

**GREATER EAST END MANAGEMENT DISTRICT**  
**Regular Meeting of the Board of Directors**  
**January 25, 2018**

The Board of Directors (the "Board") of the Greater East End Management District (the "District" or "GEEMD") met in regular session, open to the public, at 3211 Harrisburg, Houston, Texas, on Thursday, January 25, 2017, at 3:30 p.m. The roll was called for the members of the Board, to-wit:

|             |                      |                     |
|-------------|----------------------|---------------------|
| Position 1  | Ann Taylor           |                     |
| Position 2  | Blanca Blanco        |                     |
| Position 3  | Stephen Quezada      |                     |
| Position 4  | William McConnell    | Chair               |
| Position 5  | Domenic Laurenzo     |                     |
| Position 6  | Joe Meppelink        | Assistant Secretary |
| Position 7  | Erin Dyer            |                     |
| Position 8  | Jose Valdez          |                     |
| Position 9  | Vacant               |                     |
| Position 10 | Rodrigo Tejeda       | Treasurer           |
| Position 11 | Taryn Sims           | Secretary           |
| Position 12 | Vacant               |                     |
| Position 13 | Craig Rohden         | Vice Chair          |
| Position 14 | Marjorie Pena        |                     |
| Position 15 | Susan Sahwani-Garcia |                     |

and all of the above were present, thereby establishing a quorum.

Also present during all or part of the meeting were Veronica Gorczynski, Asha John, Martin Chavez, Dan Joyce and Eva Quiroz of the District staff; Patrick Ezzell and Rosyne Wimbish of Coastal Builders; Joel Cleveland of Jeanne H. McDonald, PC; Vidal Lopez, Javier Tapia and Jason Cisneroz of the Houston Police Department ("HPD"); Sergeant Edward Mata of Harris County Constable Precinct 6 ("Precinct 6"); Elliot Barner, Zachery Martin, John Jacob, Garth Mergons, Greg Wood and Melissa Gonzalez, members of the public.

At 3:32 p.m. Chair Bill McConnell called the meeting to order.

**Item 1 Receive Public Comments in accordance with adopted procedures.**

Sergeant Edward Mata reported that Precinct 6 deputies responded to 225 calls for service and filed 13 reports in January 2018. He also stated that in 2017 Precinct 6 deputies responded to 6,355 total calls for service, filed 718 reports, and made 95 arrests in the District. He further explained the benefits of the alarm system connected to the police department to reduce response time.

Zachary Martin, a small business owner, introduced himself and his construction management company. He noted that he has worked with other management districts and tax increment

reinvestment zones, as well as on Emancipation Park. He stated that was introducing himself in hopes of participating in future capital improvement projects with the District.

Secretary Taryn Sims entered the meeting at 3:36 p.m.

**Item 2 Assessments.** Receive report on collection of assessments and authorize appropriate action.

Director of Finance Asha John reported on delinquent assessment collections for the 2017 levy and prior years. No action was taken.

**Item 3 Appointment of Directors.** Declare vacancies, if appropriate; appoint directors if appropriate; and approve a revised District Registration Form.

District President Veronica Gorczynski welcomed and introduced Dr. John Jacob, noting that he lives in Eastwood and has lived there for five years. She further noted that he is the President of the Eastwood Civic Association and works with Texas A&M. President Gorczynski then explained that the Board could appoint Dr. Jacob to fill the vacancy in Potion 12 (formerly held by R.D. Tanner) for the remainder of the position's unexpired term, and she recommended that the Board do so. Chair Bill McConnell moved to approve the appointment of Dr. John Jacob to Board Position 12 and to approve the filing of an updated District Registration Form. Vice Chair Craig Rhoden seconded the motion, which passed unanimously.

**Item 4 Appointment of Committee Members.** Declare vacancies, if appropriate; and appoint directors to Committees if appropriate.

Chair Bill McConnell explained that Rex Moran is unable to participate in the Infrastructure Committee. He then appointed Ann Taylor to replace Mr. Moran on the Infrastructure Committee. No further action was taken.

**Item 5 Appoint East End Street Fest Host Committee.** Review and approve a recommendation for the Chairman to create and appoint such a Host Committee to help facilitate fundraising for the East End Improvement Corporation for the Street Fest.

District President Gorczynski requested that the Board Chair authorize her to form and appoint members to a Host Committee to assist in fundraising efforts for the East End Street Fest. She noted that Blanca Blanco has offered to Chair the committee. Chair Bill McConnell authorized President Gorczynski to create and appoint members to the Host Committee as requested, with Blanca Blanco servicing as chair of the committee. No further action was taken.

**Item 6 Minutes.** Approve minutes of previous Board meeting(s).

Erin Dyer moved that the Board approve the minutes of the December 14, 2017, Board meeting as presented. Director Blanco seconded the motion, which passed unanimously.

**Item 7 Financial Reports.** Receive and approve the Treasurer's reports on revenues and expenditures, the investment report and the Finance Committee report, and authorize appropriate action.

Director Ann Taylor entered the meeting at 3:48 p.m.

Treasurer Rod Tejada presented the District's November 2017 financial reports. Mr. Tejada explained that he and Asha John, the Director of Finance, will be working on preparing financial reports that will be a better communication tool for the Board. Director Margie Pena moved that the Board approve the November 2017 financial reports. Jose Valdez seconded the motion, which passed unanimously.

**Item 8 Financial Authorization.** Consider and authorize a resolution granting District President authorization to contract for and expend District funds within certain limits.

District President Veronica Gorczynski explained the need to establish clear spending authority that would give her the ability to make certain financial decisions without causing interruptions in business operations, while also respecting the time of the Board and minimizing financial requests. She then presented for the Board's consideration a Resolution Delegating Authority to the District's President to Contract on Behalf of the District, explaining that it would authorize her to approve expenditures of \$5,000 or less, provided that such expenditures are provided for in the then-current budget and that any related contract is for a period of one-year or less. Vice Chair Craig Rhoden moved to approve the Resolution as presented. Director Margie Pena seconded the motion, which passed unanimously.

**Item 9 Lockwood Garage Ground Lease.** Review and approve a ground lease for the future garage project with Six Westheimer, Ltd.

Joel Cleveland, attorney for the District, presented and reviewed with the Board the terms of the proposed Lockwood Garage Ground lease, noting that the version presented is not the final version as details are still being worked out to address the unlikely future condemnation of the garage. He then requested that the Board approve the Ground Lease in substantially the form presented, subject to final attorney review and the approval of President Gorczynski. Blanca Blanco moved to approve the Lockwood Garage Ground Lease in substantially the form presented, subject to final attorney review and the approval of President Gorczynski, as requested. Domenic Laurenzo seconded the motion, which passed unanimously, with the exception of Directors Erin Dyer and Marjorie Pena, who abstained.

**Item 10 East End Street Fest Participation.** Consider a joint project with the East End Improvement Corporation ("EEIC") regarding the administration and financing of the East End Street Fest; and consider and approve contracts related to such joint project and the potential hiring of additional personnel.

President Veronica Gorczynski requested Board approval to fund a project manager and fundraising services for the East End Street Fest. She stated that EEIC will need initial funding to start these activities, but it is anticipated that EEIC will be able to repay the District from future

grant funds. Jose Valdez moved to approve contracting with EEIC to provide that the District will contribute \$3,000 for fundraising services with Trevino Consulting Group and \$15,000 to hire a project manager for the East End Street Fest. Domenic Laurenzo seconded the motion, which passed unanimously.

**Item 11 District Property Value Research Report.** Consider and approve a contract with Lester O. King, PhD to conduct a District Property Value Research Report and authorize appropriate action.

President Veronica Gorczynski presented a proposal from Lester O. King, PhD to conduct a District Property Value Research Report at a cost of \$6,000. She stated that this project will provide a trend analysis in the District in order to analyze data and help with future investments in the East End. She also stated that the study will look at land use. Assistant Secretary Joe Meppelink suggested looking at 10, 5 and 3-year rates of change in the study. Director Ann Taylor moved to approve the study. Marjorie Pena seconded the motion, which passed unanimously.

**Item 12 Participation in East End Cantina Education Initiative.** Consider and approve the District's Participation in Houston Police Department East End Cantina Education Initiative.

Martin Chavez, Director of Operations and Constituent Services, introduced the East End Cantina Initiative. He explained that HPD created the program to help reduce crime by bringing bars, lounges and cantinas in the East End under compliance through education and enforcement. He stated that the total program budget is \$50,000, which covers the after-hours wages for the officers, and that the District is being asked to contribute 25% of the total cost, which is \$12,500. He suggested that the contribution could be funded from excess amounts in the vehicle replacement budget line-item. It was then reported that Councilmember Gallegos is also financially supporting the program. HPD officers noted that the main goal of the project is to increase compliance and education since many cantinas operate without a license. Director Margie Pena moved to approve the requested \$12,500 District contribution to the HPD Eastside Division for the East End Cantina Education Initiative. Treasurer Rodrigo Tejada seconded the motion, which passed unanimously.

**Item 13 Participation in UP CDC/TXRX – Workforce Development Joint Project.** Consider and approve participation in pre-development activities for the UP CDC/TXRX Workforce Development Joint Project and authorize appropriate action.

Patrick Ezzell of Coastal Builders presented information on the proposed CDC/TXRX project. He explained that the project includes the acquisition and renovation of a 306,000 square foot warehouse that will support light manufacturing within the District's boundaries. He stated that TXRX will partner in the project and provide apprenticeships and job training to hundreds of East End residents. He reported that the project is expected to create 479 jobs, enhanced training for the local workforce, and significant additional economic activity in the East End. He then reported on the estimated project costs and predevelopment phases, noting that Phase I of the predevelopment costs total \$169,000. He then requested a \$20,000 grant from the District toward such costs.

President Veronica Gorczynski stated that there is a potential for a predevelopment grant that she would like to Board to discuss further with the Board at a future meeting if the Board is interested

in supporting the project. Assistant Secretary Joe Meppelink moved to authorize the District's staff to continue discussions with UP CDC related to the proposed \$20,000 grant and to include the item on a future agenda for Board consideration. Jose Valdez seconded the motion, which passed unanimously.

**Item 14 Amended Budget.** Consider and adopt an amended budget.

Director of Finance, Asha John, presented items to be considered in a budget amendment, which includes additional expenses related to a temporary Administrative Assistant as well as Leadership Houston training, which will be paid by a reallocation of marketing funds to be utilized in the following fiscal year in order to support these two expenditures.

In addition, Ms. John noted that there are two additional capital projects: a Nagel Street repair project estimated at \$5,000, and a TxDOT Roundabout project estimated to cost a total of \$3,000,000, with the total costs being split between TxDOT, TIRZ 23 and the District. She noted that the District's share will be approximately \$150,000, with only \$30,000 required in the current fiscal year. Vice Chair Craig Rohden moved to approve the amended budget. Assistant Secretary Joe Meppelink seconded the motion, which passed unanimously.

**Item 15 President's Report – District Overview.** Receive the President's report on the following District programs and authorize appropriate action:

**a. Security and Public Safety:**

1. Graffiti abatement program

Martin Chavez, Director of Operations and Constituent Services, presented a report on the activities of the District's graffiti abatement crew in the East End. He also noted that Montrose District has ceased abatement services but hopes to reconvene services in Mar 2018.

2. Law Enforcement Coordination Team meeting

Martin Chavez reported on the LECT meeting in January, noting that there was a 23% overall decrease in crime in the East End. He also reported a decrease in crime due to the Second Chance program for shoplifters, a new program for retailers. He stated that the District is looking at a weekend probationers program, which would give probationers an opportunity to get hours on a weekend and give the District more hours for needed projects.

**b. Visual and Infrastructure Improvements:**

1. Right of way clean-up, litter pick-up, tire removal, dump site clean-up, and street lamp repair

Martin Chavez presented the 2016-2017 statistics for the fiscal year.

2. Report on 5310 Sidewalk Grant

Patrick Ezzell gave an update on the METRO 5310 grant project for sidewalk improvements in the District. He stated that the last piece remaining are the bus stops and that he is negotiating with METRO concerning future maintenance and ownership obligations related to same. He also noted that project costs related to the new METRO grant are roughly \$280,000 and will be funded entirely by federal and TIRZ funds.

3. Report on Lockwood Garage

No additional report was given.

4. Report on Street Market

Patrick Ezzell explained that work is being done on the new café expected to break ground soon. They are reviewing Esplanade policies and operational procedures to make sure they are efficient and creating pricing to allow them to make a profit.

5. Report from UP CDC

Patrick Ezzell reported that the District is looking at a new grant application that could allow the District to construct and own its own kiosks on Navigation Esplanade. He stated that this would allow the District to lease the kiosks and collect full market rental rates.

6. Report on Kaboom Grant

It was reported that grant writer, Austin Helgeson, was successful in securing a \$25,000 grant from Kaboom for a children's outdoor area on Navigation Esplanade that will have safety features, including a gate around the perimeter. It was reported that an agreement will be brought to the Board at a future meeting for consideration. No further action taken.

c. **East End Improvement Corporation.** Receive report on EEIC.

President Veronica Gorczynski explained that EEIC is a local government corporation created by the District to perform certain functions on behalf of the District and that the District appoints its directors. She noted that a director position will need to be filled in the near future, which will come to the Board for approval. She also noted that the District may require the EEIC to provide monthly financial statements in the future, which will be considered when the need arises.

**Item 16 Executive Session, if Necessary.** Convene executive session to discuss: (a) pending or contemplated litigation or to consult with the attorney in accordance with Section 551.071 of the

Texas Government Code; (b) acquisition of real property in accordance with Section 551.072 of the Texas Government Code; (c) personnel matters in accordance with Section 551.074 of the Texas Government Code; (d) to receive information from or question employees in accordance with Section 551.075 of the Texas Government Code; employees ; (e) deployment of security personnel or devices or a security audit in accordance with Section 551.076 of the Texas Government Code; or (f) economic development negotiations or offers of financial incentives for economic development in accordance with Section 551.087 of the Texas Government Code.

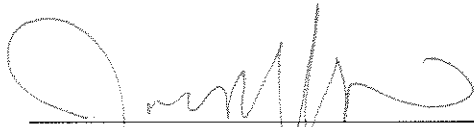
There was no need for an Executive Session.

**Item 17 Reconvene in Open Session.** Reconvene in public session to consider authorizing District staff and consultants to take any action necessary with respect to (a) pending or contemplated litigation or attorney advice; (b) acquisition of real property; (c) personnel matters; (d) receiving information from or questioning employees; (e) economic development negotiations or offers of financial incentives; (f) deployment of security personnel or devices or a security audit; and (g) any other matters relative to any of these matters which was discussed in Executive Session.

**Adjourn.**

As there was no Executive Session, there was no need to reconvene in open session. There being no further business, the meeting was then adjourned at 5:21 pm.



  
\_\_\_\_\_  
Greater East End Management District