

**MINUTES OF THE MEETING
OF
MONTROSE MANAGEMENT DISTRICT
BOARD OF DIRECTORS**

January 23, 2012

Determine quorum; call to order;

The Board of Directors of the Montrose Management District held a meeting on Monday, January 23, 2012, at 12:00 noon at 401 Branard Street, 2nd Floor, Room 106, Houston, TX 77006, inside the boundaries of the District, and open to the public. Chairman Wynn called the meeting to order at 12:012 p.m., and the roll was called of the duly appointed members of the Board, to wit:

Position 1: Claude Wynn, *Chairman*
Position 2: Vacant
Position 3: Randy Mitchmore, *Vice Chairman*
Position 4: Cassie Stinson, *Secretary*
Position 5: Michael Carter
Position 6: Vacant
Position 7: Dennis Murland
Position 8: Robert Jara

Position 9: Kathy Hubbard, *Treasurer*
Position 10: Michael Grover
Position 11: Vacant
Position 12: Brad Nagar, *Ass't Secretary*
Position 13: Tammy Manning
Position 14: David Robinson
Position 15: Randall Ellis

and all of the above were present except Directors Stinson, Carter, and Manning, thus constituting a quorum. Also present at the meeting were Helen Bernard, Leonard Bernard, Bill Strother, Lane Llewellyn, Caroline Evans, Griff Griffin, Cody Lutsch, Andrew Leva, Bob Rose, Stephen McNiel, Vicki Luna, Dana Thorpe, Daphne Scarbrough, Jennifer Roeser, and John Foelber. Consultants present were Bill Calderon, Susan Hill, Josh Hawes, and Allen Goodlow, Hawes Hill Calderon, L.L.P.; Patricia Hall, Equi-Tax, Inc.; and Darrell Hawthorne, Municipal Accounts and Consulting, L.P.

Approve minutes of meeting held December 12, 2011

Upon a motion made by Director Mitchmore, seconded by Director Grover, the board voted unanimously to approve the minutes of the meeting held on December 12, 2011.

Receive public comments

The board received public comments from the following persons:

- Andrew Leva, property owner, advocating abolishment of district
- John Foelber, property owner, supporting self-help improvements through volunteerism instead of use of the district
- Daphne Scarbrough, property owner, asking questions about December billings from Cassie Stinson's office and Hawes Hill Calderon LLP

Receive and consider District's monthly financial report and pay invoices

Mr. Hawthorne reviewed the financial statements included in the board agenda materials. Upon a motion made by Director Hubbard, seconded by Director Grover, the board voted unanimously to accept the Montrose Management District's monthly financial report and pay invoices.

Receive District's Monthly Assessment Collection Reports and Billing and Assessment Summaries, Lawsuit and Arbitration Status Details, and Delinquent Assessment Reports

Ms. Hall went over the monthly assessment collection reports and related documents for the East and West Service Areas. All property in the service areas is certified for 2010 and 2011. She next reviewed the lawsuit and arbitration status and delinquency reports for both service areas. She highlighted the Perdue Brandon report and asked the board to advise on disposition of the request from Frank Serrano, Hacienda Del Sol Ltd., Co., regarding the District's acceptance of payment of his delinquent assessments excluding penalty and interest. The board discussed the request. Upon motion by Director Hubbard, seconded by Director Grover, the board voted to decline the owner's request to waive penalty and interest and to accept his payment of base assessments due at this time.

Accept Hearing Examiner's Report and Proposal for Decision (East Service Area)

Mr. Calderón provided an overview of the East Service Area's Hearing Examiner's Report. Director Grover moved to accept the report and recommendations of the Chief Hearing Examiner with regard to supplementing the assessment roll and levying assessments in accordance with the Order on the Construction Improvements of Year 5 of the Service Plan. Director Ellis seconded the motion. The board voted unanimously to approve the motion.

Accept Hearing Examiner's Report and Proposal for Decision (West Service Area)

Mr. Calderón provided an overview of the West Service Area's Hearing Examiner's Report. Director Mitchmore moved to accept the report and recommendations of the Chief Hearing Examiner with regard to supplementing the assessment roll and levying assessments in accordance with the Order on the Construction Improvements of Year 5 of the Service Plan. Director Ellis seconded the motion. The board voted unanimously to approve the motion.

Adopt Order Setting the Rate of Assessment for All Properties on the District's Assessment Roll for Year Five of the District's Service Plan (East Service Area)

Mr. Calderón reviewed the order setting the rate of assessment for Year Five at \$0.125 per \$100 assessed valuation. Upon motion by Director Mitchmore, seconded by Director Hubbard, the board voted unanimously to adopt the Order.

Adopt Order Setting the Rate of Assessment for All Properties on the District's Assessment Roll for Year Five of the District's Service Plan (West Service Area)

Mr. Calderón reviewed the order setting the rate of assessment for Year Five at \$0.125 per \$100 assessed valuation. Upon motion by Director Ellis, seconded by Director Robinson, the board voted unanimously to adopt the Order.

Adopt Order Supplementing the Assessment Roll for the Montrose Management District and Levying Assessments Against the Property on the Supplemental Assessment Roll (East Service Area)

Mr. Calderón reviewed the order supplementing the assessment roll and levying assessments against property on the supplemental assessment roll. Upon motion by Director Grover, seconded by Director Ellis, the board voted unanimously to adopt the Order.

Adopt Order Supplementing the Assessment Roll for the Montrose Management District and Levying Assessments Against the Property on the Supplemental Assessment Roll (West Service Area)

Mr. Calderón reviewed the order supplementing the assessment roll and levying assessments against property on the supplemental assessment roll. Upon motion by Director Nagar, seconded by Director Jara, the board voted unanimously to adopt the Order.

Accept Amended Information Form of Montrose Management District (East Service Area).

Upon motion by Director Grover, seconded by Director Hubbard, the board unanimously approved acceptance of the amended information form for the East Service Area.

Accept Amended Information Form of Montrose Management District (West Service Area)

Upon motion by Director Mitchmore, seconded by Director Robinson, the board unanimously approved acceptance of the amended information form for the West Service Area.

Assignment of Legal Services Contract

The board agreed to table this item in view of Mr. Lord's absence from the meeting.

Receive and Consider Proposal from Mark M. Burton, PLLC, for Preparation of Year-end Financial Reports

Upon motion by Director Mitchmore, seconded by Director Nagar, the board voted unanimously to approve Mr. Burton's proposal to prepare year-end financial reports for fiscal year 2011.

Receive report with Regard to Petition for Dissolution

The board agreed to table this item in view of Mr. Lord's absence from the meeting.

Consider Order Responding to Petition to Dissolve the Montrose Management District

The board agreed to table this item in view of Mr. Lord's absence from the meeting.

Receive and consider recommendations from the Public Safety Committee related to:

a. Patrol Activity Report for the Month of December.

Director Nagar reviewed the patrol activity reports and cloud maps of reported crimes for the month, copies of which are attached to these minutes as Exhibit A. He went over the

arrest count for December 2011 and responded to questions and comments from the board and the public. No action was required.

Receive and consider report from the Business and Economic Development Committee

Mr. Calderón reported on behalf of Gretchen Larson, who was unable to attend the meeting due to a conflict. The website updates and redesign are on track, with target date of April 17 for phase 1 launch. Three new subcommittees have been created: Holiday Decorations Committee (Gene Creeley, chairman), Recycling Events Committee (Tammy Manning, chairman), and the Music, Foodie and Arts Events Committee (Jason Ginsberg, chairman). Chairman Wynn asked for suggestions from the board for persons to serve on these subcommittees. No action was required.

Receive Executive Director's Monthly Report on Action Initiatives in Support of the Montrose Management District.

Mr. Calderón reviewed the monthly report on action initiatives contained in the Board's meeting materials. "Apartments to Replace Montrose Fiesta," an article from the Houston Chronicle, Friday, January 13, 2012, edition, was distributed. A copy is attached to these minutes as Exhibit B. No action was required.

Director Robinson provided a brief report on the City's Department of Neighborhoods. The new interim director is Katie Tipton.

Adjourn.

There being no further business to come before the board, Chairman Wynn adjourned the meeting at 12:58 p.m.



Cassie B. Stinson

Secretary, Board of Directors
Montrose Management District

List of Exhibits

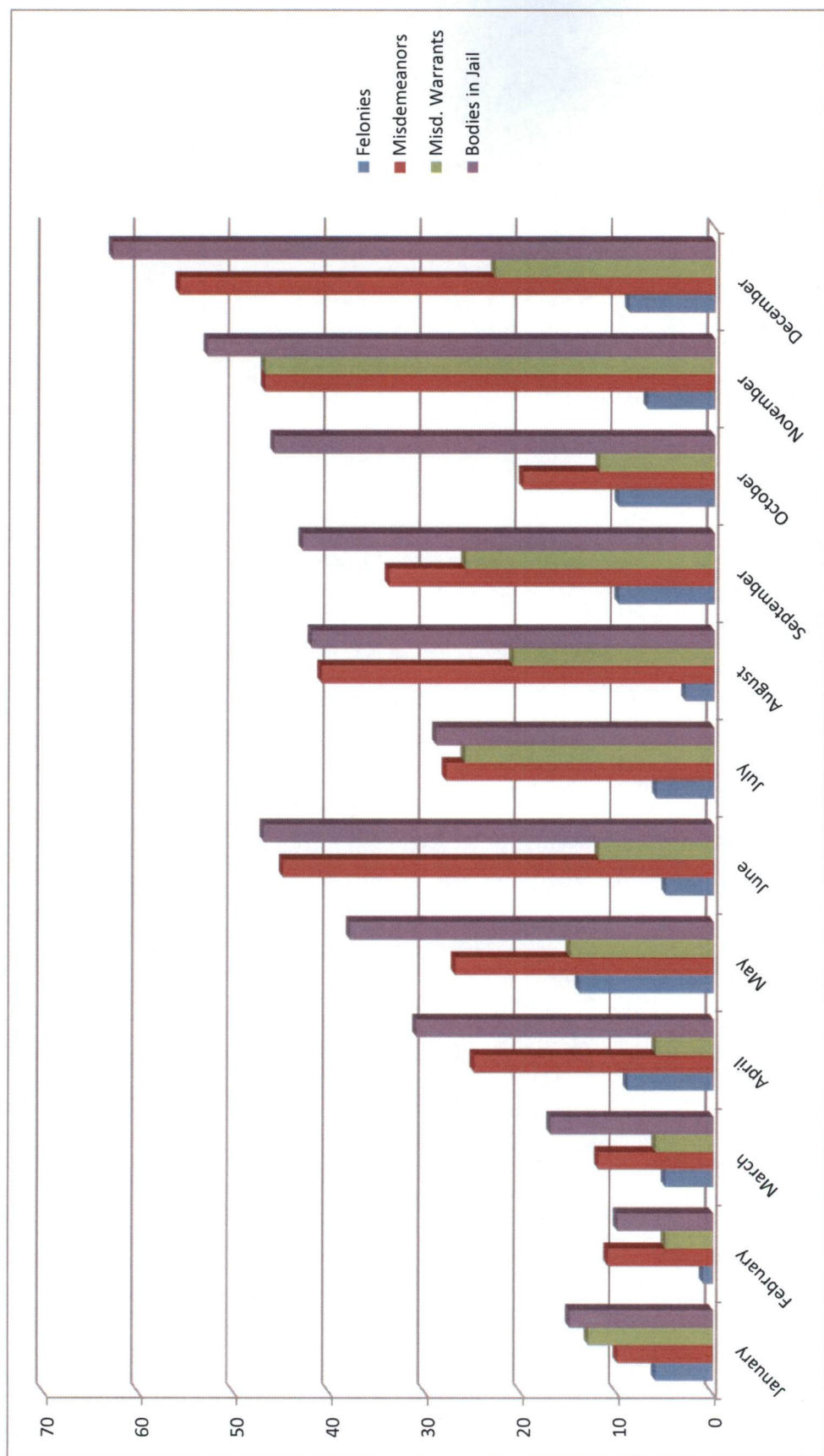
Exhibit A	Patrol activity reports and cloud maps of reported crimes
Exhibit B	"Apartments to Replace Montrose Fiesta," an article from the <u>Houston Chronicle</u> , Friday, January 13, 2012

Top 10 Crime Reported Commercial Properties

<u>Ranking</u>	<u>Commercial Property</u>	<u>Address</u>	<u>Incidences</u>
1	KATZ FAMILY LP	616 WESTHEIMER RD	9
2	ENTLER DENNIS K	611 HYDE PARK BLVD	8
3	EMERSON HOUSE APARTMENTS LTD	201 EMERSON ST	8
4	ARMSTRONG CHARLES	802 PACIFIC ST	8
5	HEIM LAM INC	819 DREW ST	8
6	KROGER CO #243	3300 MONTROSE BLVD	7
7	FARB AUBREY & TRUSTEE	W ALABAMA AT SPUR 527 (NW)	7
8	GARCIA MANUEL J & MARY	509 FAIRVIEW ST	7
9	LUI HOUSTON MONTROSE LLC	1001 WESTHEIMER RD	6
10	ANBIL II-R O L P	1422 W GRAY ST	6

	January	February	March	April	May	June	July	August	September	October	November	December	Total
Felonies	6	1	5	9	14	5	6	3	10	10	7	9	85
Misdemeanors	10	11	12	25	27	45	28	41	34	20	47	56	356
Misd. Warrants	13	5	6	6	15	12	26	21	26	12	47	23	212
Bodies in Jail	15	10	17	31	38	47	29	42	43	46	53	63	434

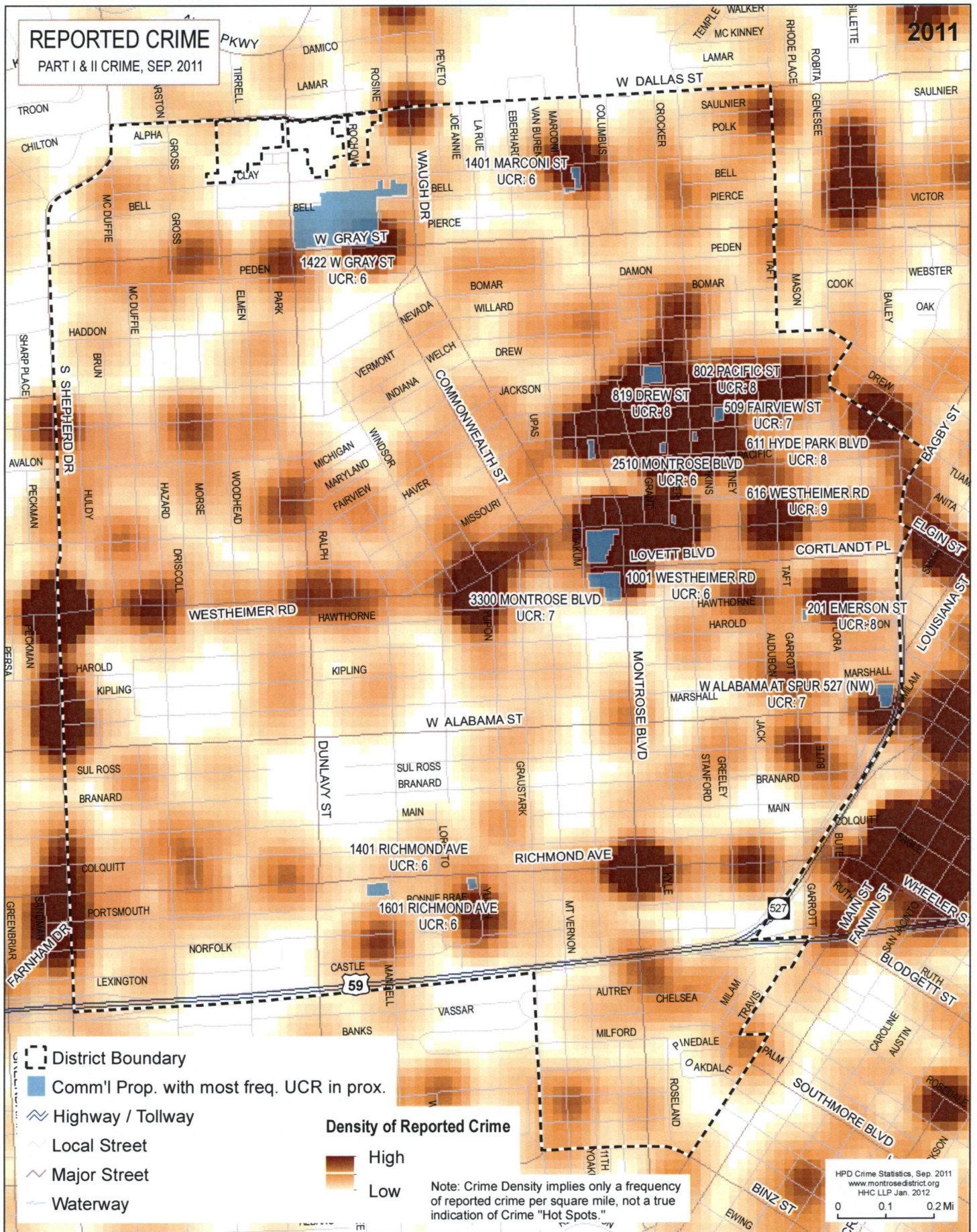
	January	February	March	April	May	June	July	August	September	October	November	December	Total
Tickets	1	1	0	6	13	5	4	0	10	2	9	0	51
Parking Tickets	15	11	14	9	21	12	13	9	9	20	7	19	159

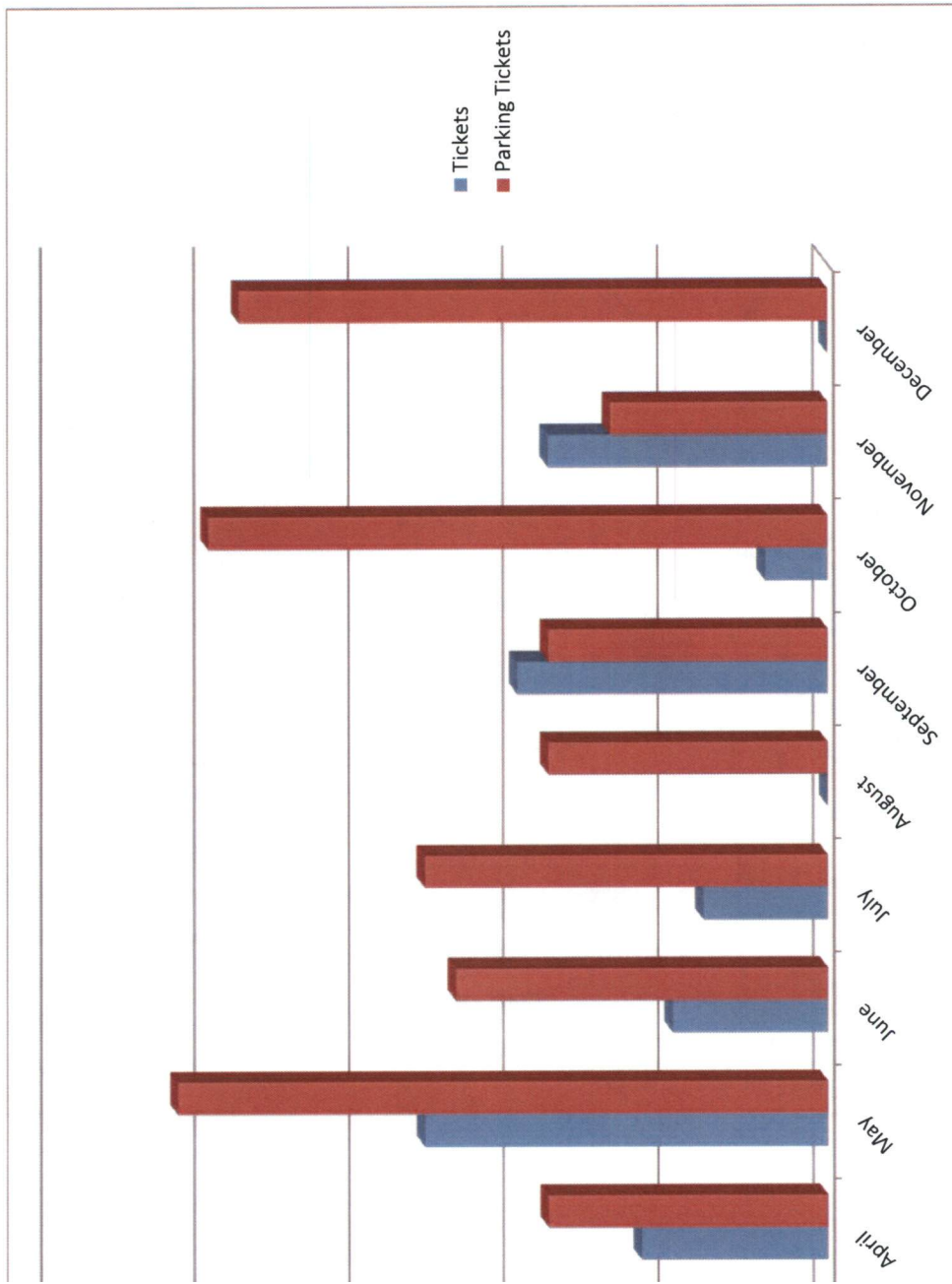
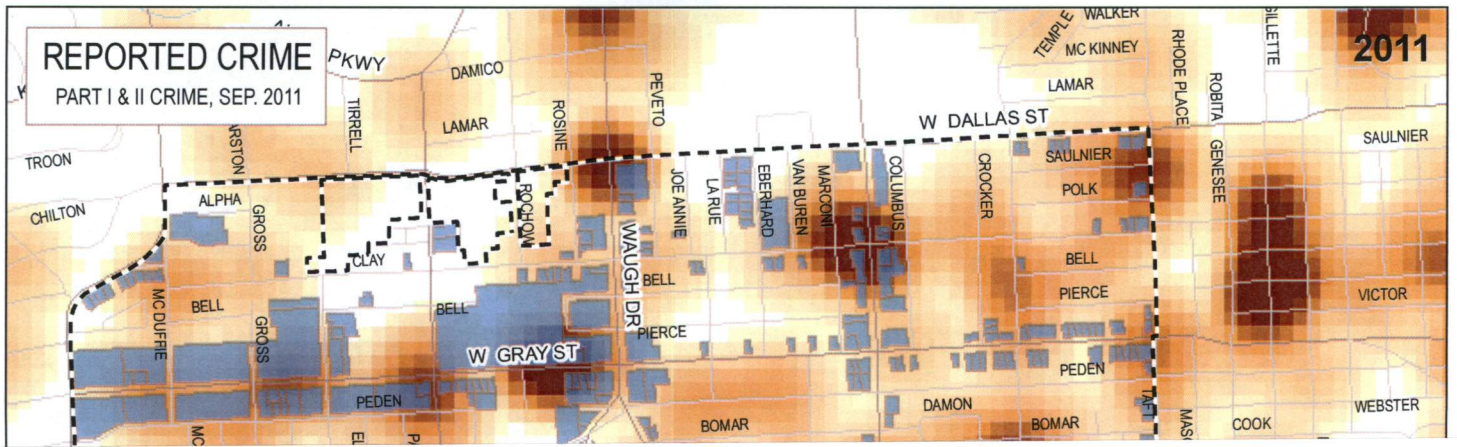


2011

REPORTED CRIME

PART I & II CRIME, SEP. 2011

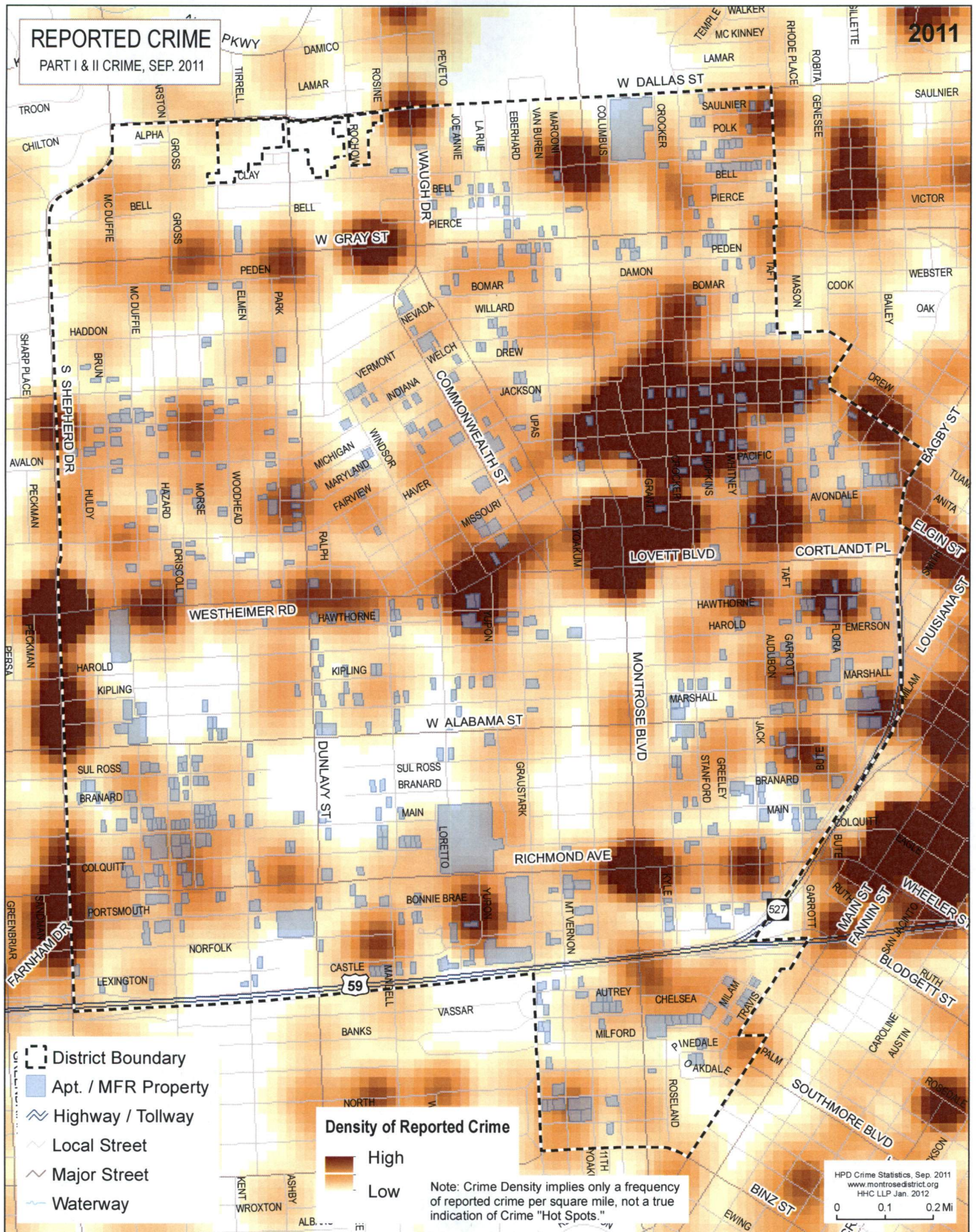




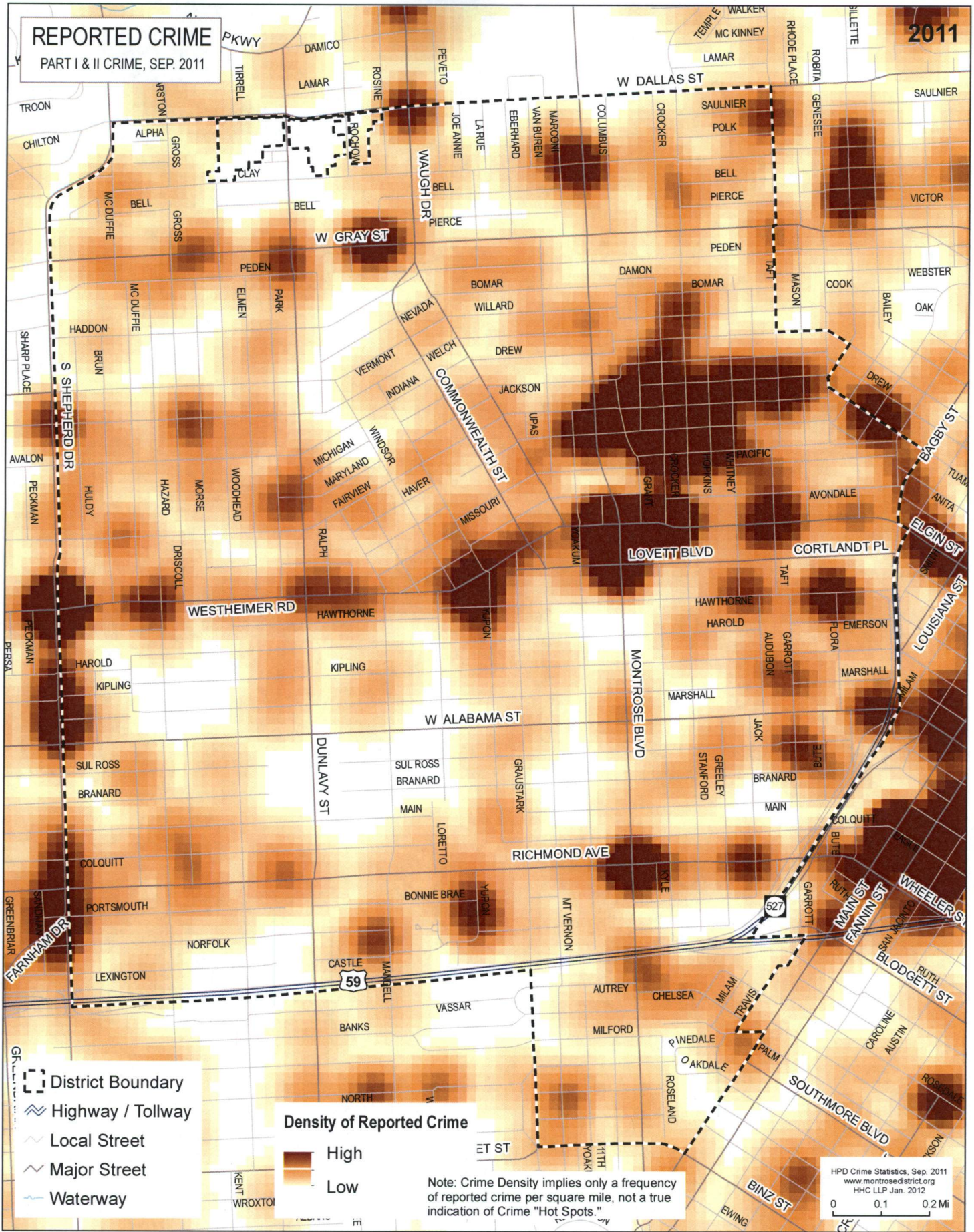
2011

REPORTED CRIME

PART I & II CRIME, SEP. 2011



REPORTED CRIME
PART I & II CRIME, SEP. 2011



Business

Exh. B

HOUSTON CHRONICLE | CHRON.COM | Friday, January 13, 2012 | Section D ***

REAL ESTATE

Apartments to replace Montrose Fiesta

By Nancy Sarnoff
HOUSTON CHRONICLE

Real estate developer Finger Cos. is buying the Fiesta shopping center in the Montrose area for a high-end apartment complex that could rise as many as eight stories.

The timing for the development is still being determined, but the builder is planning as

many as 390 multifamily units in what will be a Mediterranean-style structure.

"We're going to try to create something really beautiful," said Marvy Finger, president of the Houston-based firm.

The nearly 4-acre property is at 3803 Dunlavy at West Alabama, across from the new H-E-B Montrose Market.

A spokesman for Fiesta said

the company has not received notification of the sale and that it has a lease through 2015.

Fiesta has operated in that location since 1994. It was originally a Weingarten store when the property was built in the 1960s.

"It was a long haul," said Mona Dees, owner of Antiques and Interiors on Dunlavy.

Dees, who opened her antique

Fiesta continues on D6



Chronicle

Land's value has jumped

Fiesta from page D1

store in the center 12 years ago, doesn't blame the owner for selling it.

"The value of it jumped up so much once H-E-B built over here," she said.

Dees, who said her lease runs through the middle of 2013, hopes to relocate in the area.

The new H-E-B — the most expensive store the company ever built — re-

placed an apartment complex that had occupied the tract since around 1940.

Shopping center owner Suzanne Levin said she would not comment until the deal closes, which is expected to happen next month.

The new Finger development is planned to be between six and eight stories. Wallace Garcia Wilson is designing it.

Finger said he was

born near the property, which is in an upscale neighborhood close to the Menil Collection and the Rice University area. He said he will develop the complex as if he lives next door.

"It's going to be in very good taste," Finger said. "It's a special neighborhood."

nancy.sarnoff@chron.com
twitter.com/nsarnoff



Fiesta has operated at 3803 Dunlavy since 1994. This location was originally a Weingarten store when it was built in the 1960s.