

**HARDY/NEAR NORTHSIDE REDEVELOPMENT AUTHORITY**

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**JOINT MEETING OF THE BOARDS OF DIRECTORS**

**JUNE 27, 2022**

**BOARD PACKET**

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**REINVESTMENT ZONE NUMBER**

**TWENTY-ONE**

**CITY OF HOUSTON, TEXAS**

**HARDY/NEAR NORTHSIDE REDEVELOPMENT AUTHORITY  
AND  
REINVESTMENT ZONE NUMBER TWENTY-ONE, CITY OF HOUSTON, TEXAS  
NOTICE OF JOINT MEETING**

Notice is hereby given that the Board of Directors of the Hardy/Near Northside Redevelopment Authority (the “Authority”) and the Board of Directors of the Reinvestment Zone Number Twenty-One, City of Houston, Texas (the “Zone”) will hold a joint meeting, open to the public, on **June 27, 2022**, at 9:00 a.m., at 218 Joyce Street, Houston, Texas 77009, and is open to the public, to consider, discuss and adopt such orders, resolutions or motions, and take direct or indirect actions as may be necessary, convenient, or desirable with respect to the following matters:

1. Establish quorum and call to order.
2. Public comments.
3. Approve Minutes from last meeting.
4. Financial and bookkeeping matters, including Financial Report including payment of bills.
5. Engagement Agreement McCall Gibson Swedlund Barfoot PLLC for preparation of Annual Audit of the Authority for Fiscal Years ending June 30, 2022 and June 30, 2023.
6. Gauge Engineering Task Order 6: Pre-Existing Conditions Sidewalk Inventory and Assessment Study.
7. SWA Group Task Order 2: Urban Design Guidelines – Phase 2 and Task Order 3: Miscellaneous Drawings and Visualization.
8. Presentations, reports, or updates from the Directors, consultants, City of Houston Staff, Developers or others regarding development in the Authority and the Zone and implementation of Project Plan and Reinvestment Zone Financing Plan including:
  - a. Proposed Annexation Airline Corridor – Director Ortiz,
  - b. Infrastructure Committee Report – Director Bustamante & Gauge Engineering,
  - c. Parks Committee Report – Director Ortiz and SWA Group,
  - d. MTRP Amendment – Director Large,
9. Convene in Executive Session pursuant to section 551.087, Texas Government Code, to receive advice from legal counsel and discuss matters relating to pending or contemplated litigation, personnel matters, gifts and donations, real estate transactions, the deployment, or specific occasions for the implementation of, security personnel or devices and or economic development negotiations.
10. Reconvene in Open Session and authorize appropriate action regarding economic development negotiations.
11. Discuss meeting schedule including date and time of next meeting for **September 26, 2022, at 9:00 a.m.**
12. Adjourn.



Ralph De Leon  
Administrator for the Zone

The Board of Directors meeting packet can be found at: <https://nearnorthsidetirz21.com/calendar/>

TAB

THREE

HARDY/NEAR NORTHSIDE REDEVELOPMENT AUTHORITY AND  
TAX INCREMENT REINVESTMENT ZONE NUMBER TWENTY-ONE,  
CITY OF HOUSTON, TEXAS  
JOINT BOARD OF DIRECTORS MEETING

May 23, 2022

The Board of Directors (the “Board”) of Hardy/Near Northside Redevelopment Authority (the “Authority”) convened in regular session, open to the public, on the 23<sup>th</sup> day of May 2022, at 9:00 a.m., at 218 Joyce Street, Houston, Texas 77009, and the roll was called of the duly constituted officers and members of the Board, to-wit:

Edward Reyes	Chair/Investment Officer
Jorge Bustamante	Vice Chair
Sylvia Cavazos	Secretary/
Elia Quiles	Assistant Secretary
Daniel Ortiz	Treasurer
Fernando Zamarripa	Director
Monte Large	Director

All members of the Board of Directors except Director Zamarripa, Director Cavazos and Director Quiles were present, thus constituting a quorum.

Also present were Brandon Wallace of the City of Houston; Ralph De Leon of TIFWorks LLC; Clark Lord of Bracewell LLP; Muhammad Ali of Gauge Engineering; Michael Robinson of the SWA Group and Carlos Sanchez of the Greater Northside Management District; Chris McCall of University of Houston Downtown Campus; and Jeff Trevino President Super Neighborhood 51.

- 1. Establish quorum and call to order.** Director Reyes performed a roll call and noted that initially a quorum was not present. Director Reyes instructed consultants to provide reports per the Agenda and no action would occur. Upon establishment of a quorum Director Reyes called the meeting to order at 10:04 a.m.
- 2. Public Comments.** Mr. Trevino spoke against the proposed Marquette multi-family and commercial development, to be constructed at the intersection of Main Street and Boundary Street noting the current congestion at that location attributable to the METRO light rail alignment conflicting with vehicular traffic and pedestrian movements.
- 3. Approve Minutes from last meeting.** The Board considered approval of the minutes of March 28, 2022. Following discussion, upon a motion made by Director Ortiz, and seconded by Director Large, the Minutes were approved by unanimous vote.
- 4. Financial and bookkeeping matters, Financial Report and payment of bills.** Mr. De Leon provided an overview of the Financial Statements, the Quarterly Investment Report and reviewed current invoices. After review and discussion Director Bustamante made a motion to accept the Financial Statements and Quarterly Investment Report, and approve payment of current invoices, which was seconded by Director Ortiz, and which passed by

unanimous vote.

5. **Fiscal Year 2023 Operating Budget of the Authority and Fiscal Years 2023-2027 Capital Improvement Plan (CIP) Budget of the Zone.** Mr. De Leon provided an overview of the Annual Operating and 5-Year CIP Budgets. Mr. De Leon also noted both draft Budgets had been previously reviewed by the Parks and Infrastructure Committees. After review and discussion, Director Bustamante motioned to adopt the Annual Operating of the Authority and 5-Year CIP Budget of the Zone and authorize submittal to the City, which was seconded by Director Large, and which passed by unanimous vote.
6. **Accept disclosure statement for bookkeeper and Investment Officer.** Mr. De Leon noted review and acceptance of the disclosure statement from the bookkeeper was done annually. After review and discussion Director Ortiz motioned to accept the disclosure statement, which was seconded by Director Bustamante, and which passed by unanimous vote.
7. **Presentations, reports, or updates from the Directors, consultants, City of Houston Staff, or others regarding development in the Authority and the Zone and implementation of Project Plan and Reinvestment Zone Financing Plan including:**
  - a. **Proposed Annexation of Airline Corridor.** Director Ortiz reported he had met with Economic Development staff of the City and was asked if the Zone would consider annexing the Airline Corridor area into the boundaries of the Zone. After review and discussion, the Board assigned further investigation and field reconnaissance to the Infrastructure Committee.
  - b. **Infrastructure Committee Report** – Director Bustamante and Mr. Ali provided an overview of provisions included in the FY23 – FY27 Budget related proposed infrastructure improvements.
  - c. **Parks Committee Report – Director Ortiz and SWA Group** – Mr. Robinson provided a status report and provided an update on the Urban Design Guidelines.
  - d. **MTRP Amendment – Director Large** – Mr. De Leon noted the item will be included on the May 26, 2022 Super Neighborhood meeting Agenda for review by the community.
8. **Discuss meeting schedule including date and time of next meeting for June 27, 2022, at 9:00 a.m.** Director Reyes reported that the Board will next meet on June 27, 2022.
9. **Convene in Executive Session pursuant to Section 551.087, Texas Government Code, to discuss economic development matters of the Zone.** The Board did not enter a closed executive session at this meeting.
10. **Reconvene in Open Session and authorize appropriate action regarding economic development negotiations.** The Board did not enter a closed executive session at this meeting.
11. **Adjourn.** After discussion, Director Bustamante moved to adjourn the meeting at 10:12 a.m., which was seconded by Director Large and passed by unanimous vote.

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

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Secretary

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FOUR



Unpaid Bills Report  
6/27/2022

Cypress Tax Year 2021 Payment	\$	362,880.00
Bracewell Invoice General Counsel	\$	1,900.00
Bracewell Invoice Meeting Services	\$	1,402.70
SWA Group	\$	2,000.00
Gauge	\$	7,190.00
TIFWorks Invoice	\$	4,000.00
<b>Sub-Total Invoices This Period</b>	\$	<b>379,372.70</b>

**CYPRESS TAX YEAR 2021 REIMBURSEMENT PAYMENT CALCULATION**  
27-Jun-22

0.161584474  
0.652524635

**FY22**

\$ 691,143	65%	<b>Original Area</b>
\$ 368,040	35%	<b>Annexed Area</b>
<b>\$ 1,059,183</b>	<b>100%</b>	

<b>Admin/Overhead</b>	<b>\$ 99,000</b>	\$ 64,350	<b>Original Area</b>
		\$ 34,650	<b>Annexed Area</b>
		<b>\$ 99,000</b>	

<b>Affordable Housing</b>	<b>\$ 353,061</b>	\$ 229,490	<b>Original Area</b>
		\$ 123,571	<b>Annexed Area</b>
		<b>\$ 353,061</b>	

<b>City Admin Fee</b>	<b>\$ 52,959</b>	\$ 34,423	<b>Original Area</b>
		\$ 18,536	<b>Annexed Area</b>
		<b>\$ 52,959</b>	

	<b>FY22</b>
<b>Cypress Gross Increment</b>	\$ 691,143
<b>Less City Admin Fee</b>	\$ (34,423)
<b>Less City Affordable Housing</b>	\$ (229,490)
<b>Less Zone Operating Cost</b>	\$ (64,350)
<b>Cypress Net Payment</b>	<b>\$ 362,880</b>

<b>FY22 Cypress Net Payment</b>	<b>\$ 362,880</b>	\$ 94,349	<b>On-Site</b>
		\$ 268,531	<b>Off-Site</b>

# BRACEWELL

Hardy/Near Northside Redevelopment Authority  
Melissa Morton, Bookkeeper  
1125 Cypress Station Drive  
Building H-4  
Houston, TX 77090

June 02, 2022  
Invoice: 21934233  
BA: 04674 Clark Stockton Lord

Our Matter: 0037619.000001 General Counsel  
For Services Through May 31, 2022

<u>Date</u>	<u>Description</u>	<u>Timekeeper</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
05/09/22	Review and revise agenda and meeting minutes; email correspondence with T Ehmke and C Lord re: filing of DBA paperwork	Mary Buzak	1.25	400.00	500.00
05/23/22	Prepare for and attend board meeting,	Clark Stockton Lord	2.50	400.00	1,000.00
05/27/22	Handle assumed name filing	Clark Stockton Lord	1.00	400.00	400.00
<b>Total Fees</b>					<b>\$ 1,900.00</b>

## Summary of Fees

<u>Timekeeper</u>	<u>Title</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
Mary Buzak	Counsel	1.25	400.00	500.00
Clark Stockton Lord	Partner	3.50	400.00	1,400.00
<b>Total Summary of Fees</b>		<b>4.75</b>		<b>\$ 1,900.00</b>

**Total Fees, Expenses and Charges on This Invoice** **\$ 1,900.00**

# BRACEWELL

## REMITTANCE PAGE

Client: Hardy/Near Northside Redevelopment Authority

Matter: General Counsel

Invoice: 21934233

Matter No: 0037619.000001

Total Fees	\$ 1,900.00
Total Expenses	\$ 0.00
Total Fees, Expenses and Charges for this Invoice	\$ 1,900.00
<b>Total Current Billing on this Invoice</b>	<b>\$ 1,900.00</b>
Balance Forward	\$ 0.00
<b>Please Remit Total Balance Due on this Invoice</b>	<b>\$ 1,900.00</b>

PLEASE RETURN THIS REMITTANCE PAGE WITH YOUR PAYMENT

### Wire Transfer Information

Wire to: Wells Fargo Bank, N.A., 420 Montgomery, San Francisco, CA 94104

Name on Account: Bracewell LLP

Bank Account Number: 5436952757

ABA Number **(For Wire Transfers Only)**:121000248; **(For ACH's Only)**:111900659

For International Wires Also Include Swift Code (for both US and Foreign Funds): **WFBIUS6S**

Please include invoice number as a reference when sending the wire:**21934233**

### Check Information

Bracewell LLP

P.O. Box 207486

Dallas, TX 75320-7486

Tax ID 74-1024827

### Courier Information

Wells Fargo Lockbox Services

P.O. Box 207486

2975 Regent Blvd

Irving, TX 75063

### Credit Card Information

<https://www.e-billexpress.com/ebpp/Bracewell/>

# BRACEWELL

Hardy/Near Northside Redevelopment Authority  
Melissa Morton, Bookkeeper  
1125 Cypress Station Drive  
Building H-4  
Houston, TX 77090

June 02, 2022  
Invoice: 21934234  
BA: 04674 Clark Stockton Lord

Our Matter: 0037619.000003 Meeting Services  
For Services Through May 31, 2022

<u>Date</u>	<u>Description</u>	<u>Timekeeper</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
05/17/22	Coordinate with working group regarding upcoming meeting matters.	Tiffany M. Ehmke	0.50	338.00	169.00
05/18/22	Review research of assumed name filing requirements with Secretary of State, county clerk and resolution; attention to approval date of assumed name.	Tiffany M. Ehmke	0.75	338.00	253.50
05/19/22	Attention to filing requirement for assumed name; commence completion of forms for assumed name to secretary of state; prepare resolution from board of approval of assumed name; complete and transmit and all inquiries and documents to attorney for final review and approval.	Tiffany M. Ehmke	2.00	338.00	676.00
05/24/22	Follow up with attorney regarding assumed name filing.	Tiffany M. Ehmke	0.15	338.00	50.70
05/31/22	Conference call with attorney regarding follow up on assumed name filing; finalize and transmit for filing.	Tiffany M. Ehmke	0.75	338.00	253.50
<b>Total Fees</b>					<b>\$ 1,402.70</b>

## Summary of Fees

<u>Timekeeper</u>	<u>Title</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
Tiffany M. Ehmke	Paralegal	4.15	338.00	1,402.70
<b>Total Summary of Fees</b>		<b>4.15</b>		<b>\$ 1,402.70</b>

# BRACEWELL

Page 2

Client: Hardy/Near Northside Redevelopment Authority

Invoice: 21934234

**Total Fees, Expenses and Charges on This Invoice**

**\$ 1,402.70**

# BRACEWELL

## REMITTANCE PAGE

Client: Hardy/Near Northside Redevelopment Authority  
Matter: Meeting Services

Invoice: 21934234

Matter No: 0037619.000003

Total Fees	\$ 1,402.70
Total Expenses	\$ 0.00
Total Fees, Expenses and Charges for this Invoice	\$ 1,402.70
<b>Total Current Billing on this Invoice</b>	<b>\$ 1,402.70</b>
Balance Forward	\$ 0.00
<b>Please Remit Total Balance Due on this Invoice</b>	<b>\$ 1,402.70</b>

PLEASE RETURN THIS REMITTANCE PAGE WITH YOUR PAYMENT

### Wire Transfer Information

Wire to: Wells Fargo Bank, N.A., 420 Montgomery, San Francisco, CA 94104  
Name on Account: Bracewell LLP  
Bank Account Number: 5436952757  
ABA Number **(For Wire Transfers Only):**121000248; **(For ACH's Only):**111900659  
For International Wires Also Include Swift Code (for both US and Foreign Funds): **WFBIUS6S**  
Please include invoice number as a reference when sending the wire:**21934234**

### Check Information

Bracewell LLP  
P.O. Box 207486  
Dallas, TX 75320-7486  
Tax ID 74-1024827

### Courier Information

Wells Fargo Lockbox Services  
P.O. Box 207486  
2975 Regent Blvd  
Irving, TX 75063

### Credit Card Information

<https://www.e-billexpress.com/ebpp/Bracewell/>



To: Hardy/Near Northside Redev Authority  
Attn: Clark Stockton Lord  
c/o Bracewell LLP  
711 Louisiana Street, Suite 2300  
Houston, TX 7702-2770

Date: June 16, 2022  
Invoice No: 190601  
For Period: May  
Project No: NNRT101  
Project Manager: Michael Robinson

Project Hardy/Near Northside Redev Authority

**WORK PERFORMED:**

Task 8: Final Plans & Guidelines (30% Complete)

**Professional Services from May 1, 2022 to May 31, 2022**

**Fee**

Total Fee Earned	100,000.00		
% Complete	72.00	Total Earned	72,000.00
		Previous Fee Billing	70,000.00
		Current Fee Billing	2,000.00
		<b>Total Fee Earned</b>	<b>2,000.00</b>
		<b>Total Due this Invoice:</b>	<b><u>\$2,000.00</u></b>

Remit to:  
SWA Group  
P.O. Box 5904  
Sausalito, CA 94966

Please refer to our Invoice number and Project number when making payment.  
A discount of 1% on current charges allowed if paid in full in thirty days.  
A service charge will be assessed on all past due accounts.

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# INVOICE

Date: 6/21/2022  
 Invoice # Number 62

TIFWorks, LLC  
 P.O. Box 10330  
 Houston, Texas 77206  
 (832)-978-5910  
 ralph@tifworks.com

To

Ed Reyes  
 Chairman of the Board  
 Hardy/Near Northside Redevelopment Authority  
 Tax Increment Investment Zone Number  
 Twenty-One, City of Houston

<i>Salesperson</i>	<i>Job</i>	<i>Payment Terms</i>	
Ralph De Leon	Hardy/Near Northside Redevelopment Authority 5/18/2022 thru 6/18/2022	Due Upon Receipt	
<i>Qty</i>	<i>Description</i>	<i>Unit Price</i>	<i>Line Total</i>
	BASIC SERVICES		\$4,000.00
<b>Total</b>			\$4,000.00

Make all checks payable to TIFWorks, LLC  
**Thank you for your business!**

**Gauge Engineering**  
 11750 Katy Freeway, Suite 400  
 Houston, TX 77079



Hardy/Near Northside Redevelopment Authority/TIRZ 21  
 c/o Bracewll, LP and Tifworks  
 711 Louisiana Street, Suite 2300  
 Houston, TX 77002

Invoice number 1906  
 Date 06/21/2022

Project 1136 PINCKNEY TRIAL CONNECTION

Professional Services Provided Through June 17, 2022

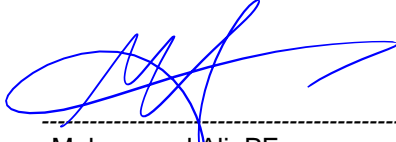
Description	Contract Amount	Percent Complete	Prior Billed	Total Billed	Remaining	Current Billed
<b>Design Phase 90%, Final</b>						
General Plan Sheets	5,622.50	100.00	5,622.50	5,622.50	0.00	0.00
Storm Sewer Design	45,275.00	100.00	38,261.25	45,275.00	0.00	7,013.75
Trial Design	30,210.00	95.00	28,699.50	28,699.50	1,510.50	0.00
Proj Mgmt/Specs/Agencies & Team Coordination/Qualities/Misc	23,130.00	95.00	21,973.50	21,973.50	1,156.50	0.00
Quality Assurance/Quality Control	3,525.00	100.00	3,348.75	3,525.00	0.00	176.25
Subtotal	107,762.50	97.53	97,905.50	105,095.50	2,667.00	7,190.00
<b>Subcontracted/Additional Engineering Services</b>						
Topo Survey Update (Plan & Profile) - Kuo	12,109.90	100.00	12,109.90	12,109.90	0.00	0.00
Geotechnical Investigation Addendum - Aviles	1,760.00	100.00	1,760.00	1,760.00	0.00	0.00
Structural design - Retaining Wall Design - Kuo	11,550.00	75.00	8,662.50	8,662.50	2,887.50	0.00
Tree Inventory/Protection - CN Koehl	3,080.00	73.21	2,254.99	2,254.99	825.01	0.00
TDLR Inspection - Accessibility Check	1,100.00	0.00	0.00	0.00	1,100.00	0.00
Subtotal	29,599.90	83.74	24,787.39	24,787.39	4,812.51	0.00
Expenses	350.00	38.46	134.62	134.62	215.38	0.00
Construction Phase Services	19,620.00	0.00	0.00	0.00	19,620.00	0.00
Total	157,332.40	82.64	122,827.51	130,017.51	27,314.89	7,190.00

Invoice total **7,190.00**

**Aging Summary**

Invoice Number	Invoice Date	Outstanding	Current	Over 30	Over 60	Over 90	Over 120
1906	06/21/2022	7,190.00	7,190.00				
	Total	7,190.00	7,190.00	0.00	0.00	0.00	0.00

*I certify the above to be true and correct*



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Muhammad Ali, PE

**Please note new mailing address**

Please make checks payable to:  
Gauge Engineering, LLC  
11750 Katy Freeway, Suite 400  
Houston, TX 77079

TAB

FIVE

# **McCALL GIBSON SWEDLUND BARFOOT PLLC**

*Certified Public Accountants*

13100 Wortham Center Drive  
Suite 235  
Houston, Texas 77065-5610  
(713) 462-0341  
Fax (713) 462-2708

PO Box 29584  
Austin, TX 78755-5126  
(512) 610-2209  
[www.mgsbpllc.com](http://www.mgsbpllc.com)  
E-Mail: [mgsb@mgsbpllc.com](mailto:mgsb@mgsbpllc.com)

June 27, 2022

Board of Directors  
Near Northside Redevelopment Authority  
City of Houston, Texas

We are pleased to confirm our understanding of the services we are to provide Near Northside Redevelopment Authority (the “Authority”).

## **Audit Scope and Objectives**

We will audit the financial statements of the governmental activities, each major fund, and the disclosures, which collectively comprise the basic financial statements of the Authority as of and for the years ended June 30, 2022 and June 30, 2023. Accounting standards generally accepted in the United States of America provide for certain required supplementary information (RSI), such as management’s discussion and analysis (MD&A), to supplement the Authority’s basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board (GASB) 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. As part of our engagement, we will apply certain limited procedures to the Authority’s RSI in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist of inquiries of management regarding 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 will 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. The following RSI is required by generally accepted accounting principles and will be subjected to certain limited procedures, but will not be audited:

- 1) Management’s Discussion and Analysis, and
- 2) Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – General Fund

We have also been engaged to report on supplementary information other than RSI that accompanies the Authority’s financial statements. The document we submit to you will include various supplementary schedules, including supplementary information required by the City of Houston, Texas. This supplementary information will be subjected to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America and we will provide an opinion on it in relation to the financial statements as a whole except for that portion marked “unaudited”, on which we will express no opinion.

The objectives of our audit are to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatement, whether due to fraud or error; issue an auditor's report that includes our opinion about whether your financial statements are fairly presented, in all material respects, in conformity with generally accepted accounting principles (GAAP); and report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards (GAAS) will always detect a material misstatement when it exists. Misstatements, including omissions, can arise from fraud or error and are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment of a reasonable user made based on the financial statements.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

We will conduct our audit in accordance with GAAS and will include tests of your accounting records and other procedures we consider necessary to enable us to express such opinions. As part of an audit in accordance with GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit.

We will evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management. We will also evaluate the overall presentation of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the Authority or to acts by management or employees acting on behalf of the Authority.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is an unavoidable risk that some material misstatements may not be detected by us, even though the audit is properly planned and performed in accordance with GAAS. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform the appropriate level of management of any material errors, fraudulent financial reporting, or misappropriation of assets that comes to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

We will also conclude, based on the audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for a reasonable period of time.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, tests of the physical existence of inventories, and direct confirmation of receivables and certain assets and liabilities by correspondence with selected individuals, creditors, and financial institutions. We will also request written representations from your attorneys as part of the engagement.

### **Audit Procedures – Internal Control**

We will obtain an understanding of the Authority and its environment, including internal control relevant to the audit, sufficient to identify and assess the risks of material misstatement of the financial statements, whether due to error or fraud, and to design and perform audit procedures responsive to those risks and obtain evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentation, or the override of internal control. An audit is not designed to provide assurance on internal control or to identify deficiencies in internal control. Accordingly, we will express no such opinion. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards.

We have identified capital assets and long-term debt as audit areas with significant risks of material misstatement as part of our audit planning. We will address the areas of higher assessed risks of material misstatement by performing detailed testing of transactions related to the purchase or acquisition of infrastructure and the issuance and retirement of long-term debt.

### **Audit Procedures – Compliance**

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatements, we will perform tests of the Authority's compliance with the provisions of applicable laws, regulations, contracts, and agreements. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion.

### **Responsibilities of Management for the Financial Statements**

Our audit will be conducted on the basis that you acknowledge and understand your responsibility for designing, implementing, and maintaining internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, including monitoring ongoing activities; for the selection and application of accounting principles; and for the preparation and fair presentation of the financial statements in conformity with accounting principles generally accepted in the United States of America.

Management is responsible for making drafts of financial statements, all financial records, and related information available to us and for the accuracy and completeness of that information (including information from outside of the general and subsidiary ledgers). You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, identification of all related parties and all related-party relationships and transactions, and other matters; (2) additional information that we may request for the purpose of the audit; and (3) unrestricted access to persons within the Authority from whom we determine it necessary to obtain audit evidence. At the conclusion of our audit, we will require certain written representations from you about the financial statements and related matters.

Your responsibilities include adjusting the financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements of each opinion unit taken as a whole. You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the Authority involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the Authority received in

communications from employees, former employees, consultants, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the Authority complies with applicable laws and regulations.

With regard to using the auditor's report, you understand that you must obtain our prior written consent to reproduce or use our report in bond offering official statements or other documents.

With regard to the electronic dissemination of audited financial statements, including financial statements published electronically on your website, you understand that electronic sites are a means to distribute information and, therefore, we are not required to read the information contained in these sites or to consider the consistency of other information in the electronic site with the original document.

You are responsible for the preparation of the supplementary information in conformity with the City's requirements. You agree to include our report on the supplementary information in any document that contains, and indicates that we have reported on, the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon. Your responsibilities include acknowledging to us in the representation letter that (1) you are responsible for presentation of the supplementary information in accordance with the City's requirements; (2) you believe the supplementary information, including its form and content, is fairly presented in accordance with the City's requirements; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

#### **Engagement Administration, Fees and Other**

The Authority will not pay any consultant for services that are determined to be an ineligible Project Cost under the TIRZ Act and the consultant shall repay the Authority for any payment made by the Authority to the consultant that is determined to be an ineligible Project Cost.

We are aware of the City of Houston's requirement to have the audit completed by September 30th, and barring any unforeseen circumstances every effort will be made to comply with this requirement

In accordance with provisions of the Local Records Retention Schedule Section 2-1: Item 1025-01 e) we agree to retain our audit work papers in our office for a period of three years after all questions arising from the audit have been resolved. In order to allow for all questions arising from the audit to be resolved and to comply with Rule 501.76(f) of the Rules of Professional Conduct of the Texas State Board of Public Accountancy the actual date will be the five-year anniversary of the audit report in question.

We expect to present a draft of the audit report within 45 days of the availability of the Authority's accounting records. Chris Swedlund is the engagement partner and is responsible for supervising the engagement and signing the report or authorizing another individual to sign the report. The following is an estimate of our fees for the audit included in this engagement letter:

- Audit of the Authority's financial statements as of and for the year ended June 30, 2022, to range between \$8,000 and \$10,000
- Audit of the Authority's financial statements as of and for the year ended June 30, 2023, to range between \$8,000 and \$10,000



The above fee is based on anticipated cooperation from your consultants and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs. Not included in the fees above are out-of-pocket costs such as printing, postage, and other charges incidental to the completion of our audit. If circumstances occur related to the condition of your records, the availability of sufficient, appropriate audit evidence, or the existence of a significant risk of material misstatement of the financial statements caused by error, fraudulent financial reporting, or misappropriation of assets, which in our professional judgment prevent us from completing the audit or forming an opinion on the financial statements, we retain the right to take any course of action permitted by professional standards, including declining to express an opinion or issue a report, or withdrawing from the engagement. The Authority will be obligated to compensate us for our time expended through the date of withdrawal or termination.

### **Reporting**

We will issue a written report upon completion of our audit of the Authority's financial statements, which will also address the supplementary information required by the City in accordance with *AU-C 725, Supplementary Information in Relation to the Financial Statements as a Whole*. Our report will be addressed to the Board of Directors of the Authority. Circumstances may arise in which our report may differ from its expected form and content based on the results of our audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinions, add a separate section, or add an emphasis-of-matter or other-matter paragraph to our auditor's report, or if necessary, withdraw from this engagement. If our opinions are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or withdraw from this engagement.

### **GENERAL TERMS AND CONDITIONS**

You may request that we perform additional services not contemplated by this engagement letter. If this occurs, we will communicate with you regarding the scope of the additional services and the estimated fees. We also may issue a separate engagement letter covering the additional services. In the absence of any other written documentation from us documenting such additional services, our services will continue to be governed by the terms of this engagement letter.

The agreement may be terminated by either party, with or without cause, upon 30 days written notice.

You agree that any dispute regarding this engagement will, prior to resorting to litigation, be submitted to mediation upon written request by either party. Both parties agree to try in good faith to settle the dispute in mediation. The American Arbitration Association will administer any such mediation in accordance with its Commercial Mediation Rules. The results of the mediation proceeding shall be binding only if each of us agrees to be bound. We will share any costs of mediation proceedings equally.

### **Fossil Fuels Boycott Verification**

As required by 2274.002, Texas Government Code (as added by Senate Bill 13, 87th Texas Legislature, Regular Session), as amended, McCall Gibson Swedlund Barfoot PLLC hereby verifies that McCall Gibson Swedlund Barfoot PLLC, including any wholly-owned subsidiary, majority-owned subsidiary, parent company or affiliate of the same, does not boycott energy companies, and will not boycott energy companies during the term of this Agreement. As used in the foregoing verification, "boycott energy companies" shall have the meaning assigned to the term "boycott energy company" in Section 809.001, Texas Government Code, as amended.

### **Firearms Discrimination Verification**

As required by Section 2274.002, Texas Government Code (as added by Senate Bill 19, 87<sup>th</sup> Texas Legislature, Regular Session, "SB 19"), as amended, McCall Gibson Swedlund Barfoot PLLC hereby verifies that McCall Gibson Swedlund Barfoot PLLC, including any wholly-owned subsidiary, majority-owned subsidiary, parent company or affiliate of the same, (i) does not have a practice, policy, guidance or directive that discriminates against a firearm entity or firearm trade association, and (ii) will not discriminate against a firearm entity or firearm trade association during the term of this Agreement. As used in the foregoing verification, "discriminate against a firearm entity or trade association" shall have the meaning assigned to such term in Section 2274.001(3), Texas Government Code (as added by SB 19), as amended.

### **Israel Boycott Verification**

As required by Chapter 2271, Texas Government Code, as amended, McCall Gibson Swedlund Barfoot PLLC hereby verifies that McCall Gibson Swedlund Barfoot PLLC, including any wholly-owned subsidiary, majority-owned subsidiary, parent company or affiliate of the same, does not boycott Israel and will not boycott Israel through the term of this Agreement. As used in the foregoing verification, the term "boycott Israel" has the meaning assigned to such term in Section 808.001, Texas Government Code, as amended.

### **Anti-Terrorism Representation**

Pursuant to Chapter 2252, Texas Government Code, McCall Gibson Swedlund Barfoot PLLC represents and certifies that, at the time of execution of this letter neither McCall Gibson Swedlund Barfoot PLLC, nor any wholly-owned subsidiary, majority-owned subsidiary, parent company or affiliate of the same: (i) engages in business with Iran, Sudan, or any foreign terrorist organization pursuant to Subchapter F of Chapter 2252 of the Texas Government Code; or (ii) is a company listed by the Texas Comptroller pursuant to Section 2252.153 of the Texas Government Code. The term "foreign terrorist organization" has the meaning assigned to such term pursuant to Section 2252.151 of the Texas Government Code.

We appreciate the confidence you have placed in our firm and we look forward to serving the Authority again this coming year.

Sincerely,

*McCall Gibson Swedlund Barfoot PLLC*

McCall Gibson Swedlund Barfoot PLLC  
Certified Public Accountants  
Houston, Texas

This letter correctly sets forth the understanding of Near Northside Redevelopment Authority.

\_\_\_\_\_  
Signature Title Date

\_\_\_\_\_  
Mayor's Office of Economic Development Date

TAB

SIX

# TASK ORDER NO. 6



June 21, 2022

Ed Reyes, Chairman  
Hardy/Near Northside Redevelopment Authority/TIRZ 21  
c/o Bracewell, LLP and Tifworks  
711 Louisiana Street, Suite 2300  
Houston, Texas 77002

## Re: Existing Sidewalk Condition Assessment

Dear Mr. Reyes,

Gauge Engineering, LLC (Gauge) is pleased to submit this proposal for providing professional engineering services for conducting existing sidewalk condition assessment services for TIRZ 21 along certain corridors identified in the scope of services. The effort includes conducting site visits and the development of exhibits that identify the conditions of the sidewalks along these corridors.

We propose to perform this work for a Lump Sum amount of \$23,000. A detailed breakdown of the scope items and fee can be found under Exhibits "A" and "B" respectively.

Please feel free to contact me at (713) 254-5946 if you have any questions or need additional information.

Sincerely,

A handwritten signature in blue ink, appearing to read "MA", is written over a blue ink scribble.

Muhammad Ali, P.E.  
Principal

Accepted For  
Hardy/Near Northside Redevelopment Authority/TIRZ 21

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Signature

Date

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Print

Attachments: Exhibit A – Scope of Services  
Exhibit B – Level-of-Effort

**EXHIBIT A**  
**SCOPE OF SERVICES**  
**TIRZ 21 - HARDY/NEAR NORTHSIDE REDEVELOPMENT AUTHORITY**  
**EXISTING SIDEWALK CONDITION ASSESSMENT**

Sidewalks form the basis for vibrant, healthy, walkable communities. Sidewalk conditions in the TIRZ 21 area vary widely, with some corridors having substantial, high-quality pedestrian infrastructure, while others have aging or inaccessible sidewalks. Several streets lack any type of sidewalk providing gaps in the network. The objective of this study is to conduct a sidewalk condition assessment on the following corridors on major thoroughfares and collectors within the Zone. Corridors included are:

- Irvington Boulevard
- Collingsworth Street
- Patton Street
- Main Street (North of Boundary)
- Fulton Street (Hogan to Boundary)
- Link Road

The details of the scope are as follows:

**1. Site Visits and Data Collection**

- Site visits will be conducted to assess the existing sidewalk condition
- Condition assessment will be based on the sidewalk condition, ADA compliance, existing curb ramp conditions, overall walking experience etc.
- Photographs will be taken to document the existing conditions.

**2. Data Entry and Exhibits Development**

- All the data collected from the site visits will be cataloged into an existing condition exhibit. Sidewalks will be classified into different categories based on width and condition.

**3. Project Management and Coordination:**

Project management activities are ongoing throughout the period of the contract and includes items such as internal project management, kickoff meeting, monthly progress reports, invoices, and coordination with client and all relevant agencies.

**4. Quality Assurance / Quality Control**

A thorough Quality Assurance/Quality Control (QA/QC) Plan will be implemented to ensure cost estimate accuracy, and design conformance with industry standards and client-specific requirements and preferences are met.

**EXHIBIT B  
TIRZ 21 - HARDY/NEAR NORTHSIDE REDEVELOPMENT AUTHORITY  
EXISTING SIDEWALK CONDITION ASSESSMENT-LEVEL OF EFFORT**



DESCRIPTION OF WORK TASKS		Sr. PROJ MGR	Sr. PROJ ENGINEER	GRAD ENGINEER	CADD TECH	ADMIN ASST	TOTAL HOURS	LABOR COSTS
<b>Basic Services</b>								
1	Site Visits and Data Collection	2	16	24			42	\$5,970.00
2	Data Entry and Exhibits Development	6	16	32	40		94	\$11,430.00
3	Project Management and Coordination							
	a. Overall Project Management/Team Coordination/ Project Controls	4	4			2	10	\$1,730.00
	b. Project Coordination	2	2				4	\$780.00
4	Quality Assurance / Quality Control	2	4	6	10		22	\$2,730.00
	<b>Total</b>	<b>16</b>	<b>42</b>	<b>62</b>	<b>50</b>	<b>2</b>	<b>172</b>	<b>\$22,640.00</b>
	<b>TOTAL HOURS</b>	<b>16</b>	<b>42</b>	<b>62</b>	<b>50</b>	<b>2</b>	<b>172</b>	
	Contract Labor Rate	\$225.00	\$165.00	\$120.00	\$90.00	\$85.00		
	<b>TOTAL LABOR COSTS BASIC ENGINEERING SERVICES</b>	<b>\$3,600.00</b>	<b>\$6,930.00</b>	<b>\$7,440.00</b>	<b>\$4,500.00</b>	<b>\$170.00</b>		<b>\$22,640.00</b>

EXPENSES		QUANTITY	UNIT	COST	TOTAL
1	Printing, Deliveries, Reproduction and Mileage	1	LS	\$250.00	\$360.00
	<b>TOTAL REIMBURSABLE EXPENSES</b>				<b>\$360.00</b>

<b>TOTAL</b>	<b>\$23,000.00</b>
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SEVEN



# EXHIBIT A / TASK ORDER #2

## TASK ORDER #2: URBAN DESIGN GUIDELINES – PHASE 2

SWA's workplan for the Task Order #2 for the Near Northside Redevelopment Authority ("the Authority") is described in the following three tasks with an estimated duration of fifty-two weeks and professional fee of \$50,000. The purpose of these services is the development and preparation of guidance tools that are coordinated with and informs the Authority's capital projects planning and budgeting and to communicate the Authority's urban design aspirations through relevant design standards to a broad constituency living and investing into the community.

### PROJECT WORKPLAN AND TASKS

#### 1. STREETScape CHARACTER: CUT SHEETS

**Purpose:**

Building on the street character designations (Mixed-Use, Commercial, Residential, and Industrial/Transitional) identified in the Task #1 Urban Design Guidelines, SWA will elaborate character and materiality through the selection of hardscape, softscape, and site furnishings and other amenities that, through implementation, will create a coherent urban character for each streetscape type.

**Procedure:**

The SWA Team will compile cut sheets for each streetscape type for hardscape, softscape, and site furnishings/amenities to accompany the Task #1 Urban Design Guidelines document. SWA will coordinate and review these recommendations with the Parks Committee and conduct a Board Workshop as part of Task 2 to receive input from the Board.

**Proposed Timeline & Duration:**

Weeks 1 - 36

**Estimated Weighted Value:**

70% of Total Fee; \$35,000

**Deliverables:**

- a) Draft Cut Sheets
- b) Ongoing Meetings and Coordination with the Authority, Stakeholders, and other Consultants contracted with the Authority to update the Zone-Wide Project Opportunities.
- c) Review and Coordination with Parks Committee
- d) Revisions to the above documents per Parks Committee's comments

Note: All deliverables are electronic in PDF format.

#### 2. BOARD WORKSHOP: URBAN DESIGN CHARACTER AND CUT SHEETS REVIEW

**Purpose:**

The SWA Team will prepare for and facilitate a Board Workshops with the Authority to discuss ongoing project prioritization and coordination and the character standards cut sheet selection that represents elaboration of materiality, site furnishings, amenities, and planting.

Procedure:

SWA will arrange a time and place convenient to the Authority for a one-hour meeting. The SWA Team will prepare the materials to present at the meeting as well as facilitate the proceedings. Following the meeting, SWA will draft a meeting record and distribute to the Authority, including revisions to the listed deliverables below.

Proposed Timeline & Duration:

Weeks 36-39

Estimated Weighted Value:

15% of Total Fee; \$7,500

Deliverables:

- a) Coordination with the Authority on meeting, including logistics, venue and workshop agenda
- b) Preparation for and facilitation of meeting by SWA Team including exhibits
- c) Meeting Record / Revisions

Note: All deliverables are electronic in PDF format, unless otherwise specified.

3. FINAL PLANS & GUIDELINES: CUT SHEETS

Purpose:

This task will finalize the Area Plans and Area Guidelines with minor revisions based on the Urban Design Character Board Workshop and any additional, timely comments.

Procedure:

Following the Board Workshop, the SWA Team will make final, minor edits to the cut sheet documents and Urban Design Guidelines as necessary to integrate the cut sheets into the document.

Proposed Timeline & Duration:

Weeks 40-52

Estimated Weighted Value:

15% of Total Fee; \$7,500

Deliverables:

- a) Final Guidelines Document with Cut Sheets

Note: All deliverables are electronic in PDF format, except as noted.

**TOTAL – 52 Weeks / \$50,000 fixed-fee, including expenses (billed monthly on percent completion)**

END OF DOCUMENT

Approved By:

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Near Northside Redevelopment Authority

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Date



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SWA Group

JUNE 27, 2022

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Date

# EXHIBIT A / TASK ORDER #3

## TASK ORDER #3: MISCELLANEOUS DRAWINGS & VISUALIZATION

For Task Order #3 for Near Northside Redevelopment Authority ("the Authority"), SWA will provide drawing / visualization services as requested by the Authority on a per-request basis. SWA shall submit a written sub-task authorization to include deliverables, schedule, and fees and receive approval from the Authority before proceeding. The professional fee of \$50,000 shall reflect a maximum, aggregate amount for Sub-Tasks in the Authority's 2022-2023 fiscal year. Additional requests beyond the maximum fee by the Authority shall be the subject of a subsequent Task Order.

**TOTAL – \$50,000 (Not-To-Exceed), including expenses (billed monthly on percent completion per each approved sub-task)**

END OF DOCUMENT

Approved By:

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Near Northside Redevelopment Authority

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Date



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SWA Group

JUNE 27, 2022

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Date

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EIGHT

**SWA Houston**

The Jones on Main  
712 Main Street  
6<sup>th</sup> Floor  
Houston, Texas  
77002  
+1.713.868.1676  
www.swagroup.com

**PROJECT STATUS REPORT BY SWA**

**SCOPE:** NEAR NORTHSIDE REDEVELOPMENT AUTHORITY –  
URBAN DESIGN + LANDSCAPE ARCHITECTURE SERVICES

**PROJECTS:** TIRZ #21 CIP

**DATE:** June 27, 2022

**CURRENT PROJECTS STATUS**

1. ZONE URBAN DESIGN GUIDELINES (WO#1)

- Task 1: Board Workshop #1 – 100% Complete
- Task 2: Research – 100% Complete
- Task 3: Community Event #1 – 100% Complete
- Task 4: Board Workshop #2 – 100% Complete
- Task 5: Area Plans – 100% Complete
- Task 6: Area Guidelines – 90% Complete
  - SWA continued development of Area Guidelines with Parks Committee.
- Task 7: Board Workshop #3 – 0% Complete
- Task 8: Final Guidelines – 40% Complete
  - SWA continued development of Guidelines document.
- Task 9: Perspective View and Sidewalk Assessment – 10% Complete
  - SWA prepared draft plan and perspective views of Hogan-Lorraine Walkable Places corridor at Cochran St.

END OF REPORT

<b>Tax Year 2021 Increment Payment Net</b>	<b>\$</b>	<b>653,163</b>
<b>Net Payment to Authority</b>	<b>\$</b>	<b>290,283</b>
<b>Plus Fund Balance as of June 21, 2022</b>	<b>\$</b>	<b>335,700</b>
<b>Total Funds</b>	<b>\$</b>	<b>625,983</b>
<b>Less Restricted (Harris County Match)</b>	<b>\$</b>	<b>275,000</b>
<b>Funds Available for Projects FY23</b>	<b>\$</b>	<b>350,983</b>