

HARDY/NEAR NORTHSIDE REDEVELOPMENT AUTHORITY

JOINT MEETING OF THE BOARDS OF DIRECTORS

SEPTEMBER 25, 2024

BOARD PACKET

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 **September 25, 2024**, at 9:00 a.m., at 218 Joyce Street, Houston, Texas 77009, 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 and payment of bills.
5. Adopt Fiscal Year 2025 Operating Budget of the Authority and Fiscal Years 2025 thru Fiscal Year 2029 Capital Projects Improvement Budget of the Zone.
6. Tax Year 2023 CR V Hardy Yards, L.P. Developer Reimbursement Payment
7. Adopt audit for the fiscal year ending June 30, 2024.
8. Administrative Contract with Hawes Hill and Associates, LLP.
9. Attorney Report, including:
 - a. Resolution Regarding Annual Review of Investment Policy and List of Broker/Dealers;
 - b. Disclosure Statement of Bookkeeper/Investment Officer.
10. Convene in Executive Session pursuant to Sections 551.071-551.089, 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.
11. Reconvene in Open Session and authorize appropriate action.
12. Discuss meeting schedule including date and time of next meeting for October 23, 2024, at 9:00 a.m.
13. Adjourn.



Clark Stockton Lord
Attorney for the Authority and Zone

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

TAB 3.

Minutes of June 26, 2024

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

June 26, 2024

The joint meeting of the Board of Directors (the "Board") of the Near Northside Redevelopment Authority (the "Authority") and the Board of Directors of Reinvestment Zone Number Twenty-One, City of Houston, Texas (the "Zone"), convened in regular session, open to the public, on the 26th day of June 2024, 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 Directors Zamarripa and Large were present, thus constituting a quorum.

Also present were Lonnie Hoogebaum, Northside Management District Administrator; Brandon Walwyn of the City of Houston (the "City"); Mary Buzak of Bracewell LLP, legal counsel; Chris Palis of Municipal Accounts & Consulting, L.P. A copy of additional guests are listed in Exhibit "A".

1. Establish quorum and call to order. Director Reyes conducted roll call, established a quorum, and convened the meeting at 9:03 a.m.
2. Public comments. There were no public comments.
3. Approve Minutes from last meeting. After review and discussion Director Ortiz motioned to approve the Minutes as presented, which was seconded by Director Cavazos and which passed by unanimous vote.
4. Financial and bookkeeping matters, including Financial Report and payment of bills. Mr. Palis provided an overview of the Financial Statements, current banking activity and current Invoices. After review and discussion Director Ortiz motioned to accept the Financial Statements and authorize payment of current invoices and ratify payment of

expenditures from the prior periods, which was seconded by Director Cavazos, and which passed by unanimous vote.

5. Adopt Fiscal Year 2025 Operating Budget of the Authority and Fiscal Years 2025 through Fiscal Year 2029 Capital Project Improvement Budget of the Zone. This matter was deferred.
6. Engage auditor for the fiscal years ending June 30, 2024 and June 30, 2025. After consideration, upon a motion brought by Director Ortiz, seconded by Director Cavazos, the Board unanimously voted to engage the auditor for fiscal years ending 2024 and 2025.
7. Tax Year 2023 CR V Hardy Yards, L.P. Developer Reimbursement Payment. Mr. Tim Clark of CR V Hardy Yards reported that he believed the calculation for reimbursement were not correct. Mr. Palis stated that he would coordinate with the City of Houston and Mr. Clark to confirm the correct reimbursement amount. This matter was deferred.
8. District H Patrol Initiatives. Ms. Buzak reported that patrol services are not an eligible project cost under Chapter 311 of the Texas Tax Code, but it may be possible of the City and the Authority to enter into a municipal services agreement to provide a portion of increment back to the City to fund these services. No action was taken on the matter.
9. Administrative Contractor Matters. This matter was deferred.
10. 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.
 - a. Infrastructure Committee. Director Bustamante provided an update about the Elysian Viaduct project.
 - b. Parks Committee- Phase 2 Tree Planning Plans. A report was provided regarding Trees for Houston and ongoing discussions regarding mowing and maintenance services with Greater Northside Management District. No action was taken.
11. Convene in Executive Session pursuant to Sections 551.071-551.089, 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. The Board did not enter a closed session at this meeting.
12. Reconvene in Open Session and authorize appropriate action. The Board did not enter a closed session at this meeting.
13. Discuss meeting schedule including date and time of next meeting for September 25, 2024, at 9:00 a.m.

14. Adjourn. Director Reyes, after determining there was no further business to discuss, adjourned the meeting at 9:45 a.m.

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

Secretary

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TAB 4.

Financial and Bookkeeping Matters



MUNICIPAL ACCOUNTS
& CONSULTING, L.P.

Hardy Near Northside Redevelopment Authority

Bookkeeper's Report

September 25, 2024

Hardy Near Northside Redevelopment Authority

Account Balances

As of September 25, 2024

Financial Institution (Acct Number)	Issue Date	Maturity Date	Interest Rate	Account Balance	Notes
Fund: Operating					
Money Market Funds					
TEXAS CAPITAL BANK (XXXX1794)	12/01/2022		3.09%	1,582,895.96	
TEXPOOL (XXXX0001)	12/01/2022		4.99%	283,858.04	
Checking Account(s)					
TEXAS CAPITAL BANK (XXXX4302)			0.00%	6,655.68	Texas Capital Operating
Totals for Operating Fund:				\$1,873,409.68	
Grand total for Hardy Near Northside Redevelopment Authority:				\$1,873,409.68	

Cash Flow Report - Texas Capital Operating Account

As of September 25, 2024

Num	Name	Memo	Amount	Balance
BALANCE AS OF 06/27/2024				\$1,373.54
Receipts				
	Funds Transfer		13,500.00	
	Funds Transfer		646,000.00	
Total Receipts				659,500.00
Disbursements				
1003	Equi-Tax Inc.	July - June 2025 Consultant Services fee per Contra	(13,651.20)	
1004	Squidz Ink Design	Website Design/Hosting - 1 year	(1,188.00)	
ACH	Bracewell LLP	Legal Fees	(1,500.00)	
ACH	Gauge Engineering LLC	Engineering Fees	(7,021.48)	
ACH	McCall Gibson Swedlund Barfoot PLLC	FYE 06.30.24 Audit - Interim Billing	(9,000.00)	
ACH	Municipal Accounts & Consulting, LP	Bookkeeping Fees (3 Months)	(13,967.08)	
ACH	CRV Hardy Yards, L. P.	Developer Reimbursement	(606,955.00)	
Bank Chg	Texas Capital	Monthly Service Charge	(351.86)	
Bank Chg	Texas Capital	Monthly Service Charge	(308.44)	
Bank Chg	Texas Capital	Monthly Service Charge	(274.80)	
Total Disbursements				(654,217.86)
BALANCE AS OF 09/25/2024				\$6,655.68

Balance Sheet

As of August 31, 2024

Aug 31, 24

ASSETS

Current Assets

Checking/Savings

~~\$\$\$~~ HM Uj 7 U]HU' C dYfU]b[562

~~\$\$\$~~ HM Uj 7 U]HU' A cbYm A f_h 1,618,896

~~\$\$\$~~ HM 'Dcc' 57 '+' & \$\$\$% 283,858

Total Checking/Savings

1,903,316

Total Current Assets

1,903,316

TOTAL ASSETS

1,903,316

LIABILITIES & EQUITY

Liabilities

Current Liabilities

Accounts Payable

~~\$\$\$~~ '5W' bngDUhtWY 32,677

Total Accounts Payable

32,677

Total Current Liabilities

32,677

Total Liabilities

32,677

Equity

' - \$\$\$ ' i bX'6UUbW 1,895,747

Net Income (25,107)

Total Equity

1,870,639

TOTAL LIABILITIES & EQUITY

1,903,316

HARDY/NEAR NORTHSIDE TIRZ # 21
Balance Sheet Prev Year Comparison
As of August 31, 2024

	<u>Aug 31, 24</u>	<u>Aug 31, 23</u>	<u>\$ Change</u>	<u>% Change</u>
ASSETS				
Current Assets				
Checking/Savings				
11102 · Texas Capital Operating	562.04	13,709.00	-13,146.96	-95.9%
11201 · Texas Capital Money Mrkt	1,618,895.96	495,817.17	1,123,078.79	226.5%
11202 · Tex Pool AC 7932300001	283,858.04	269,115.73	14,742.31	5.5%
Total Checking/Savings	<u>1,903,316.04</u>	<u>778,641.90</u>	<u>1,124,674.14</u>	<u>144.4%</u>
Total Current Assets	<u>1,903,316.04</u>	<u>778,641.90</u>	<u>1,124,674.14</u>	<u>144.4%</u>
TOTAL ASSETS	<u>1,903,316.04</u>	<u>778,641.90</u>	<u>1,124,674.14</u>	<u>144.4%</u>
LIABILITIES & EQUITY				
Liabilities				
Current Liabilities				
Accounts Payable				
12000 · Accounts Payable	32,676.56	23,446.38	9,230.18	39.4%
Total Accounts Payable	<u>32,676.56</u>	<u>23,446.38</u>	<u>9,230.18</u>	<u>39.4%</u>
Total Current Liabilities	<u>32,676.56</u>	<u>23,446.38</u>	<u>9,230.18</u>	<u>39.4%</u>
Total Liabilities	<u>32,676.56</u>	<u>23,446.38</u>	<u>9,230.18</u>	<u>39.4%</u>
Equity				
3900 · *Fund Balance	1,895,746.50	1,238,839.41	656,907.09	53.0%
Net Income	-25,107.02	-483,643.89	458,536.87	94.8%
Total Equity	<u>1,870,639.48</u>	<u>755,195.52</u>	<u>1,115,443.96</u>	<u>147.7%</u>
TOTAL LIABILITIES & EQUITY	<u>1,903,316.04</u>	<u>778,641.90</u>	<u>1,124,674.14</u>	<u>144.4%</u>

HARDY/NEAR NORTHSIDE TIRZ # 21

Profit & Loss

July 2023 through June 2024

	<u>Jul '23 - Jun 24</u>
Ordinary Income/Expense	
Income	
Interest Income	21,374.97
Tax increments	1,458,116.56
Total Income	<u>1,479,491.53</u>
Cost of Goods Sold	
Capital Improvement Plan	
T-2109 - Street Trees	5,500.00
T-2105 Pickney St Hike & Bike	10,630.15
Total Capital Improvement Plan	<u>16,130.15</u>
Total COGS	<u>16,130.15</u>
Gross Profit	1,463,361.38
Expense	
Developer Reimbursement	
Hardy Yards/Cypress - Offsite	454,834.00
Total Developer Reimbursement	454,834.00
Reimbursed Construction Expense	181,000.00
Program and Project Consultants	
Planning Consultants	20,000.00
Engineering Consultation	15,755.88
Legal Consultants	33,915.50
Total Program and Project Consultants	<u>69,671.38</u>
TIRZ Administration Overhead	
Tax Consultants	13,129.20
Accounting Services	22,024.59
Administrative Services	42,000.00
Audit Services	17,750.00
Bank Charges	1,021.92
Insurance - Liability	2,426.48
5580 - Office Expense	2,596.72
Total TIRZ Administration Overhead	<u>100,948.91</u>
Total Expense	<u>806,454.29</u>
Net Ordinary Income	<u>656,907.09</u>
Net Income	<u><u>656,907.09</u></u>

HARDY/NEAR NORTHSIDE TIRZ # 21

Profit & Loss

July 2024 through June 2025

	<u>Jul '24 - Jun 25</u>
Ordinary Income/Expense	
Income	
Interest Income	8,366.95
Interest on TexPool	1,222.92
Total Income	<u>9,589.87</u>
Gross Profit	9,589.87
Expense	
Developer Reimbursement	
Hardy Yards/Cypress - Offsite	606,955.00
Total Developer Reimbursement	606,955.00
Program and Project Consultants	
Legal Consultants	250.00
Total Program and Project Consultants	250.00
TIRZ Administration Overhead	
Tax Consultants	13,651.20
Accounting Services	9,947.39
Audit Services	9,000.00
Bank Charges	935.10
5580 - Office Expense	1,188.00
Total TIRZ Administration Overhead	<u>34,721.69</u>
Total Expense	<u>641,926.69</u>
Net Ordinary Income	<u>-632,336.82</u>
Net Income	<u><u>-632,336.82</u></u>

HARDY/NEAR NORTHSIDE TIRZ # 21
Profit & Loss Budget vs. Actual
July 2023 through June 2024

	Jul '23 - Jun 24	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
Grant Income - Construction	0.00	456,000.00	-456,000.00	0.0%
Interest Income	21,374.97	7,000.00	14,374.97	305.4%
Tax increments	1,458,116.56	1,542,482.00	-84,365.44	94.5%
Total Income	1,479,491.53	2,005,482.00	-525,990.47	73.8%
Cost of Goods Sold				
Capital Improvement Plan				
T-2109 - Street Trees	5,500.00	100,000.00	-94,500.00	5.5%
T-2199 - Concrete Panel & Side	0.00	25,000.00	-25,000.00	0.0%
T-2107 - Hogan/Lorraine Corr	0.00	372,000.00	-372,000.00	0.0%
T-2106 - ADA Compliant Sidewalk	0.00	75,000.00	-75,000.00	0.0%
T-2105 Pickney St Hike & Bike	3,833.67	700,000.00	-696,166.33	0.5%
T-2103 METRO Parcel Acquisition	0.00	12,000.00	-12,000.00	0.0%
T-2104 2600-3500 Block Main St	0.00	270,000.00	-270,000.00	0.0%
Total Capital Improvement Plan	9,333.67	1,554,000.00	-1,544,666.33	0.6%
Total COGS	9,333.67	1,554,000.00	-1,544,666.33	0.6%
Gross Profit	1,470,157.86	451,482.00	1,018,675.86	325.6%
Expense				
Developer Reimbursement				
Hardy Yards/Cypress - Offsite	454,834.00	469,932.00	-15,098.00	96.8%
Hardy Yards/Cypress - Onsite	0.00	89,511.00	-89,511.00	0.0%
Total Developer Reimbursement	454,834.00	559,443.00	-104,609.00	81.3%
Reimbursed Construction Expense	181,000.00			
Program and Project Consultants				
Planning Consultants	20,000.00	50,000.00	-30,000.00	40.0%
Engineering Consultation	15,530.88	50,000.00	-34,469.12	31.1%
Legal Consultants	34,093.50	35,000.00	-906.50	97.4%
Total Program and Project Consultants	69,624.38	135,000.00	-65,375.62	51.6%
TIRZ Administration Overhead				
Tax Consultants	13,129.20	15,000.00	-1,870.80	87.5%
Accounting Services	22,804.90	12,000.00	10,804.90	190.0%
Administrative Services	42,000.00	55,000.00	-13,000.00	76.4%
Audit Services	17,750.00	11,000.00	6,750.00	161.4%
Bank Charges	1,021.92			
Insurance - Liability	2,426.48	1,300.00	1,126.48	186.7%
5580 - Office Expense	2,616.72	4,000.00	-1,383.28	65.4%
Total TIRZ Administration Overhead	101,749.22	98,300.00	3,449.22	103.5%
Total Expense	807,207.60	792,743.00	14,464.60	101.8%
Net Ordinary Income	662,950.26	-341,261.00	1,004,211.26	-194.3%
Net Income	662,950.26	-341,261.00	1,004,211.26	-194.3%

HARDY/NEAR NORTHSIDE TIRZ # 21

Profit & Loss Detail

July 2023 through June 2024

Type	Date	Num	Name	Memo	Clr	Split	Debit	Credit	Balance
Ordinary Income/Expense									
Income									
Interest Income									
Deposit	07/31/2023			Interest		11201 · Texas ...		1.94	1.94
Deposit	07/31/2023			Interest		11202 · Tex Po...		1,160.81	1,162.75
General Journal	08/24/2023			Erroneous De...		11101 · Texas ...		0.46	1,163.21
General Journal	08/28/2023			Erroneous de...		11101 · Texas ...	0.46		1,162.75
Deposit	08/31/2023			Interest		11201 · Texas ...		690.52	1,853.27
Deposit	08/31/2023			Interest		11202 · Tex Po...		1,207.03	3,060.30
Deposit	09/30/2023			Interest		11202 · Tex Po...		1,177.10	4,237.40
Deposit	09/30/2023			Interest		11201 · Texas ...		1,262.18	5,499.58
Deposit	10/31/2023			Interest		11202 · Tex Po...		1,230.13	6,729.71
Deposit	10/31/2023			Interest		11201 · Texas ...		1,194.59	7,924.30
General Journal	11/30/2023	Bank ...		Interest		11201 · Texas ...		736.30	8,660.60
Deposit	11/30/2023			Interest		11202 · Tex Po...		1,198.96	9,859.56
General Journal	12/31/2023			Interest		11201 · Texas ...		712.35	10,571.91
Deposit	12/31/2023			Interest		11202 · Tex Po...		1,243.72	11,815.63
General Journal	01/31/2024	Int		Interest Earne...		11201 · Texas ...		668.67	12,484.30
General Journal	01/31/2024	Int		Interest Earne...		11201 · Texas ...		1,243.83	13,728.13
General Journal	02/29/2024	Int		Interest Earne...		11201 · Texas ...		598.90	14,327.03
General Journal	02/29/2024	Int		Interest Earne...		11201 · Texas ...		1,164.36	15,491.39
General Journal	03/31/2024	Int		Interest Earne...		11201 · Texas ...		605.11	16,096.50
General Journal	03/31/2024	Int		Interest Earne...		11201 · Texas ...		1,247.86	17,344.36
General Journal	04/30/2024	Int		Interest Earne...		11201 · Texas ...		558.35	17,902.71
General Journal	04/30/2024	Int		Interest Earne...		11201 · Texas ...		1,212.65	19,115.36
General Journal	05/31/2024	Int		Interest Earne...		11201 · Texas ...		526.34	19,641.70
General Journal	05/31/2024	Int		Interest Earne...		11201 · Texas ...		1,258.89	20,900.59
General Journal	06/30/2024	Int		Interest Earne...		11201 · Texas ...		474.38	21,374.97
General Journal	06/30/2024	Int		Interest Earne...		11201 · Texas ...	0.00		21,374.97
Total Interest Income							0.46	21,375.43	21,374.97
Tax increments									
Deposit	09/12/2023			COH Tax Incr...		11201 · Texas ...		18,341.84	18,341.84
General Journal	06/30/2024	FYE 2...		City Increment		11500 · Accoun...		2,334,769.82	2,353,111.66
General Journal	06/30/2024	FYE 2...		Affordable Ho...		11500 · Accoun...	778,256.61		1,574,855.05
General Journal	06/30/2024	FYE 2...		City Admin Fe...		11500 · Accoun...	116,738.49		1,458,116.56
Total Tax increments							894,995.10	2,353,111.66	1,458,116.56
Total Income							894,995.56	2,374,487.09	1,479,491.53
Cost of Goods Sold									
Capital Improvement Plan									
T-2109 - Street Trees									
Bill	10/31/2023	197306	SWA Group	Project Consul...		12000 · Accoun...	2,750.00		2,750.00
Bill	03/31/2024	199780	SWA Group	Project Consul...		12000 · Accoun...	2,750.00		5,500.00
Total T-2109 - Street Trees							5,500.00	0.00	5,500.00
T-2105 Pickney St Hike & Bike									
Bill	01/31/2024	2938	Gauge Engineering ...	TO #4 - Pinck...		12000 · Accoun...	579.02		579.02
Bill	03/31/2024	3127	Gauge Engineering ...	TO #4 - Pinck...		12000 · Accoun...	191.45		770.47
Bill	04/30/2024	3232	Gauge Engineering ...	Pickney Trail		12000 · Accoun...	3,063.20		3,833.67
Bill	05/31/2024	3275	Gauge Engineering ...	TO #4 - Pinck...		12000 · Accoun...	6,605.03		10,438.70
Bill	06/30/2024	3355	Gauge Engineering ...	TO #4 - Pinck...		12000 · Accoun...	191.45		10,630.15
Total T-2105 Pickney St Hike & Bike							10,630.15	0.00	10,630.15
Total Capital Improvement Plan							16,130.15	0.00	16,130.15
Total COGS							16,130.15	0.00	16,130.15
Gross Profit							911,125.71	2,374,487.09	1,463,361.38
Expense									
Developer Reimbursement									
Hardy Yards/Cypress - Offsite									
Bill	07/01/2023		CRV Hardy Yards, L....	Developer Rei...		12000 · Accoun...	454,834.00		454,834.00
Total Hardy Yards/Cypress - Offsite							454,834.00	0.00	454,834.00
Total Developer Reimbursement							454,834.00	0.00	454,834.00
Reimbursed Construction Expense									
Bill	10/25/2023	00000...	Harris County Accou...	Joint Participa...		12000 · Accoun...	181,000.00		181,000.00
Total Reimbursed Construction Expense							181,000.00	0.00	181,000.00
Program and Project Consultants									
Planning Consultants									
Bill	10/31/2023	197305	SWA Group	Project Consul...		12000 · Accoun...	2,500.00		2,500.00
Bill	11/30/2023	197863	SWA Group	Project Consul...		12000 · Accoun...	5,000.00		7,500.00
Bill	11/30/2023	197862	SWA Group	Project Consul...		12000 · Accoun...	1,000.00		8,500.00
Bill	12/31/2023	198213	SWA Group	Project Consul...		12000 · Accoun...	5,000.00		13,500.00
Bill	03/31/2024	199779	SWA Group	Project Consul...		12000 · Accoun...	6,500.00		20,000.00
Total Planning Consultants							20,000.00	0.00	20,000.00

HARDY/NEAR NORTHSIDE TIRZ # 21

Profit & Loss Detail

July 2023 through June 2024

Type	Date	Num	Name	Memo	Clr	Split	Debit	Credit	Balance
Engineering Consultation									
Bill	08/31/2023	2618	Gauge Engineering ...	Engineering S...		12000 · Accoun...	1,913.30		1,913.30
Bill	08/31/2023	2617	Gauge Engineering ...	On-Call Engin...		12000 · Accoun...	3,662.88		5,576.18
Bill	09/30/2023	2698	Gauge Engineering ...	On-Call Engin...		12000 · Accoun...	450.00		6,026.18
Bill	09/30/2023	2699	Gauge Engineering ...	Engineering S...		12000 · Accoun...	503.50		6,529.68
Bill	10/31/2023	2735	Gauge Engineering ...	On-Call Engin...		12000 · Accoun...	1,036.08		7,565.76
Bill	10/31/2023	2736	Gauge Engineering ...	Engineering S...		12000 · Accoun...	3,114.08		10,679.84
Bill	11/30/2023	2818	Gauge Engineering ...	Engineering S...		12000 · Accoun...	1,266.91		11,946.75
Bill	01/31/2024	2937	Gauge Engineering ...	Engineering S...		12000 · Accoun...	1,863.87		13,810.62
Bill	03/31/2024	3126	Gauge Engineering ...	On-Call Engin...		12000 · Accoun...	583.94		14,394.56
Bill	04/30/2024	3231	Gauge Engineering ...	On-Call Servic...		12000 · Accoun...	1,136.32		15,530.88
Bill	05/31/2024	3274	Gauge Engineering ...	On-Call Servic...		12000 · Accoun...	225.00		15,755.88
Total Engineering Consultation							15,755.88	0.00	15,755.88
Legal Consultants									
Bill	07/31/2023	21961...	Bracewell LLP	Legal Fees		12000 · Accoun...	137.00		137.00
Bill	08/31/2023	21963...	Bracewell LLP	Legal Fees		12000 · Accoun...	717.00		854.00
Bill	09/30/2023	21965...	Bracewell LLP	Legal Fees		12000 · Accoun...	2,400.00		3,254.00
Bill	10/31/2023	21967...	Bracewell LLP	Legal Fees		12000 · Accoun...	848.00		4,102.00
Bill	11/30/2023	21969...	Bracewell LLP	Legal Fees		12000 · Accoun...	3,200.00		7,302.00
Bill	12/31/2023	21970...	Bracewell LLP	Legal Fees		12000 · Accoun...	5,105.00		12,407.00
Bill	01/31/2024	21972...	Bracewell LLP	Legal Fees		12000 · Accoun...	14,008.00		26,415.00
Bill	02/29/2024	21974...	Bracewell LLP	Legal Fees		12000 · Accoun...	3,005.75		29,420.75
Bill	03/31/2024	21975...	Bracewell LLP	Legal Fees		12000 · Accoun...	2,478.75		31,899.50
Bill	05/31/2024	21979...	Bracewell LLP	Legal Fees		12000 · Accoun...	766.00		32,665.50
Bill	06/30/2024	21980...	Bracewell LLP	Legal Fees		12000 · Accoun...	1,250.00		33,915.50
Total Legal Consultants							33,915.50	0.00	33,915.50
Total Program and Project Consultants							69,671.38	0.00	69,671.38
TIRZ Administration Overhead									
Tax Consultants									
Bill	07/01/2023	60449	Equi-Tax Inc.	July - June 20...		12000 · Accoun...	13,129.20		13,129.20
Total Tax Consultants							13,129.20	0.00	13,129.20
Accounting Services									
Bill	09/30/2023	85031	Municipal Accounts ...	July-Septemb...		12000 · Accoun...	4,000.00		4,000.00
Bill	11/30/2023	85083	Municipal Accounts ...	October and N...		12000 · Accoun...	4,000.00		8,000.00
Bill	01/31/2024	85108	Municipal Accounts ...	December and...		12000 · Accoun...	1,750.00		9,750.00
Bill	03/31/2024	103626	Municipal Accounts ...	Bookkeeping ...		12000 · Accoun...	1,016.57		10,766.57
Bill	04/30/2024	104270	Municipal Accounts ...	Bookkeeping ...		12000 · Accoun...	3,218.64		13,985.21
Bill	05/31/2024	104920	Municipal Accounts ...	Bookkeeping ...		12000 · Accoun...	4,019.69		18,004.90
Bill	06/30/2024	105569	Municipal Accounts ...	Bookkeeping ...		12000 · Accoun...	4,019.69		22,024.59
Total Accounting Services							22,024.59	0.00	22,024.59
Administrative Services									
Bill	07/01/2023	Numb...	TIFWorks, LLC	Basic Service...		12000 · Accoun...	4,000.00		4,000.00
Bill	07/31/2023	Numb...	TIFWorks, LLC	Basic Service...		12000 · Accoun...	4,000.00		8,000.00
Bill	08/31/2023	Numb...	TIFWorks, LLC	Basic Service...		12000 · Accoun...	4,000.00		12,000.00
Bill	09/30/2023	Numb...	TIFWorks, LLC	Basic Service...		12000 · Accoun...	4,000.00		16,000.00
Bill	10/31/2023	Numb...	TIFWorks, LLC	Basic Service...		12000 · Accoun...	4,000.00		20,000.00
Bill	11/30/2023	Numb...	TIFWorks, LLC	Basic Service...		12000 · Accoun...	4,000.00		24,000.00
Bill	12/31/2023	Numb...	TIFWorks, LLC	Basic Service...		12000 · Accoun...	4,000.00		28,000.00
Bill	01/31/2024	Numb...	TIFWorks, LLC	Basic Service...		12000 · Accoun...	2,000.00		30,000.00
Bill	02/29/2024	Numb...	TIFWorks, LLC	Basic Service...		12000 · Accoun...	2,000.00		32,000.00
Bill	04/30/2024	Numb...	TIFWorks, LLC	Basic Service...		12000 · Accoun...	2,000.00		34,000.00
Bill	05/27/2024	Numb...	TIFWorks, LLC	Basic Service...		12000 · Accoun...	4,000.00		38,000.00
Bill	06/30/2024	Numb...	TIFWorks, LLC	Basic Service...		12000 · Accoun...	4,000.00		42,000.00
Total Administrative Services							42,000.00	0.00	42,000.00
Audit Services									
Bill	09/20/2023	2023 ...	McCall Gibson Swed...	FYE 06.30.23 ...		12000 · Accoun...	8,500.00		8,500.00
Bill	09/30/2023	FY23 ...	Burton Accounting, P...	FY23 Agreed ...		12000 · Accoun...	3,000.00		11,500.00
Bill	09/30/2023	85031	Municipal Accounts ...	Prepare devel...		12000 · Accoun...	2,000.00		13,500.00
Bill	09/30/2023	2023 ...	McCall Gibson Swed...	FYE 06.30.23 ...		12000 · Accoun...	4,250.00		17,750.00
Total Audit Services							17,750.00	0.00	17,750.00
Bank Charges									
Bill	07/01/2023	60449	Equi-Tax Inc.	July - June 20...		12000 · Accoun...	24.00		24.00
Deposit	10/26/2023			Bank Fee Reli...		11102 · Texas ...		24.00	0.00
General Journal	04/10/2024	Bank ...	Texas Capital	Monthly Servi...		11102 · Texas ...	318.07		318.07
General Journal	05/10/2024	Bank ...	Texas Capital	Monthly Servi...		11102 · Texas ...	351.71		669.78
General Journal	06/10/2024	Bank ...	Texas Capital	Monthly Servi...		11102 · Texas ...	352.14		1,021.92
Total Bank Charges							1,045.92	24.00	1,021.92
Insurance - Liability									
Bill	11/30/2023	6754	Texas Municipal Lea...			12000 · Accoun...	2,426.48		2,426.48
Total Insurance - Liability							2,426.48	0.00	2,426.48

HARDY/NEAR NORTHSIDE TIRZ # 21

Profit & Loss Detail

July 2023 through June 2024

Type	Date	Num	Name	Memo	Clr	Split	Debit	Credit	Balance
5580 · Office Expense									
General Journal	07/10/2023	Bank ...		Monthly Servi...		11101 · Texas ...	286.81		286.81
General Journal	09/11/2023	Bank ...		Monthly Servi...		11102 · Texas ...	273.84		560.65
General Journal	09/30/2023	Bank ...		Monthly Servi...		11102 · Texas ...		0.36	560.29
General Journal	10/10/2023	Bank ...		Monthly Servi...		11102 · Texas ...	284.03		844.32
General Journal	11/10/2023	Bank ...		Monthly Servi...		11102 · Texas ...	352.43		1,196.75
Bill	11/30/2023	21969...	Bracewell LLP	Legal Fees		12000 · Accoun...	34.00		1,230.75
General Journal	12/11/2023	Bank ...		Monthly Servi...		11102 · Texas ...	351.51		1,582.26
General Journal	01/10/2024	Bank ...		Monthly Servi...		11102 · Texas ...	351.71		1,933.97
General Journal	02/12/2024	Bank ...		Monthly Servi...		11102 · Texas ...	352.02		2,285.99
General Journal	03/11/2024	Bank ...	Texas Capital	Monthly Servi...		11102 · Texas ...	310.73		2,596.72
Total 5580 · Office Expense							2,597.08	0.36	2,596.72
Total TIRZ Administration Overhead							100,973.27	24.36	100,948.91
Total Expense							806,478.65	24.36	806,454.29
Net Ordinary Income							1,717,604.36	2,374,511.45	656,907.09
Net Income							1,717,604.36	2,374,511.45	656,907.09

HARDY/NEAR NORTHSIDE TIRZ # 21

Profit & Loss Detail

July 2024 through June 2025

Type	Date	Num	Name	Memo	Clr	Split	Debit	Credit	Balance
Ordinary Income/Expense									
Income									
Interest Income									
General Journal	07/31/2024	Int		Interest Earne...		11201 · Texas ...		1,648.50	1,648.50
General Journal	07/31/2024	Int		Interest Earne...		11201 · Texas ...		1,270.43	2,918.93
General Journal	08/31/2024	Int		Interest Earne...		11201 · Texas ...		4,176.56	7,095.49
General Journal	08/31/2024	Int		Interest Earne...		11201 · Texas ...		1,271.46	8,366.95
Total Interest Income							0.00	8,366.95	8,366.95
Interest on TexPool									
General Journal	07/01/2024	Int		Interest Earne...		11202 · Tex Po...		1,222.92	1,222.92
Total Interest on TexPool							0.00	1,222.92	1,222.92
Total Income							0.00	9,589.87	9,589.87
Gross Profit							0.00	9,589.87	9,589.87
Expense									
Developer Reimbursement									
Hardy Yards/Cypress - Offsite									
Bill	09/30/2024	Devel...	CRV Hardy Yards, L....	Developer Rei...		12000 · Accoun...	606,955.00		606,955.00
Total Hardy Yards/Cypress - Offsite							606,955.00	0.00	606,955.00
Total Developer Reimbursement							606,955.00	0.00	606,955.00
Program and Project Consultants									
Legal Consultants									
Bill	07/31/2024	21982...	Bracewell LLP	Legal Fees		12000 · Accoun...	250.00		250.00
Total Legal Consultants							250.00	0.00	250.00
Total Program and Project Consultants							250.00	0.00	250.00
TIRZ Administration Overhead									
Tax Consultants									
General Journal	07/01/2024	JE		To Reclass pr...		Prepaid Expen...	13,651.20		13,651.20
Total Tax Consultants							13,651.20	0.00	13,651.20
Accounting Services									
Bill	07/31/2024	106219	Municipal Accounts ...	Bookkeeping ...		12000 · Accoun...	4,949.04		4,949.04
Bill	08/31/2024	106876	Municipal Accounts ...	Bookkeeping ...		12000 · Accoun...	4,998.35		9,947.39
Total Accounting Services							9,947.39	0.00	9,947.39
Audit Services									
Bill	08/31/2024	2024 ...	McCall Gibson Swed...	FYE 06.30.24 ...		12000 · Accoun...	9,000.00		9,000.00
Total Audit Services							9,000.00	0.00	9,000.00
Bank Charges									
General Journal	07/10/2024	Bank ...	Texas Capital	Monthly Servi...		11102 · Texas ...	351.86		351.86
General Journal	08/12/2024	Bank ...	Texas Capital	Monthly Servi...		11102 · Texas ...	308.44		660.30
General Journal	09/10/2024	Bank ...	Texas Capital	Monthly Servi...		11102 · Texas ...	274.80		935.10
Total Bank Charges							935.10	0.00	935.10
5580 · Office Expense									
Bill	07/31/2024	63200	Squidz Ink Design	Website Desig...		12000 · Accoun...	1,188.00		1,188.00
Total 5580 · Office Expense							1,188.00	0.00	1,188.00
Total TIRZ Administration Overhead							34,721.69	0.00	34,721.69
Total Expense							641,926.69	0.00	641,926.69
Net Ordinary Income							641,926.69	9,589.87	-632,336.82
Net Income							641,926.69	9,589.87	-632,336.82

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
E-Mail: mgsb@mgsbpllc.com

September 16, 2024

Near Northside Redevelopment Authority
c/o Municipal Accounts & Consulting, Inc.
1281 Brittmoore Rd
Houston, TX 77043

Client Number: 300-20

Audit of Near Northside Redevelopment Authority as of and
for the year ended June 30, 2024.

Interim Billing

\$ 9,000.00

***Please remit to:
13100 Wortham Center Dr., Suite 235, Houston, TX 77065***

Member of
American Institute of Certified Public Accountants
Texas Society of Certified Public Accountants

BRACEWELL

Hardy/Near Northside Redevelopment Authority
c/o Burton Accounting P.L.L.C.
1281 Brittmoore Road
Houston, TX 77043

August 06, 2024
Invoice: 21982805
BA: 04674 Clark Stockton Lord

Our Matter: **0037619.000001** General Counsel
For Services Through July 31, 2024

<u>Date</u>	<u>Description</u>	<u>Timekeeper</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
07/24/24	Prepare June meeting minutes	Mary Buzak	0.50	500.00	250.00
Total Fees					\$ 250.00

Summary of Fees

<u>Timekeeper</u>	<u>Title</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
Mary Buzak	Counsel	0.50	500.00	250.00
Total Summary of Fees				\$ 250.00

Expense Detail

<u>Date</u>	<u>Cost</u>	<u>Description</u>	<u>Amount</u>
06/25/24	Delivery Services/Messenger	3rd Party Courier 2024-06-25 Clark Stockton Lord #473439	19.00
07/01/24	Delivery Services/Messenger	3rd Party Courier 2024-07-01 Clark Stockton Lord #473689	34.00
Total Expenses			\$ 53.00

Total Fees, Expenses and Charges on This Invoice **\$ 303.00**

BRACEWELL

REMITTANCE PAGE

Client: Hardy/Near Northside Redevelopment Authority
Matter: General Counsel

Invoice: 21982805

Matter No: 0037619.000001

Total Fees	\$ 250.00
Total Expenses	\$ 53.00
Total Fees, Expenses and Charges for this Invoice	\$ 303.00
Total Current Billing on this Invoice	\$ 303.00
Balance Forward	\$ 1,250.00
Please Remit Total Balance Due on this Invoice	\$ 1,553.00

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:**21982805**

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
c/o Burton Accounting P.L.L.C.
1281 Brittmoore Road
Houston, TX 77043

July 02, 2024
Invoice: 21980806
BA: 04674 Clark Stockton Lord

Our Matter: **0037619.000001** General Counsel
For Services Through June 30, 2024

<u>Date</u>	<u>Description</u>	<u>Timekeeper</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
06/26/24	Prepare for and attend June board meeting; discussion with C Lord re: same	Mary Buzak	2.50	500.00	1,250.00
Total Fees					\$ 1,250.00

Summary of Fees

<u>Timekeeper</u>	<u>Title</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
Mary Buzak	Counsel	2.50	500.00	1,250.00
Total Summary of Fees		2.50		\$ 1,250.00

Total Fees, Expenses and Charges on This Invoice **\$ 1,250.00**

BRACEWELL

REMITTANCE PAGE

Client: Hardy/Near Northside Redevelopment Authority
Matter: General Counsel

Invoice: 21980806

Matter No: 0037619.000001

Total Fees	\$ 1,250.00
Total Expenses	\$ 0.00
Total Fees, Expenses and Charges for this Invoice	\$ 1,250.00
Total Current Billing on this Invoice	\$ 1,250.00
Balance Forward	\$ 0.00
Please Remit Total Balance Due on this Invoice	\$ 1,250.00

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:**21980806**

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/>

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 3355
Date 07/15/2024

Project 1136 TO #4 - PINCKNEY TRAIL

Professional Services Provided Through June 30, 2024

Description	Contract Amount	Percent Complete	Prior Billed	Total Billed	Remaining	Current Billed
Design Phase 90%, Final						
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	45,275.00	45,275.00	0.00	0.00
Trial Design	30,210.00	100.00	30,210.00	30,210.00	0.00	0.00
Proj Mgmt/Specs/Agencies & Team Coordination/Qualities/Misc	23,130.00	100.00	23,130.00	23,130.00	0.00	0.00
Quality Assurance/Quality Control	3,525.00	100.00	3,525.00	3,525.00	0.00	0.00
Subtotal	107,762.50	100.00	107,762.50	107,762.50	0.00	0.00
Subcontracted/Additional Engineering Services						
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	100.00	11,550.00	11,550.00	0.00	0.00
Tree Inventory/Protection - CN Koehl	3,080.00	100.00	3,080.00	3,080.00	0.00	0.00
TDLR Inspection - Accessibility Check	1,100.00	100.00	1,100.00	1,100.00	0.00	0.00
Utility Coordination	10,070.00	100.00	10,070.00	10,070.00	0.00	0.00
Supplemental No. 2 - Requested Design Revisions	19,145.00	52.50	9,859.68	10,051.13	9,093.87	191.45
Subtotal	58,814.90	84.54	49,529.58	49,721.03	9,093.87	191.45
Expenses	350.00	100.00	350.00	350.00	0.00	0.00
Construction Phase Services	19,620.00	0.00	0.00	0.00	19,620.00	0.00
Total	186,547.40	84.61	157,642.08	157,833.53	28,713.87	191.45

Invoice total 191.45

Aging Summary

Invoice Number	Invoice Date	Outstanding	Current	Over 30	Over 60	Over 90	Over 120
3275	06/17/2024	6,605.03	6,605.03				
3355	07/15/2024	191.45	191.45				
Total		6,796.48	6,796.48	0.00	0.00	0.00	0.00

I certify the above to be true and correct

Please note new mailing address

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

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 3275
 Date 06/17/2024

Project 1136 TO #4 - PINCKNEY TRAIL

Professional Services Provided Through May 31, 2024

Description	Contract Amount	Percent Complete	Prior Billed	Total Billed	Remaining	Current Billed
Design Phase 90%, Final						
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	45,275.00	45,275.00	0.00	0.00
Trial Design	30,210.00	100.00	30,210.00	30,210.00	0.00	0.00
Proj Mgmt/Specs/Agencies & Team Coordination/Qualities/Misc	23,130.00	100.00	23,130.00	23,130.00	0.00	0.00
Quality Assurance/Quality Control	3,525.00	100.00	3,525.00	3,525.00	0.00	0.00
Subtotal	107,762.50	100.00	107,762.50	107,762.50	0.00	0.00
Subcontracted/Additional Engineering Services						
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	100.00	11,550.00	11,550.00	0.00	0.00
Tree Inventory/Protection - CN Koehl	3,080.00	100.00	3,080.00	3,080.00	0.00	0.00
TDLR Inspection - Accessibility Check	1,100.00	100.00	1,100.00	1,100.00	0.00	0.00
Utility Coordination	10,070.00	100.00	10,070.00	10,070.00	0.00	0.00
Supplemental No. 2 - Requested Design Revisions	19,145.00	51.50	3,254.65	9,859.68	9,285.32	6,605.03
Subtotal	58,814.90	84.21	42,924.55	49,529.58	9,285.32	6,605.03
Expenses	350.00	100.00	350.00	350.00	0.00	0.00
Construction Phase Services	19,620.00	0.00	0.00	0.00	19,620.00	0.00
Total	186,547.40	84.51	151,037.05	157,642.08	28,905.32	6,605.03

Invoice total **6,605.03**

I certify the above to be true and correct

 Muhammad Ali, PE

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



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 3274
 Date 06/17/2024

Project **1081 TO #1 - TIRZ 21 On-Call Services**

Professional Services Provided Through May 31, 2024

Invoice Summary

Description	Contract Amount	Prior Billed	Total Billed	Remaining	Current Billed
ON-CALL ENGINEERING SERVICES	8,073.77	8,073.77	8,073.77	0.00	0.00
ON-CALL ENGINEERING - 2023	10,000.00	10,001.18	10,001.18	-1.18	0.00
ON-CALL ENGINEERING - 2024	10,000.00	0.00	225.00	9,775.00	225.00
LABOR ADJUSTMENT	0.00	-1.18	-1.18	1.18	0.00
Total	28,073.77	18,073.77	18,298.77	9,775.00	225.00

Professional Fees

	Hours	Rate	Billed Amount
Director of Utility Services Lydia Mares	1.00	225.00	225.00
Invoice total			225.00

I certify the above to be true and correct

Muhammad Ali, PE

Please note new mailing address

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

Invoice Supporting Detail

1081 TO #1 - TIRZ 21 On-Call Services
On-Call Engineering Services

Phase Status: Work Hold

Billing Cutoff: 05/31/2024

Date	Units	Rate	Amount
------	-------	------	--------

WIP Status:

Subtotal	0.00
total	0.00

Phase Summary

	Contract	Billed	%	Remaining	%
Labor	8,073.77	7,805.00	97	268.77	3
Expense		268.77		-268.77	
Total	8,073.77	8,073.77	100		

On-Call Engineering - 2023

Phase Status: Work Hold

Billing Cutoff: 05/31/2024

Date	Units	Rate	Amount
------	-------	------	--------

WIP Status:

Subtotal	0.00
total	0.00

Phase Summary

	Contract	Billed	%	Remaining	%
Labor	10,000.00	9,815.00	98	185.00	2
Expense		186.18		-186.18	
Total	10,000.00	10,001.18	100	-1.18	0

On-Call Engineering - 2024

Phase Status: Active

Billing Cutoff: 05/31/2024

Date	Units	Rate	Amount
------	-------	------	--------

Labor

WIP Status: Billable

Director of Utility Services

Lydia Mares

Project Management 05/08/2024 1.00 225.00 225.00

Update HC on Pinckney utilities for bid

Subtotal	1.00	225.00
Labor total	1.00	225.00

Phase Summary

	Contract	Billed	%	Remaining	%
Labor	10,000.00	225.00	2	9,775.00	98
Total	10,000.00	225.00	2	9,775.00	98

Invoice Supporting Detail

1081 TO #1 - TIRZ 21 On-Call Services

Labor Adjustment

Phase Status: Active

Billing Cutoff: 05/31/2024

Date	Units	Rate	Amount
------	-------	------	--------

WIP Status:

Subtotal			0.00
total			0.00

Phase Summary

Contract	Billed	%	Remaining	%
----------	--------	---	-----------	---

Labor		-1.18		
Total		-1.18		

Invoice Summary

Contract	Billed	%	Remaining	%
----------	--------	---	-----------	---

Labor	28,073.77	17,843.82	64	10,229.95	36
Expense		454.95		-454.95	
Consultant					
Total	28,073.77	18,298.77	65	9,775.00	35



**MUNICIPAL ACCOUNTS
& CONSULTING, L.P.**

**Hardy Near Northside RA
1281 Brittmoore Rd
Houston, TX 77043**

Invoice No: 105569

Professional Services from May 13, 2024 to June 09, 2024

Task: Preparation of Financial Report

DESCRIPTION: Preparation of bookkeeping report; Reconciliation of applicable accounts; Processing of accounts payable, accounts receivable, mail and other administrative services; Coordination of any necessary wire transfers for internal accounts; Communication with consultants; Meeting attendance and payroll, as necessary.

Professional Personnel	Hours	Amount
Administrative Specialist	2.44	\$304.69
Consultant	12.50	2,500.00
Sr. Consultant	2.28	512.50
Manager	2.75	687.50
Total Preparation of Financial Report		\$4,004.69

Total Professional Services	\$4,004.69
------------------------------------	-------------------

Expenses and Other Items	Amount
Electronic Data Storage	\$15.00
Total Expenses and Other Items	\$15.00

Total Professional Services	\$4,004.69
------------------------------------	-------------------

Total Expenses and Other Items	15.00
---------------------------------------	--------------

Total Amount Due	\$4,019.69
-------------------------	-------------------



**MUNICIPAL ACCOUNTS
& CONSULTING, L.P.**

**Hardy Near Northside RA
1281 Brittmoore Rd
Houston, TX 77043**

Invoice No: 106876

Professional Services from July 08, 2024 to August 11, 2024

Task: Preparation of Financial Report

DESCRIPTION: Preparation of bookkeeping report; Reconciliation of applicable accounts; Processing of accounts payable, accounts receivable, mail and other administrative services; Coordination of any necessary wire transfers for internal accounts; Communication with consultants; Meeting attendance and payroll, as necessary.

Professional Personnel	Hours	Amount
Administrative Specialist	3.25	\$406.25
Consultant	7.67	1,533.34
Sr. Consultant	0.50	112.50
Manager	4.33	1,083.33
Total Preparation of Financial Report		\$3,135.42

Task: Preparation of Budget/Audit

DESCRIPTION: Preparation of budget; Preparation of audit schedules; Compliance with statutory requirements and communication with auditor.

Professional Personnel	Hours	Amount
Consultant	6.08	\$1,216.68
Sr. Consultant	2.75	618.75
Total Preparation of Budget/Audit		\$1,835.43

Total Professional Services \$4,970.85

Expenses and Other Items	Amount
Electronic Data Storage	\$27.50
Total Expenses and Other Items	\$27.50

Total Professional Services \$4,970.85

Total Expenses and Other Items 27.50

Total Amount Due \$4,998.35



**MUNICIPAL ACCOUNTS
& CONSULTING, L.P.**

**Hardy Near Northside RA
1281 Brittmoore Rd
Houston, TX 77043**

Invoice No: 106219

Professional Services from June 10, 2024 to July 07, 2024

Task: Preparation of Financial Report

DESCRIPTION: Preparation of bookkeeping report; Reconciliation of applicable accounts; Processing of accounts payable, accounts receivable, mail and other administrative services; Coordination of any necessary wire transfers for internal accounts; Communication with consultants; Meeting attendance and payroll, as necessary.

Professional Personnel	Hours	Amount
Administrative Specialist	3.25	\$406.25
Consultant	11.42	2,283.34
Sr. Consultant	0.83	187.49
Manager	7.50	1,875.00
Total Preparation of Financial Report		\$4,752.08

Task: Preparation of Budget/Audit

DESCRIPTION: Preparation of budget; Preparation of audit schedules; Compliance with statutory requirements and communication with auditor.

Professional Personnel	Hours	Amount
Sr. Consultant	0.50	\$112.50
Total Preparation of Budget/Audit		\$112.50

Total Professional Services \$4,864.58

Expenses and Other Items	Amount
Copy Charges	\$12.80
Electronic Data Storage	27.50
Storage Retrieval	44.16
Total Expenses and Other Items	\$84.46

Total Professional Services \$4,864.58

Total Expenses and Other Items 84.46

Total Amount Due \$4,949.04

SQUIDZ INK DESIGN

web • print • identity

1005 E. 27th Houston, TX 77009 713.868.2500



Invoice

Bill To
Near Northside Redevelopment Authority

Date	Invoice #
7/15/2024	63200

Description	Qty	P.O. No.	Terms
		Rate	Amount
Web Site Hosting: 1 year term @ \$99/mo		1,188.00	1,188.00
		Sales Tax (8.25%)	\$0.00
		Total	\$1,188.00

TAB 7.

Audit FYE June 30, 2024

NEAR NORTHSIDE REDEVELOPMENT AUTHORITY

CITY OF HOUSTON, TEXAS

ANNUAL FINANCIAL REPORT

JUNE 30, 2024

DRAFT SUBJECT TO CHANGE

McCALL GIBSON SWEDLUND BARFOOT PLLC
Certified Public Accountants

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McCALL GIBSON SWEDLUND BARFOOT PLLC
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INDEPENDENT AUDITOR'S REPORT

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

Opinions

We have audited the accompanying financial statements of the governmental activities and major fund of Near Northside Redevelopment Authority (the "Authority"), **a component unit of the City of Houston, Texas**, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and major fund of the Authority as of June 30, 2024 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.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Authority and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate 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 twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. 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 will always detect a material misstatement when it exists. 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, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Authority's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, 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.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and the Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - General Fund be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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.

Board of Directors
Near Northside Redevelopment Authority

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Authority's basic financial statements. The supplementary information required by the City of Houston, Texas and other supplementary information is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. This information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

McCall Gibson Swedlund Barfoot PLLC
Certified Public Accountants
Houston, Texas

September 25, 2024

DRAFT SUBJECT TO CHANGE

NEAR NORTHSIDE REDEVELOPMENT AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2024

Management's discussion and analysis of Near Northside Redevelopment Authority's (the "Authority") financial performance provides an overview of the Authority's financial activities for the fiscal year ended June 30, 2024. Please read it in conjunction with the Authority's financial statements.

FINANCIAL HIGHLIGHTS

- The Authority anticipates that tax increment revenues derived from the development and redevelopment of the Authority will be sufficient to cover expenditures associated with certain design, construction and financing of planned infrastructure, and other specific project related costs throughout the duration of the Authority. The City of Houston ("City"), at its sole discretion, may issue bonds, notes or other obligations secured by the tax increment revenues; the proceeds of which could be used to pay for or reimburse developers for project costs. However, the City may elect to pay for project costs directly from tax increment proceeds as they become available without the sale of bonds or notes.
- Tax increment revenues of \$1,439,775 were received from the City subsequent to year-end, in July 2024 for the tax year 2023 versus budgeted revenues from tax increments of \$1,542,482, a budgeted deficit of \$102,707. The Authority received no grant income for year ended June 30, 2024.
- Total management and consulting expenses for the year ended June 30, 2024 were \$165,090 versus budgeted expenses of \$233,300, a budgeted surplus of \$68,210.
- In the Authority's government-wide financial statements, liabilities exceeded assets by \$2,750,820 (net position) at June 30, 2024, compared to \$3,862,561 at June 30, 2023, a \$1,111,741 increase.

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The basic financial statements include: (1) fund financial statements and government-wide financial statements and (2) notes to the basic financial statements. The fund financial statements and government-wide financial statements combine both: (1) the Statement of Net Position and Governmental Fund Balance Sheet and (2) the Statement of Activities and Governmental Fund Revenue, Expenditures, and Changes in Fund Balance. This report also includes required and other supplementary information in addition to the basic financial statements.

NEAR NORTHSIDE REDEVELOPMENT AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2024

GOVERNMENT-WIDE FINANCIAL STATEMENTS

The Authority's annual report includes two financial statements combining the government-wide financial statements and the fund financial statements. The government-wide portion of these statements provides both long-term and short-term information about the Authority's overall status. Financial reporting at this level uses a perspective similar to that found in the private sector with its basis in full accrual accounting and elimination or reclassification of internal activities.

The Statement of Net Position includes the Authority's assets and liabilities, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Authority is improving or deteriorating. Evaluation of the overall financial health of the Authority would extend to other non-financial factors.

The Statement of Activities reports how the Authority's net position changed during the current fiscal year. All current year revenues and expenses are included regardless of when cash is received or paid.

FUND FINANCIAL STATEMENTS

The combined statements also include fund financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Authority has one governmental fund type. The General Fund is the operating fund of the Authority and accounts for all resources of the Authority.

Governmental funds are reported in each of the financial statements. The focus in the fund statements provides a distinctive view of the Authority's governmental funds. These statements report short-term fiscal accountability focusing on the use of spendable resources and balances of spendable resources available at the end of the year. They are useful in evaluating annual financing requirements of the Authority and the commitment of spendable resources for the near-term.

Since the government-wide focus includes the long-term view, comparisons between these two perspectives may provide insight into the long-term impact of short-term financing decisions. The adjustments columns, the Reconciliation of the Governmental Fund Balance Sheet to the Statement of Net Position and the Reconciliation of the Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balance to the Statement of Activities explain the differences between the two presentations and assist in understanding the differences between these two perspectives.

NEAR NORTHSIDE REDEVELOPMENT AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2024

NOTES TO THE FINANCIAL STATEMENTS

The accompanying notes to the financial statements provide information essential to a full understanding of the government-wide and fund financial statements.

OTHER INFORMATION

In addition to the financial statements and the accompanying notes, this report also presents certain required supplementary information ("RSI"). A budgetary comparison schedule is included as RSI for the General Fund.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net position may serve over time as useful indicator of the Authority's financial position. In the case of the Authority, liabilities exceeded assets by \$2,750,820 as of June 30, 2024.

The following table provides a summary of changes in the Statement of Net Position as of June 30, 2024 and June 30, 2023.

Summary of Changes in the Statement of Net Position			
	2024	2023	Variance Positive (Negative)
ASSETS			
Cash and Investments	\$ 468,263	\$ 266,751	\$ 201,512
Tax Increment Receivable	1,439,775	978,337	461,438
Capital Assets	123,022	123,022	-
TOTAL ASSETS	\$ 2,031,060	\$ 1,368,110	\$ 662,950
LIABILITIES			
Accounts Payable	\$ 12,291	\$ 6,248	\$ (6,043)
Due to Developer	4,769,589	5,224,423	454,834
TOTAL LIABILITIES	\$ 4,781,880	\$ 5,230,671	\$ 448,791
NET POSITION			
Net Investment in Capital Assets	\$ 123,022	\$ 123,022	\$ -
Unrestricted	(2,873,842)	(3,985,583)	1,111,741
TOTAL NET POSITION	\$ (2,750,820)	\$ (3,862,561)	\$ 1,111,741

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

The following table provides a summary of the Statement of Activities for the fiscal year ended June 30, 2024, and June 30, 2023:

	Summary of Changes in the Statement of Activities		
	2024	2023	Variance Positive (Negative)
Revenues:			
Tax Increment Revenue	\$ 1,439,775	\$ 978,337	\$ 461,438
Interest Revenue	39,717	12,462	27,255
Total Revenues	\$ 1,479,492	\$ 990,799	\$ 488,693
Expenses:			
Administrative Consultant	\$ 42,000	\$ 46,029	\$ 4,029
Accounting	22,025	18,575	(3,450)
Auditing	17,750	10,250	(7,500)
Engineering Consultant	10,225	18,371	8,146
Planning Consultant	20,000	80,847	60,847
Legal Consultant	33,916	15,504	(18,412)
Insurance	2,426	1,249	(1,177)
Other Consultant	13,129	12,964	(165)
Bank Charges	1,022	2,949	1,927
Office Expense	2,597	1,208	(1,389)
Conveyance of Assets	202,661	124,180	(78,481)
Total Expenses	\$ 367,751	\$ 332,126	\$ (35,625)
Change in Net Position	\$ 1,111,741	\$ 658,673	\$ 453,068
Net Position, Beginning of Year	(3,862,561)	(4,521,234)	658,673
Net Position, End of Year	\$ (2,750,820)	\$ (3,862,561)	\$ 1,111,741

FINANCIAL ANALYSIS OF THE AUTHORITY'S GOVERNMENTAL FUND

The Authority's only governmental fund is the General Fund. This fund is the operating fund of the Authority and is the source of the day-to-day operations. As discussed, governmental funds are reported in the fund statements with a short-term, inflow and outflow of spendable resources focus. This information is useful in assessing resources available at the end of the year in comparison with upcoming financing requirements. The General Fund reported an ending fund balance of \$1,895,747.

GENERAL FUND BUDGETARY HIGHLIGHTS

The Board of the Authority did not amend the budget during the current fiscal year. Actual revenues were \$525,990 less than budgeted. Actual expenditures were \$1,524,158 less than budgeted due to the timing of capital projects. A budgetary comparison schedule is included as RSI for the General Fund.

CAPITAL ASSETS

During the fiscal year ending June 30, 2024, the Authority did not incur any development costs.

LONG-TERM DEBT ACTIVITY

As of June 30, 2024, the Authority did not have any long-term bond debt, but has recorded an amount due to the Developer of \$4,769,589 which includes project costs for onsite and offsite public improvements as well as reimbursable interest.

CONTACTING THE AUTHORITY'S MANAGEMENT

This financial report is designed to provide a general overview of the Authority's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to Near Northside Redevelopment Authority, c/o Bracewell LLP 711 Louisiana Street, Suite 2300, Houston, Texas 77002-2770.

NEAR NORTHSIDE REDEVELOPMENT AUTHORITY
STATEMENT OF NET POSITION AND
GOVERNMENTAL FUND BALANCE SHEET
JUNE 30, 2024

	General Fund	Adjustments	Statement of Net Position
ASSETS			
Cash	\$ 188,170	\$ -	\$ 188,170
Investments	280,093	-	280,093
Tax Increment Receivable	1,439,775	-	1,439,775
Capital Assets - Development Costs	-	123,022	123,022
TOTAL ASSETS	\$ 1,908,038	\$ 123,022	\$ 2,031,060
LIABILITIES			
Accounts Payable	\$ 12,291	\$ -	\$ 12,291
Due to Developer	-	4,769,589	4,769,589
TOTAL LIABILITIES	\$ 12,291	\$ 4,769,589	\$ 4,781,880
FUND BALANCE			
Unassigned	\$ 1,895,747	\$ (1,895,747)	\$ -
TOTAL LIABILITIES AND FUND BALANCE	\$ 1,908,038		
NET POSITION			
Net Investment in Capital Assets		\$ 123,022	\$ 123,022
Unrestricted		(2,873,842)	(2,873,842)
TOTAL NET POSITION		\$ (2,750,820)	\$ (2,750,820)

The Accompanying notes to the financial
Statements are an integral part of this report.

NEAR NORTHSIDE REDEVELOPMENT AUTHORITY
RECONCILIATION OF THE GOVERNMENTAL FUND BALANCE SHEET
TO THE STATEMENT OF NET POSITION
JUNE 30, 2024

Total Fund Balance - Governmental Fund	\$ 1,895,747
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Development costs incurred in governmental activities are not a financial resource and therefore are not reported as an asset in governmental funds.	123,022
Certain liabilities are not due and payable in the current period and therefore are not reported as liabilities in the governmental funds. These liabilities at year end consisted of an amount due to the Developer for development costs.	<u>(4,769,589)</u>
Total Net Position - Governmental Activities	<u><u>\$ (2,750,820)</u></u>

The Accompanying notes to the financial
Statements are an integral part of this report.

NEAR NORTHSIDE REDEVELOPMENT AUTHORITY
STATEMENT OF ACTIVITIES AND GOVERNMENTAL FUND REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2024

	General Fund	Adjustments	Statement of Activities
REVENUES			
Tax Increment Revenue	\$ 1,439,775	\$ -	\$ 1,439,775
Interest Revenue	39,717	-	39,717
TOTAL REVENUES	<u>\$ 1,479,492</u>	<u>\$ -</u>	<u>\$ 1,479,492</u>
EXPENDITURES/EXPENSES:			
Administrative Consultant	\$ 42,000	\$ -	\$ 42,000
Accounting	22,025	-	22,025
Auditing	17,750	-	17,750
Capital Expenditures	202,661	(202,661)	-
Engineering Consultant	10,225	-	10,225
Legal Consultant	33,916	-	33,916
Planning Consultant	20,000	-	20,000
Insurance	2,426	-	2,426
Other Consultant	13,129	-	13,129
Bank Charges	1,022	-	1,022
Office Expense	2,597	-	2,597
Developer Reimbursement	454,834	(454,834)	-
Conveyance of Assets	-	202,661	202,661
TOTAL EXPENDITURES/EXPENSES	<u>\$ 822,585</u>	<u>\$ (454,834)</u>	<u>\$ 367,751</u>
NET CHANGE IN FUND BALANCE	\$ 656,907	\$ (656,907)	\$ -
CHANGE IN NET POSITION	-	1,111,741	1,111,741
FUND BALANCE/NET POSITION - JULY 1, 2023	<u>1,238,840</u>	<u>(5,101,401)</u>	<u>(3,862,561)</u>
FUND BALANCE/NET POSITION - JUNE 30, 2024	<u><u>\$ 1,895,747</u></u>	<u><u>\$ (4,646,567)</u></u>	<u><u>\$ (2,750,820)</u></u>

The Accompanying notes to the financial
Statements are an integral part of this report.

NEAR NORTHSIDE REDEVELOPMENT AUTHORITY
RECONCILIATION OF THE GOVERNMENTAL FUND STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCE TO THE
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2024

Net Change in Fund Balance - Governmental Fund	\$ 656,907
Amounts reported for governmental activities in the Statement of Activities are different because:	
Governmental funds report developer reimbursements as expenditures in the year paid. However, such costs are not reported as expenses on the Statement of Activities, but are instead used to reduce the long-term liability in the Statement of Net Position.	<u>454,834</u>
Change in Net Position - Governmental Activities	<u><u>\$ 1,111,741</u></u>

The Accompanying notes to the financial
Statements are an integral part of this report.

NEAR NORTHSIDE REDEVELOPMENT AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 1. CREATION OF CORPORATION

The City of Houston, Texas (the “City”) authorized the creation of the Hardy/Near Northside Authority (the “Authority”) by Ordinance No. 2009-32 on November 10, 2009. The State of Texas Certificate of Incorporation became effective November 20, 2009. The Authority was created and organized as a local government corporation pursuant to provisions of Chapter 311 of the Texas Tax Code. The Authority is organized as a public non-profit corporation for the purpose of aiding, assisting, and acting on behalf of the City in the performance of its governmental function to promote the common good and general welfare of the Hardy/Near Northside Zone (the Zone), approximately 326.1 acres generally bounded by Quitman Street on the North, U.S. Highway 59 on the East, Interstate 10 on the South, and Interstate Highway 45 on the West. The Zone is described in City of Houston, Texas, Ordinance No 2003-1258. The primary focus of the Zone is to facilitate affordable housing, transit orientated mixed-use development, and the extension and potential grade separation of San Jacinto Street north from Interstate 10 to the southern terminus of Fulton Street. Additional efforts will focus on improvements to public utility systems, parks and the repositioning of distressed infrastructure conditions. The basis for the creation of the Authority in 2009 was to a) facilitate the implementation of the Project Plan and a Reinvestment Zone Financial Plan for the Hardy/Near Northside Zone and the implementation of amendments thereto; b) facilitate the development of a policy for and implementation of the financing and construction of public infrastructure improvements and open space improvements necessary for the development of residential, commercial, public and other land uses in the Hardy/Near Northside Zone; and c) facilitate the development and implementation of a redevelopment policy for the Hardy/Near Northside Zone, including the acquisition of land for redevelopment purposes. The Authority may issue tax-exempt bonds or notes with consent of City Council to fund improvements. The Authority is governed by a Board of Directors consisting initially of four (4) persons who are appointed by the Mayor with the approval of City Council. Additional persons may be added to the Board of the Authority in accordance with the provisions of the Bylaws. The Authority has filed documents to be known as Near Northside Redevelopment Authority.

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America as promulgated by the Governmental Accounting Standards Board (“GASB”).

The GASB has established the criteria for determining whether or not a given entity is a component unit. The criteria are: (1) is the potential component unit a legally separate entity, (2) does the primary government appoint a voting majority of the potential component unit’s board, (3) is the primary government able to impose its will on the potential component unit and (4) is there a financial benefit or burden relationship. The Authority was created as an instrumentality of the City. The Authority does meet the criteria for inclusion as a component unit of the City. Copies of the financial statements for the City may be obtained from the City Secretary’s office.

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial Statement Presentation

These financial statements have been prepared in accordance with GASB Codification of Governmental Accounting and Financial Reporting Standards Part II, Financial Reporting (“GASB Codification”).

The GASB Codification sets forth standards for external financial reporting for all state and local government entities, which includes a requirement for a Statement of Net Position and a Statement of Activities. It requires the classification of net assets into three components: Net Investment in Capital Assets; Restricted; and Unrestricted. These classifications are defined as follows:

- Net Investment in Capital Assets – This component of net position consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvements of those assets.
- Restricted Net Position – This component of net position consists of external constraints placed on the use of assets imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulation of other governments or constraints imposed by law through constitutional provisions or enabling legislation.
- Unrestricted Net Position – This component of net position consists of assets that do not meet the definition of “Restricted” or “Net Investment in Capital Assets.”

When both restricted and unrestricted resources are available for use, generally it is the Authority’s policy to use restricted resources first.

Government-Wide Financial Statements

The Statement of Net Position and the Statement of Activities display information about the Authority as a whole. The Authority’s Statement of Net Position and Statement of Activities are combined with the governmental fund financial statements. The Authority is viewed as a special purpose government and has the option of combining these financial statements.

The Statement of Net Position is reported by adjusting the General Fund to report on the full accrual basis, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations.

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Government-Wide Financial Statements (Continued)

The Statement of Activities is reported by adjusting the general fund to report only items related to current year revenues and expenditures. Items such as land and land improvements are charged to cost of sales when sold. Internal activities between governmental funds, if any, are eliminated by adjustment to obtain net total revenue and expense in the government-wide Statement of Activities.

Fund Financial Statements

As discussed above, the Authority's fund financial statements are combined with the government-wide financial statements. The fund financial statements include a Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balance.

Governmental Funds

The Authority has only one major governmental fund type – the General Fund. This fund is the general operating fund of the Authority and accounts for all resources of the Authority.

Basis of Accounting

The District uses the modified accrual basis of accounting for governmental fund types. The modified accrual basis of accounting recognizes revenues when both “measurable and available.” Measurable means the amount can be determined. Available means collectable within the current period or soon enough thereafter to pay current liabilities. The Authority considers revenues reported in the governmental funds to be available if they are collectable within sixty (60) days after year-end. Also, under the modified accrual basis of accounting, expenditures are recorded when the related fund liability is incurred, except for principal and interest on long-term debt, which are recognized as expenditures when payment is due.

Cash

The Authority's cash consists of amounts in demand deposits.

Investments

The Authority invests cash not needed for near term operating needs in the Texas Local Government Investment Pool (“TexPool”).

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Budgeting

In compliance with the Tri-Party Agreement (see Note 4), the Authority's board members adopted an unappropriated budget for the General Fund.

Measurement Focus

Measurement focus is a term used to describe which transactions are recognized within the various financial statements. In the government-wide Statement of Net Position and Statement of Activities, the governmental activities are reported using the economic resources measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position, financial position, and cash flows. All assets and liabilities associated with the activities are reported, regardless of the timing of related cash flows. Fund equity is classified as net position.

Governmental fund types are accounted for on a spending or financial flow measurement focus. Accordingly, only current assets and current liabilities are included on the balance sheet, and the reported fund balances provide an indication of available spendable or appropriable resources. Operating statements of governmental fund types report increases and decreases in available spendable resources. Fund balances in governmental funds are classified using the following hierarchy:

Nonspendable - amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact. The Authority does not have any nonspendable fund balances.

Restricted - amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally required. The Authority does not have any restricted fund balances.

Committed - amounts that can be used only for specific purposes determined by a formal action of the Board of Directors. The Board is the highest level of decision-making authority for the Authority. Commitments may be established, modified, or rescinded only through ordinances or resolutions approved by the Board. The Authority does not have any committed fund balances.

Assigned - amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes. The Authority does not have any assigned fund balances.

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Measurement Focus (Continued)

Unassigned - all other spendable amounts in the General Fund.

When expenditures are incurred for which restricted, committed, assigned, or unassigned fund balances are available, the Authority considers amounts to have been spent first out of restricted funds, then committed funds, then assigned funds, and finally unassigned funds.

Accounting Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amount 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 during the reporting period. Actual results could differ from those estimates.

NOTE 3. DEPOSITS AND INVESTMENTS

Deposits

Custodial credit risk is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. The Authority's deposit policy for custodial credit risk requires compliance with the provisions of Texas statutes.

Texas statutes require that any cash balance in any fund shall, to the extent not insured by the Federal Deposit Insurance Corporation or its successor, be continuously secured by a valid pledge to the Authority of securities eligible under the laws of Texas to secure the funds of the Authority, having an aggregate market value, including accrued interest, at all times equal to the uninsured cash balance in the fund to which such securities are pledged. At June 30, 2024, none of the Authority's bank balances were exposed to custodial credit risk.

The carrying values of the deposits are included in the Governmental Fund Balance Sheet and the Statement of Net Position at June 30, 2024, as listed below:

Total Cash Deposits	\$ <u>188,170</u>
---------------------	-------------------

NOTE 3. DEPOSITS AND INVESTMENTS (Continued)

Investments

Under Texas statute, the Authority is required to invest its funds under written investment policies that primarily emphasize safety of principal and liquidity and that address investment diversification, yield, maturity, and the quality and capability of investment management, and all Authority funds must be invested in accordance with the following investment objectives: understanding the suitability of the investment to the Authority's financial requirements, first; preservation and safety of principal, second; liquidity, third; marketability of the investments if the need arises to liquidate the investment before maturity, fourth; diversification of the investment portfolio, fifth; and yield, sixth. The Authority's investments must be made "with the judgment and care, under prevailing circumstances, that a person of prudence, discretion, and intelligence would exercise in the management of the person's own affairs, not for speculation, but for investment, considering the probable safety of capital and the probable income to be derived." No person may invest Authority funds without express written authority from the Board of Directors.

Texas statutes include specifications for and limitations applicable to the Authority and its authority to purchase investments as defined in the Public Funds Investment Act. The Authority has adopted a written investment policy to establish the guidelines by which it may invest. This policy is reviewed annually. The Authority's investment policy may be more restrictive than the Public Funds Investment Act.

The Authority invests in TexPool, an external investment pool that is not SEC-registered. The State Comptroller of Public Accounts of the State of Texas has oversight of the pool. Federated Hermes manages the daily operations of the pool under a contract with the Comptroller. TexPool measures its investments in TexPool at amortized cost for financial reporting purposes. There are no limitations or restrictions on withdrawals from TexPool.

As of June 30, 2024, the Authority had the following investments and maturities:

<u>Type</u>	<u>Fair Value</u>	<u>Maturities in Years</u>			
		<u>Less Than 1</u>	<u>1-5</u>	<u>6-10</u>	<u>More Than 10</u>
<u>GENERAL FUND - TexPool</u>	<u>\$ 280,093</u>	<u>\$ 280,093</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Credit risk is the risk that the issuer or other counterparty to an investment will not fulfill its obligations. At June 30, 2024, the Authority's investment in TexPool, an external investment pool, was rated AAAM by Standard & Poor's.

NOTE 3. DEPOSITS AND INVESTMENTS (Continued)

Investments (Continued)

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Authority considers the investment in TexPool to have a maturity of less than one year due to the fact the share position can usually be redeemed each day at the discretion of the Authority, unless there has been a significant change in value.

NOTE 4. TRI-PARTY AGREEMENT

The City of Houston, Reinvestment Zone Number Twenty-One, and the Authority entered into the Tri-Party Agreement pursuant to City Ordinance No. 2009-1271 effective December 15, 2009. The Tri-Party Agreement states in detail the scope of services to be provided to the Zone by the Authority. The services include management and administrative service for the Zone, as requested by the Zone Board, services with respect to the Project Plan and Reinvestment Zone Financing Plan (the "Plan"), including implementation and updating, and services with respect to the tax rolls pertaining to the Zone, including analysis and coordination with taxing units. The Authority is also required to assist the Zone Board in establishing a program to increase the level of safety within the Zone, preparing development plans, establishing a marketing and public relations program and in planning, design and construction of infrastructure improvements and land acquisition.

The Tri-Party Agreement also provides for the Authority to issue bonds and notes, enter into obligations with developers or builders, and enter into contracts with consultants and to be repaid from Contract Tax Increments. All bonds must be approved by City Council and the Director of the Finance Department of the City of Houston must approve all development agreements. This Agreement shall end upon termination of the Zone.

Pursuant to the Agreement, the City and the Zone have agreed to pay the Authority not later than the first business day of each July in which a current approved budget is in effect for the Authority, all monies available in the Tax Increment Fund, less (a) a reserve of up to five percent of the monies then available in the Tax Increment Fund for administrative costs of the City, (b) the amount due to the City from the Zone pursuant to the affordable housing agreement, and (c) certain tax increments constituting educational facilities project costs to be paid to the Houston Independent School District. Notwithstanding the above, in the event the Authority's budget is not approved by the thirtieth (30th) day before the date of a principal and interest payment on the Authority's bonds or notes, the City shall pay from available funds sufficient monies to the Authority to allow for meeting the Authority's debt service obligations.

NOTE 5. TAX INCREMENTS

The City of Houston, Texas has agreed to deposit tax increments into the Tax Increment Fund established by the Zone (See Note 6).

The amount of a Participant's tax increment for a year is the amount of property taxes levied and collected by the Participant for that year on the Captured Appraised Value of real property taxable by the Participant and located in the Zone. The Captured Appraised Value of real property taxable by a Participant for a year is the total appraised value of all real property taxable by the Participant and located in the Zone for that year less the Tax Increment Base, which is the total appraised value of all real property taxable by the Participant and located in the Zone on January 1 of the year in which the Zone was designated as such under the Tax Increment Financing Act (the "TIF Act"). In the event property is annexed into the Zone by ordinance of the City, the Tax Increment Base for annexed property is the value of all real property taxable by a Participant and located in the annexed area on January 1 of the year of annexation. No Participant is required to deposit tax increments derived from property annexed into the Zone unless the Participant has agreed to do so.

Each Participant is required to collect taxes on property located within the Zone in the same manner as other taxes are collected. The Participant is required to pay into the tax increment fund the collected tax increments by no later than the 90th day after the delinquency date for the Participant's property taxes.

NOTE 6. CITY OF HOUSTON TAX INCREMENTS

Pursuant to City Ordinance No. 2009-1271, the City and the Zone have established the Tax Increment Fund, a separate fund in the City Treasury into which tax increments have and will be deposited.

Tax increments of \$2,334,770 were remitted from the fund to the Authority for tax year 2023. In addition, the City withheld \$778,257 from the tax increment to fund affordable housing and \$116,738 to pay City administrative fees.

NOTE 7. RISK MANAGEMENT

The Authority is exposed to various risks of loss related to torts: theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. The Authority participates in the Texas Municipal League Intergovernmental Risk Pool ("TML") to provide general liability, errors and omission and automobile liability. The Authority, along with other participating entities, contributes annual amounts determined by TML's management. As claims arise they are submitted and paid by TML. During the year ended June 30, 2024, the Authority contributed \$2,426 to the fund for this insurance coverage. There have been no significant reductions in coverage from the prior year and settlements have not exceeded coverage in the past three years.

NOTE 8. DEVELOPMENT AGREEMENT

The Authority has entered into a Development Agreement dated March 4, 2010, and as amended on May 14, 2012, with CR V Hardy Yards, L.P. (“Hardy Yards LP”), the owner of property located within the Hardy/Near Northside Zone. Hardy Yards LP is responsible for the inspection, supervision and management of the construction and installation of the improvements to the Hardy/Near Northside Zone. The improvements are to be made in accordance with the terms of the Development Agreement and amendment thereto and relevant City ordinances or procedures.

The Authority shall reimburse Hardy Yards LP for the amount of actual project costs incurred plus accrued interest. Hardy Yards LP is responsible for determining that project costs are eligible in accordance with terms defined in the Developer Reimbursement Agreement and amendment thereto. The costs to be reimbursed are not to exceed \$33,312,000 as noted in the original agreement. Included in the original reimbursable amount were costs related to the purchase or condemnation of right-of-way for the San Jacinto Street Extension Project in the amount of \$2,700,000. During fiscal year 2012, an ordinance was passed that authorized the appropriation of \$2,033,223 out of the Woodlands Regional Participation Fund to fund these costs.

The Authority will utilize available tax increments in order to reimburse Hardy Yards LP for the costs incurred until all project costs have been fully reimbursed. Hardy Yards LP has no right to claim any reimbursement other than from available tax increment or bond proceeds.

As of June 30, 2024, Hardy Yards LP has incurred a total of \$7,849,582 in development costs on behalf of the Authority. The Authority has reimbursed the Developer \$3,079,993, of which \$454,834 was reimbursed during the fiscal year ended June 30, 2024, leaving a balance of \$4,769,589 due to the Developer at June 30, 2024. The total is comprised of \$3,977,654 for onsite public improvements and \$791,935 for offsite public improvements.

NOTE 9. CAPITAL ASSETS – DEVELOPMENT COSTS

During the fiscal year ended June 30, 2024, the Authority did not incur development costs with Central Houston Civic Improvement for planning and design work in connection with a project for a hike and bike trail within the Zone. Cumulative costs for this project as of June 30, 2024, totaled \$123,022.

During the fiscal year ended June 30, 2024, Hardy Yards LP did not incur development costs related to onsite and offsite public improvements within the boundaries of the Authority. The project has been completed and assets were conveyed to the City of Houston for maintenance and operation. The Authority will reimburse the Developer for project costs in the amount of the actual costs of the public improvements to the extent that the Developer’s project generates tax increment revenues.

NEAR NORTHSIDE REDEVELOPMENT AUTHORITY

REQUIRED SUPPLEMENTARY INFORMATION

JUNE 30, 2024

DRAFT SUBJECT TO CHANGE

NEAR NORTHSIDE REDEVELOPMENT AUTHORITY
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL – GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2024

	Original and Final Budget	Actual	Variance Positive (Negative)
REVENUES			
Tax Increment Revenue	\$ 1,542,482	\$ 1,439,775	\$ (102,707)
Grant Revenue	456,000	-	(456,000)
Interest Revenue	7,000	39,717	32,717
TOTAL REVENUES	\$ 2,005,482	\$ 1,479,492	\$ (525,990)
EXPENDITURES			
Maintenance and Operations	\$ 233,300	\$ 165,090	\$ 68,210
Capital Expenditures	1,554,000	202,661	1,351,339
Developer/Project Reimbursements	559,443	454,834	104,609
TOTAL EXPENDITURES	\$ 2,346,743	\$ 822,585	\$ 1,524,158
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ (341,261)	\$ 656,907	\$ 998,168
OTHER FINANCING SOURCES(USES)			
Long-Term Debt Issued	\$ 500,000	\$ -	\$ (500,000)
NET CHANGE IN FUND BALANCE	\$ 158,739	\$ 656,907	\$ 498,168
FUND BALANCE - JULY 1, 2023	1,238,840	1,238,840	-
FUND BALANCE - JUNE 30, 2024	\$ 1,397,579	\$ 1,895,747	\$ 498,168

See accompanying independent auditor's report.

NEAR NORTHSIDE REDEVELOPMENT AUTHORITY

SUPPLEMENTARY INFORMATION

REQUIRED BY THE CITY OF HOUSTON

JUNE 30, 2024

DRAFT SUBJECT TO CHANGE

NEAR NORTHSIDE REDEVELOPMENT AUTHORITY
OPERATING AND CAPITAL EXPENDITURES
FOR THE YEAR ENDED JUNE 30, 2024

Category	Vendor	Budget	Actual Expenditures	Variance Positive (Negative)
ADMINISTRATION AND OVERHEAD				
Accounting	Municipal Accounts and Consulting	\$ 12,000	\$ 22,025	\$ (10,025)
Administrative Consultant	TIFWorks, LLC	55,000	42,000	13,000
Auditor	McCall Gibson Swedlund Barfoot PLLC and Burton Accounting, PLLC	11,000	17,750	(6,750)
Tax Advisor	Equitax, Inc	15,000	13,129	1,871
Insurance	Texas Municipal League	1,300	2,426	(1,126)
Office Administration	Equitax, Inc, Texas Capital and Bracewell LLP	4,000	3,619	381
SUBTOTAL		\$ 98,300	\$ 100,949	\$ (2,649)
PROGRAM AND PROJECT CONSULTANTS				
Engineering Consultant	Gauge Engineering	\$ 50,000	\$ 10,225	\$ 39,775
Planning Consultant	SWA Group	50,000	20,000	30,000
Legal Consultant	Bracewell LLP	35,000	33,916	1,084
SUBTOTAL		\$ 135,000	\$ 64,141	\$ 70,859
TOTAL MANAGEMENT CONSULTING SERVICES		\$ 233,300	\$ 165,090	\$ 68,210
CAPITAL EXPENDITURES				
Project T-2103: METRO Parcel Acquisition & Planning		\$ 12,000	\$ -	\$ 12,000
Project T-2104: 2600-3500 Blk Main St Pedestrian/Bicycle		270,000		270,000
Project T-2105: Pickney Street Hike & Bike Trail		700,000	16,161	683,839
Project T-2106: ADA Compliant Sidewalks and Related Pedestrian		75,000	-	75,000
Project T-2107: Hogan/Lorraine Corridor Schematic Design		372,000	181,000	191,000
Project T-2109: Street Trees		100,000	5,500	94,500
Project T-2199: Concrete Panel & Sidewalk Replacement		25,000	-	25,000
TOTAL CAPITAL EXPENDITURES		\$ 1,554,000	\$ 202,661	\$ 1,351,339
DEVELOPER/PROJECT REIMBURSEMENTS				
CRV Hardy Yards: Roadway and Sidewalk Improvements		\$ 559,443	\$ 454,834	\$ 104,609

See accompanying independent auditor's report.

NEAR NORTHSIDE REDEVELOPMENT AUTHORITY
PROJECT PLAN RECONCILIATION
FOR THE YEAR ENDED JUNE 30, 2024

ESTIMATED PROJECT COSTS

Roadway, Sidewalk and Landscape Improvements	\$ 97,692,000	\$ 13,493,128	\$ 84,198,872
Roadway, Sidewalk and Bridge Improvements	200,000,000		200,000,000
Public Utility Improvements	147,884,000	-	147,884,000
Parks, Plazas and Recreational Facilities	79,328,000	-	79,328,000
Land Cost	9,820,000	-	9,820,000
Affordable Housing	32,920,000	3,863,674	29,056,326
Financing Costs	1,700,000	-	1,700,000
Zone Creation and Administration	5,200,000	1,886,087	3,313,913
	<hr/>	<hr/>	<hr/>
TOTAL ESTIMATED PROJECT COSTS	<u>\$ 574,544,000</u>	<u>\$ 19,242,889</u>	<u>\$ 555,301,111</u>

DRAFT SUBJECT TO CHANGE

See accompanying independent auditor's report.

NEAR NORTHSIDE REDEVELOPMENT AUTHORITY

OTHER SUPPLEMENTARY INFORMATION

JUNE 30, 2024

DRAFT SUBJECT TO CHANGE

**NEAR NORTHSIDE REDEVELOPMENT AUTHORITY
BOARD OF DIRECTORS
JUNE 30, 2024**

Authority Mailing Address - Near Northside Redevelopment Authority
 c/o Bracewell LLP
 711 Louisiana Street, Suite 2300
 Houston, TX 77002-2770

Authority Telephone Number - (713) 223-2300

<u>Board Members</u>	<u>Position</u>
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

DRAFT SUBJECT TO CHANGE

See accompanying independent auditor's report.

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
E-Mail: mgsb@mgsbpllc.com

September 25, 2024

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

We have audited the financial statements of the governmental activities and major fund of Near Northside Redevelopment Authority (the "Authority") for the year ended June 30, 2024. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our engagement letter to you dated June 26, 2024. Professional standards also require that we communicate to you the following information related to our audit. For the purposes of this letter, the term "management" refers to the Board of Directors and/or Authority consultants.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. Significant accounting policies used by the Authority, including new accounting policies, if any, that have been adopted and implemented during the current fiscal year, are discussed in Note 2. We noted no transactions entered into by the Authority during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period. The financial statement disclosures are neutral, consistent, and clear.

Accounting estimates are an integral part of the financial statements and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. If applicable, we evaluated the key factors and assumptions used to develop these estimates in determining that they are reasonable in relation to the financial statements taken as a whole.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. No such adjustments were noted.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated September 25, 2024.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Authority's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Authority's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We were engaged to perform non-attest services for the Authority in relation to the preparation of the financial statements and related notes in conformity with accounting principles generally accepted in the United States of America. These services were performed based on information provided by you. We performed these services in accordance with applicable professional standards. The non-attest services we performed are limited to those specifically defined and did not result in assuming management responsibilities.

We applied certain limited procedures to the Management's Discussion and Analysis and the budgetary comparison schedule for the General Fund, which are required supplementary information ("RSI") that supplements the basic financial statements. Our procedures consisted 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 did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on supplementary information required by the City of Houston, Texas and Other Supplementary Information, which accompany the financial statements but are not RSI. With respect to this information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled this information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

Restriction on Use

This information is intended solely for the use of the Board of Directors of the Authority and is not intended to be, and should not be, used by anyone other than the specified party.

Sincerely,

NEAR NORTHSIDE REDEVELOPMENT AUTHORITY
CITY OF HOUSTON, TEXAS
SEPTEMBER 25, 2024

McCall Gibson Swedlund Barfoot PLLC
Certified Public Accountants
13100 Wortham Center Drive, Suite 235
Houston, Texas 77065-5610

Ladies and Gentlemen:

This representation letter is provided in connection with your audit of the financial statements Near Northside Redevelopment Authority (the "Authority"), which comprise the respective financial position of the governmental activities and major fund as of June 30, 2024, and the respective changes in financial position for the year then ended, and the related notes to the financial statements, for the purpose of expressing opinions as to whether the financial statements are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement. An omission or misstatement that is monetarily small in amount could be considered material as a result of qualitative factors.

We confirm, to the best of our knowledge and belief, as of September 25, 2024, the following representations made to you during your audit.

Financial Statements

- 1) We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated June 26, 2024, including our responsibility for the preparation and fair presentation of the financial statements and for preparation of the supplementary information in accordance with the applicable criteria.
- 2) The financial statements referred to above are fairly presented in conformity with U.S. GAAP and include all properly classified funds and other financial information of the primary government and all component units required by generally accepted accounting principles to be included in the financial reporting entity.
- 3) We acknowledge our responsibility for 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.
- 4) We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
- 5) Significant assumptions we used in making accounting estimates are reasonable.
- 6) Related party relationships and transactions, if any, including revenues, expenditures/expenses, loans, transfers, leasing arrangements, and guarantees, and amounts receivable from or payable to related parties have been appropriately accounted for and disclosed in accordance with the requirements of U.S. GAAP.
- 7) Adjustments or disclosures have been made for all events, including instances of noncompliance, subsequent to the date of the financial statements that would require adjustment to or disclosure in the financial statements.

- 8) The effects of all known actual or possible litigation, claims, and assessments have been accounted for and disclosed in accordance with U.S. GAAP.
- 9) Guarantees, whether written or oral, under which the Authority is contingently liable, if any, have been properly recorded or disclosed.

Information Provided

- 10) We have provided you with:
 - a) Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, and other matters.
 - b) Additional information that you have requested from us for the purpose of the audit.
 - c) Unrestricted access to persons within the Authority from whom you determined it necessary to obtain audit evidence.
 - d) Minutes of the meetings of the Authority or summaries of actions of recent meetings for which minutes have not yet been prepared.
- 11) All material transactions have been recorded in the accounting records and are reflected in the financial statements.
- 12) We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
- 13) We have no knowledge of any fraud or suspected fraud that affects the Authority and involves:
 - a) Management,
 - b) Employees who have significant roles in internal control, or
 - c) Others where the fraud could have a material effect on the financial statements.
- 14) We have no knowledge of any allegations of fraud or suspected fraud affecting the Authority's financial statements communicated by employees, former employees, regulators, or others.
- 15) We have no knowledge of instances of noncompliance or suspected noncompliance with provisions of laws, regulations, contracts, or grant agreements, or abuse, whose effects should be considered when preparing financial statements.
- 16) We are not aware of any pending or threatened litigation, claims, or assessments or unasserted claims or assessments that are required to be accrued or disclosed in the financial statements, and we have not consulted a lawyer concerning such litigation, claims or assessments.
- 17) We have disclosed to you the identity of the Authority's related parties and all the related party relationships and transactions of which we are aware.

Government—specific

- 18) There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.
- 19) We have identified to you any previous audits, attestation engagements, and other studies related to the audit objectives and whether related recommendations have been implemented.
- 20) The Authority has no plans or intentions that may materially affect the carrying value or classification of assets, liabilities, or equity.

- 21) We are responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to us, including tax or debt limits and debt contracts; and we have identified and disclosed to you all laws, regulations and provisions of contracts and grant agreements that we believe have a direct and material effect on the determination of financial statement amounts or other financial data significant to the audit objectives, including legal and contractual provisions for reporting specific activities in separate funds.
- 22) There are no violations or possible violations of laws and regulations, provisions of contracts and grant agreements, tax or debt limits, and any related debt covenants whose effects should be considered for disclosure in the financial statements, or as a basis for recording a loss contingency, or for reporting on noncompliance.
- 23) The Authority has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral, except as disclosed in the basic financial statements.
- 24) As part of your audit, you assisted with preparation of the financial statements and related notes. We acknowledge our responsibility as it relates to those nonaudit services, including that we assume all management responsibilities; oversee the services by designating an individual who possesses suitable skill, knowledge, or experience; evaluate the adequacy and results of the services performed; and accept responsibility for the results of the services. We have reviewed, approved and accepted responsibility for the financial statements and related notes.
- 25) The Authority has complied with all aspects of contractual agreements that would have a material effect on the financial statements in the event of noncompliance.
- 26) We have followed all applicable laws and regulations in adopting, approving, and amending budgets.
- 27) The financial statements include all component units as well as joint ventures with an equity interest, and properly disclose all other joint ventures and other related organizations, if applicable.
- 28) The financial statements properly classify all funds and activities, in accordance with GASB Statement No. 34.
- 29) All funds that meet the quantitative criteria for presentation as major are identified and presented as such and all other funds that are presented as major are particularly important to financial statement users.
- 30) Components of net position (net investment in capital assets; restricted; and unrestricted), and components of fund balance (nonspendable, restricted, committed, assigned, and unassigned) are properly classified and, if applicable, approved.
- 31) Provisions for uncollectible receivables have been properly identified and recorded, if applicable.
- 32) Expenses have been appropriately classified in or allocated to functions and programs in the statement of activities, and allocations have been made on a reasonable basis.
- 33) Revenues are appropriately classified in the statement of activities within program revenues, general revenues, contributions to term or permanent endowments, or contributions to permanent fund principal.
- 34) Interfund, internal, and intra-entity activity and balances have been appropriately classified and reported.
- 35) Deposits and investment securities are properly classified as to risk and are properly disclosed.

- 36) Capital assets, including infrastructure and intangible assets, are properly capitalized, reported, and, if applicable, depreciated.
- 37) We have appropriately disclosed the Authority's policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available and have determined that net position is properly recognized under the policy.
- 38) We are following our established accounting policy regarding which resources (that is, restricted, committed, assigned, or unassigned) are considered to be spent first for expenditures for which more than one resource classification is available. That policy determines the fund balance classifications for financial reporting purposes.
- 39) We acknowledge our responsibility for the required supplementary information (RSI). The RSI is measured and presented within prescribed guidelines and the methods of measurement and presentation have not changed from those used in the prior period. We have disclosed to you any significant assumptions and interpretations underlying the measurement and presentation of the RSI.
- 40) With respect to the supplementary information required by the City of Houston, Texas,
- a) We acknowledge our responsibility for presenting this information in accordance with accounting principles generally accepted in the United States of America, and we believe this information, including its form and content, is fairly presented in accordance with accounting principles generally accepted in the United States of America. The methods of measurement and presentation of this information have not changed from those used in the prior period, and we have disclosed to you any significant assumptions or interpretations underlying the measurement and presentation of the supplementary information.
 - b) If this information is not presented with the audited financial statements, we will make the audited financial statements readily available to the intended users of the supplementary information no later than the date we issue the supplementary information and the auditor's report thereon.

NEAR NORTHSIDE REDEVELOPMENT AUTHORITY

Signature on behalf of the Board of Directors

Board Member

Title

D-007

TAB 8.

Administrative Contract with Hawes
Hill and Associates, LLP

PROFESSIONAL SERVICES AGREEMENT

This **PROFESSIONAL SERVICES AGREEMENT** ("Agreement") is made by and between **HARDY/NEAR NORTHSIDE REDEVELOPMENT AUTHORITY** (the "Authority") and **REINVESTMENT ZONE NUMBER TWENTY-ONE, CITY OF HOUSTON, TEXAS** (the "Zone," and together with the Authority, the "Clients") and **HAWES HILL & ASSOCIATES, LLP** (the "Contractor") (each a "Party," and collectively the "Parties").

WITNESSETH:

WHEREAS, the Clients desire that the Contractor provide certain professional services with regard to the administration of the operations of the Authority and the Zone and management of programs and projects;

WHEREAS, the Contractor has the employees, office operations, and knowledge to ably provide the professional and administrative services required by the Clients;

NOW THEREFORE, for and in consideration of the premises and mutual covenants and agreements herein contained, it is agreed as follows:

I.

Engagement of Contractor

The Clients hereby engage the Contractor, and the Contractor hereby agrees to provide, furnish, or perform certain professional and administrative services with respect to the Authority and Zone, including the services described on Exhibit A, annexed hereto. Such services herein collectively referred to as the "Services."

II.

Compensation and Reimbursement to Contractor

For and in consideration of the Services to be performed by the Contractor specified in Exhibit "A," *Scope of Professional Consulting and Management Services*, of this Agreement, the Client agrees to pay the Contractor a fixed fee of FOUR THOUSAND FIVE HUNDRED DOLLARS AND 00/100 (\$4,500.00) per month for all Services performed during Clients' 2025 fiscal year. Thereafter, the Clients agree to pay for Services performed in connection with the Zone/Authority operations at the rate determined and established by the Board of Directors and adopted in the Zone/Authority's operating budget each fiscal year. In addition, the Clients agree to compensate Contractor at the rate of $\frac{1}{4}$ of 1% of the par amount of each bond series issued, if any, for Services performed in connection with issuance of bonds. Reimbursable out-of-pocket expenses and other expenses and charges incurred by the Contractor in performing the Services under this Agreement shall be made on a monthly basis upon submission by the Contractor of invoices and other documentation setting forth such expenses and charges; *provided, however*, all expenses and charges proposed to be incurred by the Contractor for the performance of the Services shall be subject to the Clients' prior written approval. The *Schedule of Maximum Charges and Rates of Hawes Hill & Associates LLP* for the performance of the Services by the Contractor under this Agreement as set forth on Exhibit "B" attached hereto for reference are hereby approved by the Clients. The Clients expressly disclaim any liability for reimbursement to the Contractor of any amounts in excess of those approved in writing by the Clients.

Contractor shall tender to the Clients a detailed invoice of the Services performed and the allowable reimbursable expenses incurred to the Clients each month during the term of this Agreement. Payments on account of services rendered and for reimbursable expenses incurred shall be made within thirty (30) days after the Clients receive Contractor's detailed invoice therefor. In the event of a disputed or contested invoice, the Clients may withhold any such disputed or contested amount without penalty.

III.
Administrative Policies and Procedures

The Contractor shall conduct the administrative activities of the Clients in accordance with the instructions and guidance of the Clients.

IV.
Accounts, Records, Accounting Reports and Audits

The Contractor shall maintain the books of records and accounts of the Clients in order to establish the amount due by the Clients to the Contractor in accordance with this Agreement. All such records shall be maintained in accordance with generally accepted accounting principles and shall be clearly identified and readily accessible. The Contractor shall provide free access to the Clients and allow for inspection and audit of all work, data, documents, proceedings, and activities related to this Agreement. Such right of access and audit shall continue for a period three (3) years from the date of termination of this Agreement.

V.
Compliance With Applicable Laws Concerning
Local Government Corporations and Tax Increment Reinvestment Zones

The Contractor, in performance of its duties under this Agreement for the Clients, will comply with all applicable provisions of Texas law and municipal ordinances concerning local government corporations and tax increment reinvestment zones under which these entities are created.

VI.
Right of Ownership

All data, information, maps, books, reports, files, photography, artwork, software, equipment, and materials purchased, created or maintained by the Clients or purchased, created or maintained by the Contractor on behalf of the Clients shall remain the property of the Clients. It shall be clearly marked as property of the Clients in such manner that it may at any time be removed from the premises of the Contractor.

VII.
Laws to be Observed

In performing its obligations under this Agreement, the Contractor at all times shall observe and comply with all federal and state laws, local laws, ordinances, orders, and regulations of the federal, state, county, or city governments. The federal, state, and local laws, ordinances, and regulations which affect those engaged or employed in the work, or the equipment used in the work, or which in any way affects the conduct of the work, shall be at all times in effect, and no pleas of misunderstanding will be considered on account of ignorance thereof.

VIII.
Successors and Assigns

This Agreement shall bind and benefit the respective parties and their legal successors, and shall not be assignable, in whole or in part, by any party hereto without first obtaining the written consent of the other party. Nothing herein shall be construed as creating any personal liability on the part of any officer or director of the Authority or the Zone.

IX.

Character of Workers and Work

Services provided for under this Agreement are being performed for the public benefit. The employees provided by the Contractor shall be competent and careful workers skilled in their respective trades. In performing its obligations under this Agreement, the Contractor shall not employ any person who engages in misconduct or is incompetent or negligent in the performance of his or her duties. The Clients retain the right to require the Contractor to remove from the performance of Services any employee who engages in (1) unethical or unprofessional conduct, (2) misconduct or other discourtesies toward the public, (3) conduct inconsistent with sound business practices or (4) other conduct inconsistent with the performance of work in an acceptable manner and at a satisfactory rate of progress to the Clients. Nothing herein is intended to, and the parties agree that this Agreement does not, create any third-party beneficiary rights for any employee or other person. It is intended that any employee who engages in any Services provided for under this Agreement is an employee-at-will of the Contractor.

X.

Conflict of Interest

In keeping with Contractor's duties to the Clients, Contractor agrees that it shall not, directly or indirectly, become involved in any conflict of interest, or upon discovery thereof, allow such a conflict to continue. Moreover, Contractor agrees that it shall promptly disclose to the Clients any facts, which might involve any reasonable possibility of a conflict of interest.

XI.

Term and Termination

This Agreement shall become effective as of the date executed by the Clients and the Contractor as set forth on the signature page hereof and shall continue in force until such time as it may be terminated or amended by mutual agreement of both parties. Either party may terminate this Agreement without cause at any time by giving the other party at least thirty (30) days' prior written notice thereof, specifying in such notice the effective date of such termination. In the event of termination, it is understood and agreed that only the amounts due the Consultant for Services provided and expenses incurred to the date of termination will be due and payable. No penalty will be assessed for termination of this Agreement.

XII.

Amendment or Modification

Except as otherwise provided in this Agreement, this Agreement shall be subject to change, amendment, or modification only upon the written consent of the parties hereto.

XIII.

Engaging in Business with Sudan, Iran or Foreign Terrorist Organizations

Pursuant to Section 2252.152, Texas Government Code, Contractor warrants, represents, verifies and agrees that Contractor is not identified on a list prepared and maintained by the Texas Comptroller of Public Accounts as a company that engages in business with Sudan, Iran or a foreign terrorist organization.

XIII.

Disclaimer of Political Support or Affiliation

The Clients expressly disclaim any political support or affiliation with the Contractor. Further, the Clients prohibit the Contractor, and the Contractor hereby agrees to comply with such prohibition, from expending any Zone or Authority funds, directly or indirectly, including any funds to be reimbursed by the Zone or Authority, on any political candidate, cause, party, organization or activity.

(EXECUTION PAGE FOLLOWS)

AGREED AND ACCEPTED THIS _____ DAY OF _____, 2024.

On Behalf of Hawes Hill & Associates LLP

By: _____
Name: David W. Hawes, Managing Partner

On Behalf of Reinvestment Zone Number Twenty-One:

By: _____
_____, Chairman

ATTEST:

By: _____
Name/Title: _____

On Behalf of Hardy/Near Northside Redevelopment Authority:

By: _____
_____, Chairman

ATTEST:

By: _____
Name/Title: _____

On Behalf of the City of Houston:

By: _____
Gwen Tillotson
City of Houston, Mayor's Office

Exhibit “A”

Scope of Professional Consulting and Management Services

Hawes Hill & Associates, LLP, will provide the following services:

Professional Consulting and General Administration

Manage and direct all professional team services provided to and on behalf of the Authority and Zone and their respective Boards of Directors.

Provide full professional management, administrative and technical support services to the Authority and Zone.

Serve as the Clients’ liaison and advocate with the City of Houston, Harris County, METRO, agencies and departments of the State of Texas, and other interested parties.

Provide expert testimony in public meetings and proceedings as requested by the respective Boards of Directors.

Coordinate and provide professional services in conjunction with Clients’ attorney concerning legal matters related to Board operations, implementation of Zone plan, and development agreements.

Assist developers with regard to their development projects within the Zone.

Work with City to resolve infrastructure issues as they arise.

Work with developers to ensure that development agreement procedures are followed.

Coordinate and work with City to prepare financing packages to reimburse developers for eligible project-related costs defined in each developer reimbursement agreement. This includes, but is not limited to, providing the City with necessary zone information, verifying eligible project costs and providing information briefings to elected City officials.

Board Development and Administration

Coordinate and arrange all meetings of the respective Boards of Directors and their committees.

Prepare all meeting agendas and ensure proper notification is made in accordance with state statutes and such other governing documents as may apply.

Take and prepare minutes of Board meetings.

Prepare resolutions, certificates and other official documents as may be required.

Assemble and distribute reports and information packets for use at Board meetings.

Develop and implement an orientation program to assist new Board members to carry out their duties and responsibilities and to understand the Zone’s history, policies and procedures, and pertinent laws.

Information and Communications Management

Assist in the coordination, communication and interface between the Boards of Directors, government officials and employees, contractors, developers, property owners, citizens, and others regarding planned and actual Zone projects.

Prepare or cause to be prepared reports, maps, charts and exhibits as requested by the respective Boards of Directors.

Receive inquiries and respond to property owners, real estate agents and brokers, and other interested parties with respect to development issues that pertain to the Zone and the Redevelopment Authority.

Maintain records and files of the Authority and Zone consistent with the Texas Public Information Act, the Local Government Records Act, and all other applicable laws, rules and regulations.

Monitor regulations and comply with reporting requirements of Secretary of State, City of Houston, and other regulatory bodies.

Financial Administration

Oversee all accounting and financial administration procedures of the Authority and Zone.

Administer the Authority, Zone and District budgets, including tracking income and monthly expenses in reference to the annual budget, monitoring expenses, preparing budget reports, assisting with annual budget preparation.

Arrange for Authority's independent audit, providing necessary information and documentation.

Oversee the Clients' consultant responsible for tracking zone values to assure that Clients' receive all monies due.

Coordinate and work with financial consultants, the City of Houston, and others on preparation of documents, financial projections, and related information.

Contract Administration and Project Management

Prepare requests for proposals or qualifications for professional services and bids for contract services as needed and as determined by the Boards of Directors.

Analyze proposals and bids from prospective contractors and provide summary analyses for consideration of the Boards of Directors in decision-making

Provide management oversight for all contractors, including such service providers as engineering/project management consultants, legal counsel, bookkeepers and financial advisors, public infrastructure construction contractors, security services, landscape services, and others that the Clients may employ from time to time

Interface with developers on development, financing, and property acquisitions issues

Bond Services

Provide management oversight over the bond process.

Provide communications and technical support with regard to the production of bond documents.

Interface with zone consultants, underwriters, rating agencies, and bond insurance companies with regard to the effective pricing and sale of contract revenue bonds.

Produce economic base data to support the sale of the bonds.

Exhibit "B"

Schedule of Maximum Charges and Rates of Hawes Hill & Associates, LLP

Professional Consulting & Administrative Services	Fiscal Year 2025 Monthly fixed fee: \$4,500.00 Future fiscal years to be determined annually by Board approved Budget
Board Development and Administration	bid as package
Information and Communications Management	bid as package
Financial Administration	bid as package
Contract Administration and Project Management	bid as package
Bond Services	¼ of 1% of the par amount of each bond series

REIMBURSABLE OUT-OF-POCKET EXPENSES

Photocopies	Billed at actual cost.
Binding Supplies	Billed at actual cost
Supplies:	Special supplies required for a specific project billed at actual cost
Postage	Billed at actual cost
Delivery Services:	Billed at actual cost
Mileage:	Billed at maximum rate per mile allowed by IRS regulations
GIS Mapping:	\$150.00 per hour, plus actual costs for printing, paper, ink and special mounting.

TAB 9.a.

Resolution Regarding Annual Review
of Investment Policy and List of
Brokers/Dealers

CERTIFICATE FOR RESOLUTION

THE STATE OF TEXAS §
 §
COUNTY OF HARRIS §

I, the undersigned officer of the Board of Directors of the Hardy/Near Northside Redevelopment Authority (“Board”), hereby certify as follows:

The Board convened in regular session on the 25th day of September, 2024, 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

and all of said persons were present, except Director(s) _____, thus constituting a quorum. Whereupon, among other business, the following was transacted at the meeting: a written

**RESOLUTION REGARDING ANNUAL REVIEW OF INVESTMENT POLICY
AND LIST OF QUALIFIED BROKERS/DEALERS OF
HARDY/NEAR NORTHSIDE REDEVELOPMENT AUTHORITY**

was introduced for the consideration of the Board. It was then duly moved and seconded that the resolution be adopted, and, after due discussion, the motion, carrying with it the adoption of the resolution, prevailed and carried unanimously.

1. That a true, full and correct copy of the aforesaid Resolution adopted at the meeting described in the above and foregoing paragraph is attached to and follows this certificate; that the Resolution has been duly recorded in the Board’s minutes of the meeting; that the persons named in the above and foregoing paragraph are the duly chosen, qualified and acting officers and members of the Board as indicated therein; that each of the officers and members of the Board was duly and sufficiently notified officially and personally, in advance, of the time, place and purpose of the aforesaid meeting, and that the Resolution would be introduced and considered for adoption at the meeting, and each of the officers and members consented, in advance, to the holding of the meeting for such purpose; that the meeting was open to the public as required by law; and that public notice of the time, place and subject of the meeting was given as required by Chapter 551, Texas Government Code.

SIGNED AND SEALED this 25th day of September, 2024.

Secretary

**RESOLUTION REGARDING ANNUAL REVIEW OF INVESTMENT POLICY AND
LIST OF QUALIFIED BROKER/DEALERS OF
HARDY/NEAR NORTHSIDE REDEVELOPMENT AUTHORITY**

WHEREAS, the Hardy/Near Northside Redevelopment Authority (the “Authority”) has been legally created and operates pursuant to the general laws of the State of Texas applicable to local government corporations, and has such authority as has been delegated to it by the City of Houston, Texas to act on behalf of Reinvestment Zone Number Twenty-One, City of Houston, Texas; and

WHEREAS, the Board of Directors (the “Board”) of the Authority has convened on this date to conduct the Authority’s annual review of its investment policy pursuant to Section 2256.005, *et seq.*, Texas Government Code, as amended; and

WHEREAS, the Board has also convened on this date to conduct the Authority’s annual review of its list of qualified broker/dealers that are authorized to engage in investment transactions with the Authority, pursuant to Section 2256.025, Texas Government Code, as amended; and

WHEREAS, the Authority has determined not to amend the Authority’s Investment Policy dated September 23, 2019; and

WHEREAS, the Authority has determined to amend the list of qualified broker/dealers that are authorized to engage in investment transactions with the Authority; NOW, THEREFORE,

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF HARDY/NEAR NORTHSIDE REDEVELOPMENT AUTHORITY THAT:

Section 1: The Board hereby has conducted the annual review of the Authority’s Amended Investment Policy, dated September 23, 2019, and confirms that same shall remain in effect until modified by action of the Board.

Section 2: The Board hereby adopts the amended list of qualified broker/dealers attached hereto as Exhibit A, and confirms that same shall be in effect until modified by action of the Board.

Section 3: The provisions of this Resolution shall be effective as of the date of adoption and shall remain in effect until modified by action of the Board.

PASSED AND APPROVED THIS 25th day of September, 2024.

Chair

ATTEST:

Secretary

EXHIBIT A
LIST OF AUTHORIZED BROKER/DEALERS

ABC Bank	Lone Star Investment Pool
Amegy Bank of Texas, N.A.	Moody National Bank
American Bank	New First National Bank
Austin Capital Bank	North Star Bank of Texas
BB & T	One West Bank
Bank of America N.A.	Origin Bank
Bank of New York- Mellon	PNC Bank/The PNC Financial Services Group, Inc.
Bank of Texas N.A.	Plains Capital Bank
Bank of the Ozarks (Bank Ozk)	Plains State Bank
Brenham National Bank	PrimeBank of Texas
Cadence Bank	Prosperity Bank
Capital Bank of Texas	R Bank
Capital Markets Group	Regions Bank
Capital One	Simmons Bank
Central Bank	SouthStar Bank
Chasewood Bank	State Bank of Texas
Citibank N.A.	State Street Bank & Trust Co.
CIT Bank	Stellar Bank
Comerica Bank	Stifel Nicholas
Comerica Securities	Southwestern National Bank
Commercial State Bank	Sunflower Bank
Community Trust Bank	Susser Bank
Coastal Securities	Tex Star Investment Pool
East West Bank	Texas Capital Bank N.A.
First Bank of Texas	Texas Class
First Citizens Bank	Texas Citizens Bank
First Financial Bank, N.A.	Texas Exchange Bank
First Lockhart National Bank	Texas First Bank
First National Bank of Texas	Texas Gulf Bank
First Texas Bank	Texas Regional Bank
Frontier Bank of Texas	The Independent Bankers Bank
Frost National Bank	The Mint National Bank
Guaranty Bank & Trust	Texas Savings Bank
Hancock Whitney Bank	Texpool/Texpool Prime
Herring Bank	The Right Bank for Texas
Hilltop Securities	Third Coast Bank
Hometown Bank, N.A.	Trustmark National Bank
Horizon Bank	United Bank of El Paso Del Norte
Iberia Bank	United Texas Bank
ICS	Unity National Bank
Independent Bank	U. S. Bank
International Bank of Commerce	Veritex Bank
Inter National Bank	Wallis Bank
IntraFi Network Deposits	Wells Fargo Bank, N.A.
JP Morgan Chase	Wells Fargo Brokerage Services, LLC
Legacy Texas Bank	Wells Fargo Trust
Lone Star Bank	West Star Bank
Lone Star Capital Bank	Woodforest National Bank

TAB 9.b.

Disclosure Statement of Bookkeeper/

Investment Officer

MEMORANDUM

Date: September 25, 2024

To: Board of Directors
Hardy/Near Northside Redevelopment Authority (the "Authority")

Copy: Board of Directors
Attorney for the Authority
Bookkeeper for the Authority
Texas Ethics Commission

From: Chris Palis, Investment Officer/Bookkeeper

Subject: DISCLOSURE UNDER THE PUBLIC FUNDS INVESTMENT ACT

As investment officer/bookkeeper for the Authority, I submit this disclosure of my relationships with entities or individuals who are offering, have offered, or may offer to engage in an investment transaction with the Authority as of the date of this memorandum, in compliance with the Public Funds Investment Act and with the Authority's Investment Policy.

1. I have the following "personal business relationships" with individuals or entities who are offering to engage, have offered to engage or may offer to engage in an investment transaction with the District:

(a) I own (i) ten per cent (10%) or more of the voting stock or shares or (b) \$5,000 or more of the fair market value of the following business organizations:

(b) I have received from the following business organizations funds that exceed ten percent (10%) of my gross income for the previous year:

(c) During the previous year, I acquired for my personal account investments with a book value of \$2,500 or more from the following business organizations:

2. I am related within the second degree of affinity (marriage) or consanguinity (blood) as determined by Chapter 573, Government Code, to the following individuals who are seeking, have sought or may seek to sell an investment to the District:

(SIGNATURE)