutes of the committee meeting of August 19 are attached for review.

THE COMMITTEE CONSIDERED THE FOLLOWING ACTION ITEM(S):

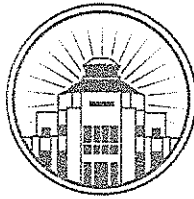
- a. Discussion of planning for the 2016 State of the District event on February 18
- b. Updates on Business Ambassador Program

COMMITTEE RECOMMENDATIONS:

There are no recommendations from the committee. This is a report only.

FISCAL NOTE:

N/A.



MEMORANDUM

TO: Hobby Area District Board of Directors
FROM: District Executive Director
DATE: September 10, 2015
SUBJECT: Business and Economic Development Committee Meeting Minutes

The Hobby Area District Business and Economic Development Committee met on Wednesday, July 15, 2015 at the Hobby Airport Doubletree Hotel, 8181 Airport Blvd. Houston, TX 77061.

District Board and Committee Members present were: Danny Perkins, Ann Collum, Joe Nelson, and Helen Bonsall.

Staff present were: Gretchen Larson, David Hawes, Jerry Lowry, Eoles Whitaker and Josh Hawes.

The Committee was called to order at 11:05 a.m. and was adjourned at 11:35 a.m.

THE COMMITTEE CONSIDERED THE FOLLOWING ITEM(S):

Discussion of the 2016 State of the District event.

Staff reported that the letter requesting Howard Schultz, President and CEO of Starbucks, had been sent approximately a month ago and that as yet no response had been received. Chairman Perkins stated that he'd like to give Mr. Schultz another month and if we have not heard anything back by the end of September, we'd move on to other possibilities.

Receive updates on Business Ambassador Program.

BA Mario Ramirez reported that the initial visits were going well and that he had visited 106 businesses for the month with 48 visits completed. He stated that he felt he was being well received and that folks were interested in receiving information about what the District was doing and planning. The committee thanked Mr. Ramirez for his report.

Adjourn

There being no further business for the committee the meeting was adjourned at 11:35 a.m.

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 an update from the Public Safety and Security Committee.
 1. Receive a report from S.E.A.L. Security on Public Safety initiatives in the District
 2. Receive an update on County Attorney program
 3. Receive an update on RCR report
 4. Discuss public safety initiatives

MEMORANDUM

TO: Hobby Area Management District Board of Directors
FROM: David Hawes
DATE: September 10, 2015
SUBJECT: Public Safety Committee

The Hobby Area Management District Public Safety Committee held a meeting on August 19, 2015 at 12:00pm at the Doubletree Hilton Hobby – 8181 Airport Blvd, 77061.

District Board and Committee members present: Danny Perkins, Helen Bonsall, Marjorie Evans, and Joe Ed Nelson.

Staff Member Present: Josh Hawes, Eoles B. Whitaker, Mario Ramirez, and Jerry Lowry.

Public Safety Officer Present: HPD Officer Eric Tewes, HPD Officer Angel Arriaga, HPD Officer Luis Sanchez, S.E.A.L. Officer Sgt. Jesse Sampson, and S.E.A.L. Officer William McNabb..

Public Present: Connie Nelson, Julie Levine, Jesse Levine, Beth Fahey, Carol Fullerton, David Vaughn, Ty Stafford, John Keane, David Reeder, and Tom Guarnero.

THE COMMITTEE CONSIDERED THE FOLLOWING:

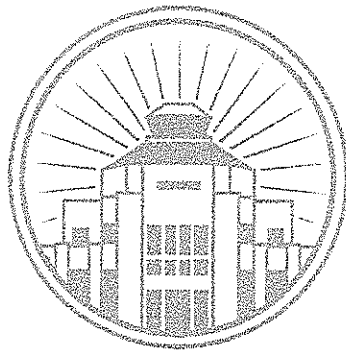
1. Receive report from S.E.A.L. Security on Public Safety initiatives in the District.
 - a. Calls for service have calmed for end of summer
2. Receive update on County Attorney program.
 - a. In talks with Broadway Village Apartments to negotiate an agreed injunction requiring them to fix up the property
 - b. Proposed agreement has been sent by County Attorney with specific steps being discussed
 - c. The District County Attorney is currently working with the HPD Vice unit to address several nuisance complaints in the District
3. Receive update on RCR report.
 - a. The committee received the latest report on the RCR program in the District
4. Discuss Public Safety Initiatives.
 - a. HPD Southeast Division apprehended suspects that were involved in car thefts
 - b. 'Hot Spot' pilot program has expanded to other divisions of HPD
 - c. The District is working in conjunction with City Legal, HPD Legal, as well as TxDOT for vagrancy issues in District along I-45
 - d. The District will present a mobile camera policy for review at the next meeting.

COMMITTEE RECOMMENDATIONS:

None.



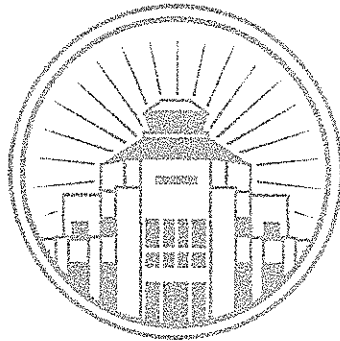
HOBBY AREA DISTRICT



INCIDENT REPORT

JULY 2015

Prepared For:



Hobby Area Management District

About Incident Reports:

This is an incident report prepared by SEAL Security Solutions, LLC each month for the Hobby Area Management District. Throughout the month of July, SEAL's dispatch center received calls from residents and SEAL officers concerning dangerous or potentially threatening situations or activity, and observations of incidents that occurred in the area. Our 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 SEAL Security:

SEAL Security was contracted to safeguard your community and be on call during high risk situations. All SEAL officers are armed and patrol in marked patrol units. SEAL Security takes a proactive position on patrolling and securing the Hobby District. Our expanded canine (K-9) division includes foot patrol in your community. In addition to patrol services, our dogs are trained in drug and explosive detection. Our specially-trained experts and their canine 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 dogs or attempt to pet them. We appreciate everyone's assistance.

SUMMARY PAGE

Assistance	2
Alarm	0
Animal	0
Burglary of Habitation	0
Burglary of Motor Vehicle	0
Calls to Call Center	19
Damage/Defacing of Property	0
Disturbance	4
Emergency Medical Services	0
Solicitors	0
Suspicious Activity	6
Suspicious Person(s)	11
Suspicious Vehicle(s)	3
Theft	1
Vehicle Collision	0

Call Center: 713.489.6300

Please call SEAL Security for any suspicious activity or anything that seems out of place.

JULY 3, FRIDAY

[08:00 PM] Officer on duty found an individual loitering and drinking alcohol at the Shell Gas station, located on Airport Blvd. and Gulf Fwy. Officer stated the subject had been given a verbal warning before. Officer issued subject a CTW. Violator was compliant and left property.



Figure 1: Subject was issued a CTW.

JULY 6, MONDAY

[04:00 PM] Employee at CVS, located on Belfort St. and Broadway St., called to report a vagrant loitering on property. Officer issued subject a CTW and HPD criminal trespassed him in their system.



Figure 2: Subject was issued a CTW.

[05:00 PM] Officer on duty observed a subject soliciting, walking back and forth on I-45 Ink Shop, on Belfort St. and Gulf Fwy. Officer issued subject a CTW and informed she cannot conduct unlawful forms of solicitation on private property. Subject apologized and left premise.

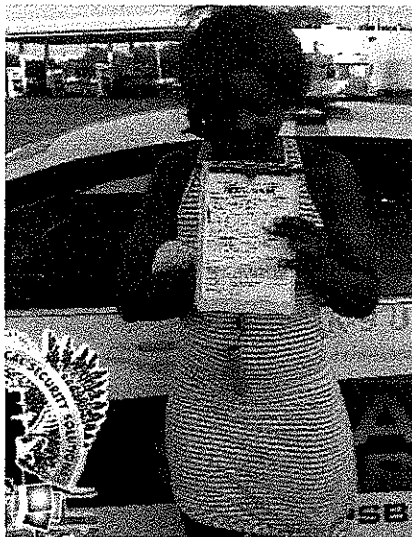


Figure 3: Subject was issued a CTW.

[10:00 PM] Officer cleared multiple groups loitering underneath the underpass on Clearwood St. and Gulf Fwy. Officer issued three CTWs to those who refused to leave. Officer explained to them that overnight camping was not allowed. Officer stated there was synthetic marijuana in a bag, beer bottles and suit cases on top of the underpass.

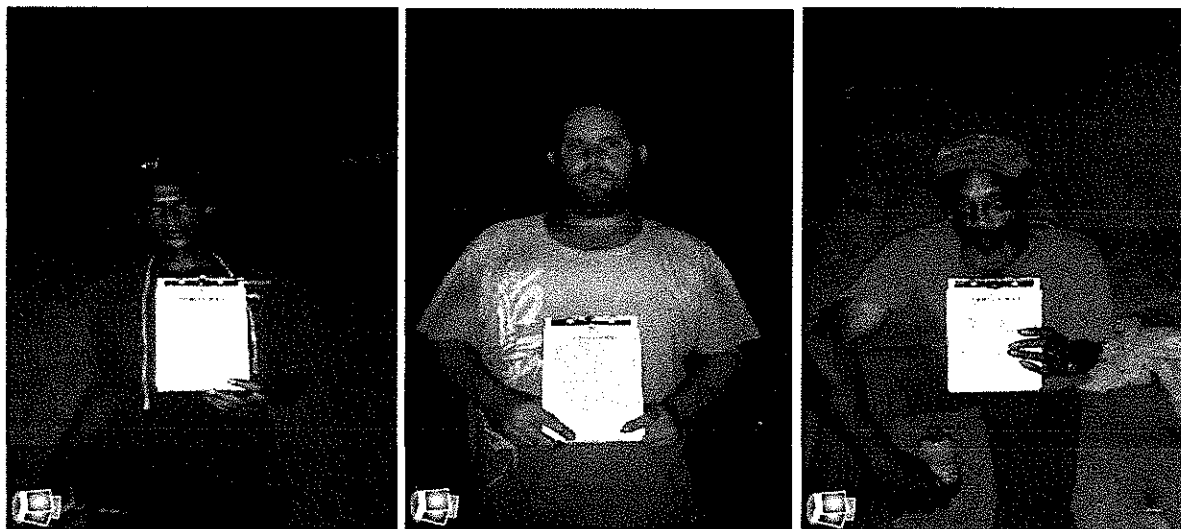




Figure 4: Officer issued three CTWs.

JULY 7, TUESDAY

[12:00 AM] Officer issued subject a CTW for camping underneath the underpass on Belfort St. and Gulf Fwy. Violator was complaint and cooperative.

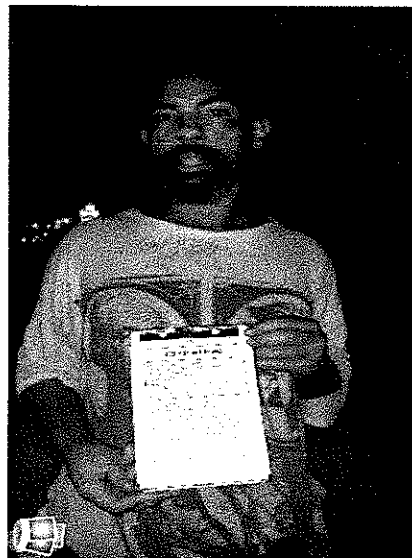


Figure 5: Officer issued subject CTW.

JULY 10, FRIDAY

[03:12 AM] Officer on duty reported an African American male in a wheelchair at the Shell Gas Station, located at 9802 Gulf Fwy., who was refusing to leave property. Employee stated he has been asked numerous times to leave, but subject refused. Officer issued subject a CTW. Officer requested HPD. [03:40 AM] Officer called and reported subject left property.

JULY 14, MONDAY

[02:00 AM] Officer on duty issued a CTW to a suspicious female walking back and forth on I-45 Ink, on Belfort St. and I-45. Officer informed her there was no loitering allowed and made sure she left the property.



Figure 6: Officer issued subject a CTW.

[11:11 AM] Security at Verizon store, located at 10900 Gulf Fwy., called to report there was a large dump truck type vehicle parked in front of the store impeding traffic. [11:28 AM] Officer arrived on scene and spoke with driver of vehicle. Subject is a customer of Verizon and was in the store getting a new phone. Subject will move vehicle.

JULY 16, WEDNESDAY

[08:22 PM] Store manager at Stop N Drive store, located at 8318 Broadway St., called to report there were four males, three were African American and one Hispanic, loitering on property. [08:43 PM] Officer arrived and reported suspects were gone on arrival. Officer searched area, but was unable to locate them.

JULY 18, SATURDAY

[02:00 AM] Officer reported there were several unidentified vehicles drag racing, doing burnouts and donuts near Manheim Auction Center on Neuhaus St.

[11:00 PM] Officer on duty noticed a Caucasian couple in a red Dodge Ram parked on the walking trail at Stuart Park on Belfort St. Officer made contact and subject stated the park was closed and motor vehicle are prohibited on the walking trails. Subjects agreed and left property.

JULY 22, WEDNESDAY

[02:00 PM] Officer on duty reported seeing a suspicious African American male looking through windows near the I-45 Ink next to the Spa on Belfort St. and I-45. Officer approached the subject, but subject did not respond. Officer informed the subject to leave property and there is no loitering allowed.

JULY 24, FRIDAY

[05:26 PM] Employee at Citgo Gas Station, located at 10512 Gulf Fwy., called to report there were three individuals in the restroom smoking marijuana. Employee stated subjects were two Caucasian males and one Caucasian female. Officer arrived and reported subjects were gone on arrival.

JULY 25, SATURDAY

[02:01 PM] Employee at Stop N Drive, located at 8318 Broadway St., called to report three African American male loitering in front of the store who were refusing to leave. [02:14 PM] Officer arrived and reported subjects left property without incident.

JULY 28, TUESDAY

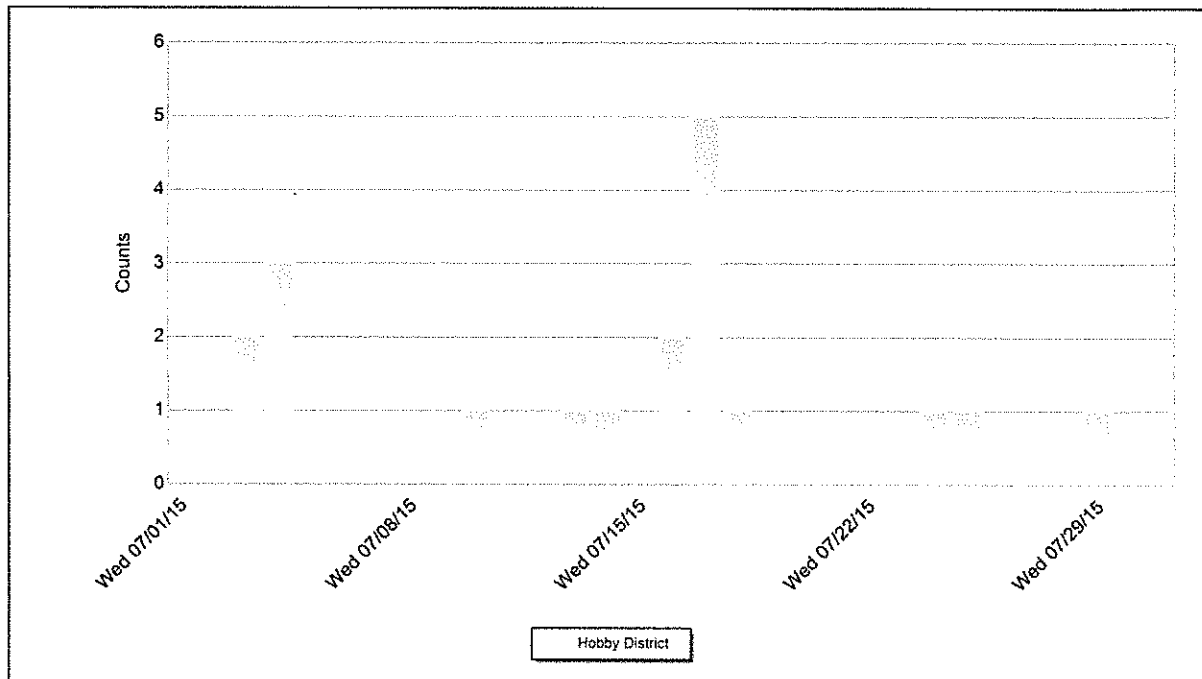
[11:00 AM] Employee at apartment complex, located at 7603 Belfort St., called requesting an officer to clear a unit because the chain on the door had been removed. Officer cleared unit and building. Officer reported all was clear.

JULY 29, WEDNESDAY

[06:00 PM] Employee at Game Stop, located at 10013 Almeda Genoa Rd., informed officer on duty of a robbery that occurred at the store. Officer informed employee that he would inform the other officers to conduct more patrols around area.

CALL CENTER: 713.489.6300

Calls Received During the Month of July



Criminal Trespass Warnings

There were 8 total criminal trespass warnings issued.

Call Center

We received 19 calls into our call center from the district for information and tips.

Hobby Year-to-Date Summary

Incidents:	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sept.	Oct.	Nov.	Dec.	YTD
Calls	20	57	21	52	30	35	19						234
CTW	0	0	10	8	7	7	8						40
Assistance	0	1	1	5	4	2	2						15
Alarm	0	0	0	1	0	1	0						2
Animal	0	0	0	0	0	0	0						0
Assault	0	0	0	0	0	0	0						0
Auto Theft	0	0	1	1	0	15	0						17
BMV	0	0	1	0	0	0	0						1
Burglary of Habitation	0	0	0	2	0	1	0						3
Damage/Defacing of Property	2	2	8	3	3	2	0						20
Disturbance	2	4	6	8	8	6	4						38
Emergency Medical Services	0	0	1	0	1	0	0						2
Solicitors	0	0	0	1	0	1	0						2
Suspicious Activity	1	2	6	11	2	6	6						34
Suspicious Person	3	3	6	12	12	17	11						64
Suspicious Vehicle	0	2	0	0	2	2	3						9
Theft	0	1	2	1	2	1	1						8
Vehicle Collision	0	0	2	2	1	0	0						5

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.

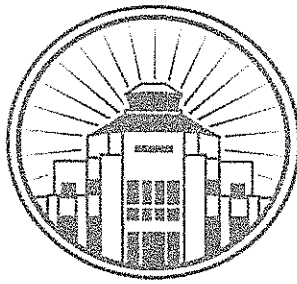
END OF REPORT

HOBBY AREA MANAGEMENT DISTRICT
(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

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



HOBBY AREA DISTRICT

HOBBY AREA MANAGEMENT DISTRICT

SERVICE PLAN

MONTHLY REPORT

AUGUST 13 – SEPTEMBER 10, 2015

COMMITTEE ACTIVITY

STAFF ACTIVITY

COMMITTEE ACTIVITY

Business and Economic Development Committee

The Business and Economic Development Committee met on August 19th.

Environmental, Urban Design and Mobility Committee

The Environmental and Urban Design Committee met on August 19th.

Public Safety Committee

The Public Safety Committee met on August 19th.

STAFF ACTIVITY

AUGUST 13 – SEPTEMBER 10, 2015

- Conducted monthly board meetings, public safety, environmental and urban design, and business and economic development meetings.
- Staff made regular updates to the District website and distributed e-news and e-blasts for area partner events.
- Staff is also working on finishing touches to the summer printed newsletter and has added an article about the overlay work on Telephone Road.
- Work continues on planning for the February 18, 2016 State of the District event.
- Staff met with representatives from Councilmember Gallegos office regarding City Legal determination of I-45 Corridor.
- Staff began development of an existing conditions analysis for the Hobby Area Management District as part of preparation for the Livable Centers study.
- Staff coordinated with the Houston-Galveston Area Council and met with the Livable Centers Committee to discuss amendments to the Livable Centers study request for proposal.
- Staff met with representatives of Scenic Houston and Clark Condon Associates to discuss presentation graphics to assist in meeting with property owners along Broadway Street.
- The Business Ambassador continues to be well received and conducted 50 visits with 33 of those visits being considered complete.
- Staff conducted street inspection throughout the District concerning mobility obstructions.
- Staff reported infrastructural issues to City of Houston 311 concerning mobility obstructions.

- Staff reported collection issues to City of Houston Solid Waste Department.
- Staff met with Councilmember Gallegos office regarding City Legal and I-45 Corridor underpass.
- Executive Director and staff met with Senator Sylvia Garcia regarding the current as well as future planning and implementation strategies of the District.
- Staff met with S.E.A.L. Security to discuss public safety issues within the District.

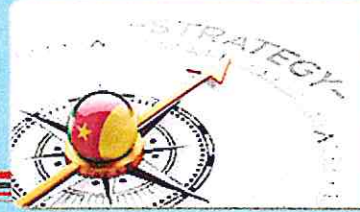
End of Report

Visit our website to stay up-to-date on Hobby Area news.

[View this email in your browser](#)



HOBBY AREA
DISTRICT



Council Member Gallegos and TxDOT tour I-45 South



rea partners from TxDOT, Scenic Houston, and Downtown, EaDo, East End, and Hobby Area management districts joined District I, Council Member Robert Gallegos on a tour of the I-45 corridor to discuss proposed plans to spruce up the area in conjunction with the redevelopment of Broadway Blvd. and in anticipation of Super Bowl LI coming to Houston in 2017.

Save the Date:
Public Meeting about Houston Botanic Garden
on September 22

YOUR GARDEN

On September 22, join the Houston Botanic Garden team, Houston City officials and the design team to view designs for the Garden and provide feedback! Progress of the master planning process and designs will be shared, and your suggestions and comments are welcome. Come share your thoughts and help shape YOUR botanic garden.

[Read more...](#)

Some airports make it easy to find a cheap flight

The busiest airport in the world is also the second cheapest in the United States. Atlanta's Hartsfield-Jackson offered an average airfare of \$231, according to an annual index by CheapFlights.com. Only Cincinnati's international airport offered lower prices last month – with costs averaging \$199 per flight.

District I Helps Neighborhood Projects

Last year, city council established the Council Service Budget and allotted each of the 11 district council members \$1 million to spend on small projects within their district. Council approved the service budget again in June for the 2015-2016 fiscal year.

[Read more...](#)

District I Office Supports After- school Programs

CASE For Kids, a division of Harris County Department of Education (HCDE), collaborated with the City of Houston and Council Member Robert Gallegos to fund four out-of-school time programs in District I through the City Connections program.

[Read more...](#)



HOBBY AREA DISTRICT

HOBBY AREA MANAGEMENT DISTRICT

Cleanup Update

September 2015 meeting of the Board of Directors

Overgrown vacant lots and illegal trash dumps were found in the following locations and were reported by Staff for abatement to 311 Help Online:

0 Heffernan, vacant lot at SW corner of Dixie & Heffernan and to the west and across the street from 6502 Dixie, Key Map 534U – Thank you for your request or comment. Your Tracking Number is: 101001889661.

0 Dixie, at SW corner of Dixie and Vena, vacant lot two doors north of 5810 Vena, Key Map 534V - Thank you for your request or comment. Your Tracking Number is: 101001889666.

0 Constellation, vacant lot at SW corner of Constellation & Monroe, vacant lot to the east of 8438 Constellation, Key Map 575Q - Thank you for your request or comment. Your Tracking Number is: 101001889670.

0 Constellation, vacant lot east of 8439 Constellation and at NW corner of Constellation & Monroe, Key Map 575Q - Thank you for your request or comment. Your Tracking Number is: 101001889671.

9000 Monroe Road, Key Map 575L - Thank you for your request or comment. Your Tracking Number is: 101001889676.