

Agendas and Agenda Materials
Meetings of the Boards of Directors

La Porte Redevelopment Authority



La Porte Tax Increment
Reinvestment Zone

June 11, 2014

NOTICE OF MEETING OF LA PORTE REDEVELOPMENT AUTHORITY

Notice is hereby given of the meeting of the La Porte Redevelopment Authority to be held Wednesday, June 11, 2014 at 6:30 p.m. in the Council Chambers of City Hall, 604 West Fairmont Parkway, La Porte, Texas, for the purpose of considering the following agenda items:

1. Call to order – Lindsey Pfeiffer, President;
2. Consider approval of the minutes of Board of Directors meeting held on February 19, 2014;
3. Consider Approval of Report on Applying Agreed Upon Procedures to Construction Advance Reimbursable to Malladi S. Reddy and Port Crossing Land, LP;
4. Consider approval or other action with regard to authority invoices;
5. Receive updates from the city, developers and staff with regard to development within the Zone;
6. Board member comments;
 - a. Matters appearing on agenda;
 - b. Inquiry of staff regarding specific factual information or existing policy
7. Adjournment.

In compliance with the American Disabilities Act, the City of La Porte City will provide for reasonable accommodations for persons attending public meetings. To better serve attendees, requests should be received 24 hours prior to the meetings. Please contact Patrice Fogarty, City Secretary, at 281-470-5019 or TDD 281-471-5030.

A possible quorum of city council members may be present at this meeting and participate in discussions but will take no action.

David W. Hawes
Executive Director



LA PORTE REDEVELOPMENT AUTHORITY,
CITY OF LA PORTE, TEXAS

AGENDA MEMORANDUM

TO: La Porte Redevelopment Authority Board of Directors
FROM: Executive Director
SUBJECT: Agenda Item Materials

2. Consider approval of minutes of the Board of Directors meeting held February 19, 2014.

**MINUTES OF THE MEETING OF THE
LA PORTE REDEVELOPMENT AUTHORITY
CITY OF LA PORTE, TEXAS
BOARD OF DIRECTORS**

February 19, 2014

CALL TO ORDER – LINDSAY PFEIFFER, PRESIDENT.

The Board of Directors of the La Porte Redevelopment Authority, City of La Porte, Texas, held a regular meeting, open to the public, on Wednesday, February 19, 2014, at 6:30 p.m., in the Council Chambers of City Hall, 604 West Fairmont Parkway, La Porte, Texas, and the roll was called of the duly appointed members of the Board, to-wit:

Peggy Antone, <i>Secretary</i>	Position 1
Dave Turnquist	Position 2
Alton Porter	Position 3
Horace Leopard	Position 4
Doug Martin, <i>Vice Chair</i>	Position 5
JJ Meza	Position 6
Lloyd Graham	Position 7
Chester Pool	Position 8
Lindsay Pfeiffer, <i>Chair</i>	Position 9

and all of the above were present with the exception of Directors JJ Meza and Lloyd Graham, thus constituting a quorum. Also present were David Hawes and Linda Clayton, both of Hawes Hill Calderon, L.L.P.; and Scott Livingston EDC Director. Also attending the meeting was Paul Grohma, Gromax. Chairman Pfeiffer called the meeting to order at 6:31 p.m.

CONSIDER APPROVAL OF THE MINUTES OF BOARD OF DIRECTORS MEETING HELD ON JANUARY 22, 2014.

Upon a motion duly made by Director Pool, and being seconded by Director Martin, the Board voted unanimously to approve the minutes of January 22, 2014, as presented.

CONSIDER APPROVAL OF DEVELOPMENT FINANCING AGREEMENT BETWEEN THE CITY OF LA PORTE, TAX INCREMENT REINVESTMENT ZONE NUMBER ONE, CITY OF LA PORTE, LA PORTE REDEVELOPMENT AUTHORITY, AND BEAZER HOMES TEXAS LP.

Mr. Hawes presented the Development Agreement included in the Board agenda materials and answered questions. He stated the City has approved the agreement. Mr. Grohma stated the construction would start around mid to late May and will be completed in the first two weeks of November, excluding CenterPoint. Mr. Hawes reported this was a standard development agreement with the exception of the stipulations on page 5 under subsection (e). Upon a motion duly made by Director Porter, and being seconded by Director Turnquist, the Board voted unanimously to approve the Development Agreement.

CONSIDER APPROVAL OF AGREED UPON PROCEDURES REPORT FOR RETREAT AT BAY FOREST, LP.

Mr. Hawes presented the Report on Applying Agreed-Upon Procedures to Construction, Engineering and Related Costs Reimbursable to Retreat at Bay Forest LP included in the Board agenda materials and answered questions. He reported the original submitted schedules and invoices totaled \$164,500 without interest and the revised amount was \$224,670 including interest. Upon a motion duly made by Director Martin, and being seconded by Director Pool, the Board voted unanimously to approve the procedures report.

CONSIDER APPROVAL OR OTHER ACTION WITH REGARD TO AUTHORITY INVOICES.

Mr. Hawes presented the invoices included in the Board agenda materials for review. Upon a motion duly made by Director Martin, and being seconded by Director Antone, the Board voted unanimously to approve payment of the invoices.

RECEIVE UPDATES FROM THE CITY, DEVELOPERS AND STAFF WITH REGARD TO DEVELOPMENT WITHIN THE ZONE.

The Board received updates regarding development within the zone. No Board action was required.

BOARD MEMBER COMMENTS.

- a. Matters appearing on agenda;
- b. Inquiry of staff regarding specific factual information or existing policy.

No action was taken.

ADJOURNMENT.

There being no further business to come before the Board, Chairman Pfeiffer adjourned the meeting at 7:00 p.m.

Secretary

LA PORTE REDEVELOPMENT AUTHORITY,
CITY OF LA PORTE, TEXAS

AGENDA MEMORANDUM

TO: La Porte Redevelopment Authority Board of Directors
FROM: Executive Director
SUBJECT: Agenda Item Materials

3. Consider approval of a report on applying Agreed-upon Procedures to construction advance reimbursable to Malladi S. Reddy and Port Crossing Land LP.

Draft - Subject to change

LA PORTE REDEVELOPMENT AUTHORITY
REPORT ON APPLYING AGREED-UPON PROCEDURES TO
CONSTRUCTION ADVANCE REIMBURSABLE
TO MALLADI S. REDDY AND
PORT CROSSING LAND, LP (DEVELOPERS)
APRIL 24, 2014

Draft - Subject to change

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SCHEDULE

INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING
AGREED-UPON PROCEDURES

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TO MALLADI S. REDDY (DEVELOPER)

A

SCHEDULE OF CONSTRUCTION ADVANCE REIMBURSABLE
TO PORT CROSSING LAND, LP (DEVELOPER)

B

Draft - Subject to change

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April 24, 2014

Board of Directors
La Porte Redevelopment Authority
City of La Porte, Texas
Harris County, Texas

Independent Accountant's Report on Applying Agreed-Upon Procedures

We have performed the procedures enumerated below, which were agreed to by the Board of Directors of the La Porte Redevelopment Authority (the "Authority"), solely to assist you with respect to construction advance costs to be paid by the City of La Porte, Texas, Tax Increment Reinvestment Zone No. 1 to Malladi S. Reddy and Port Crossing Land, LP (the "Developers") as set forth in the accompanying schedule. The below listed procedures were performed solely to assist you in determining the amount to be reimbursed to the Developers.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of the procedures is solely the responsibility of the Board of Directors of the Authority. Consequently, we make no representation regarding the sufficiency of the procedures either for the purpose for which this report has been requested or for any other purpose. The procedures performed are summarized as follows:

- A. We reviewed certain schedules and supporting invoices submitted by the Developers in substantiation of the costs to be reimbursed. Our review included all documentation of the advance and proof of payment for which reimbursement is requested. In addition, we reviewed the agreements relative to the reimbursement request. Agreements reviewed are referenced in our report.
- B. We calculated the Developer interest based upon the terms of the Reinvestment Zone Number One, City of La Porte, Texas (the "Zone") agreement with the Developers for interest in accordance with their respective agreements.

- C. We prepared schedules that computed interest in accordance with the terms of the Development Agreement, and limited interest where appropriate.
- D. We prepared a reimbursement report for the benefit of the City, including the accountant's report and schedule of amounts reimbursable to the Developer
- E. We were available to attend a meeting to present the report, and to answer questions relating to the report.

The attached Schedule A titled "Schedule of Construction Advance Reimbursable to Malladi S. Reddy (Developer)", sets forth the reimbursable costs. This reimbursement is in accordance with the terms and conditions of the Development Agreement by and among the Reinvestment Zone Number One, City of La Porte, Texas, La Porte Redevelopment Authority and 65 La Porte, Ltd. dated August 26, 2004.

The advance was made in accordance with a Public Right Of Way Improvement and Funding Agreement dated December 17, 2008 by and among Port Crossing Land, LP, 65 La Porte, Ltd. the La Porte Tax Increment Reinvestment Zone No. 1 and the La Porte Redevelopment Authority. Dr. Reddy made the advance on behalf of 65 La Porte, Ltd.

The Developer originally submitted an advance to the City for \$200,000, not including interest. We have revised the reimbursable amount to \$232,500, including interest of \$32,500 calculated through January 12, 2014, the five year limit in accordance with the agreement. The following changes were made to the original schedule:

- A. We calculated interest at the prime commercial lending rate of J. P. Morgan Chase Bank, and limited interest to five years in accordance with the Development Agreement through January 12, 2014. No additional interest will be due under the agreement. The calculation resulted in an increase of \$32,500.

The attached Schedule B titled "Schedule of Construction Advance Reimbursable to Port Crossing Land, LP (Developer)", sets forth the reimbursable costs. This reimbursement is in accordance with the terms and conditions of the Development Agreement by and among the Reinvestment Zone Number One, City of La Porte, Texas, La Porte Redevelopment Authority and Port Crossing Land dated May 24, 2006.

The advance was made in accordance with a Public Right Of Way Improvement and Funding Agreement dated December 17, 2008 by and among Port Crossing Land, LP, 65 La Porte, Ltd. the La Porte Tax Increment Reinvestment Zone No. 1 and the La Porte Redevelopment Authority.

The Developer originally submitted an advance to the City for \$200,000, not including interest. We have revised the reimbursable amount to \$232,500, including interest of \$32,500 calculated through December 21, 2013, the five year limit in accordance with the agreement. The following changes were made to the original schedule:

- A. We calculated interest at the prime commercial lending rate of J. P. Morgan Chase Bank, and limited interest to five years in accordance with the Development Agreement through December 21, 2013. No additional interest will be due under the agreement. The calculation resulted in an increase of \$32,500.

According to the Development Agreements, the Developers are to be paid interest on the reimbursable amount at the prime commercial lending rate of J. P. Morgan Chase Bank per annum, limited to five years. Interest was calculated on the per annum basis of a year being 365 days. The following details the interest rates used for the periods included:

<u>Dates</u>	<u>Prime Rate</u>
December 22, 2008 to January 12, 2014*	3.25%

*Five year limit was reached, no additional interest will accrue

The Authority's obligation to reimburse the Developers is limited to any Pledged Available Tax Increment under the Development Agreement.

We were not engaged to and did not conduct an audit, the objective of which would be the expression of an opinion on the aforementioned reimbursable costs. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the Board of Directors and is not intended to be and should not be used by anyone other than this specified party. However, this report is a matter of public record and its distribution is not limited. This report should not be associated with the presentation of any financial data of the District except to comply with filing requirements as specified by the parties to the agreement.

McCall Gibson Swedlund Barfoot PLLC
Certified Public Accountants

Draft - Subject to change

LA PORTE REDEVELOPMENT AUTHORITY
SCHEDULE OF CONSTRUCTION ADVANCE
REIMBURSABLE TO MALLADI S. REDDY (DEVELOPER)
APRIL 24, 2014

(SEE ACCOMPANYING DISCLAIMER OF OPINION AND
EXPLANATION OF AGREED-UPON PROCEDURES PERFORMED)

<u>DESCRIPTION</u>	<u>REIMBURSABLE COST</u>
City of La Porte, Texas	
Advance for Construction Costs related to Street Tie-In Project at Wharton Weems and State Highway 146	
Amount Paid by Developer	<u>200,000.00</u>
TOTAL AMOUNT REIMBURSABLE TO MALLADI S. REDDY AS OF APRIL 24, 2014	\$ 200,000.00
Add: Interest Calculated per Agreement*	<u>32,500.00</u>
TOTAL AMOUNT PAYABLE TO MALLADI S. REDDY AS OF APRIL 24, 2014	<u>\$ 232,500.00</u>

*Interest was calculated at the prime rate of JPMorgan Chase Bank in
accordance with the Development Agreement, and limited to five years.
No additional interest will accrue.

Draft - Subject to change

LA PORTE REDEVELOPMENT AUTHORITY
SCHEDULE OF CONSTRUCTION ADVANCE
REIMBURSABLE TO PORT CROSSING LAND, LP (DEVELOPER)
APRIL 24, 2014

(SEE ACCOMPANYING DISCLAIMER OF OPINION AND
EXPLANATION OF AGREED-UPON PROCEDURES PERFORMED)

<u>DESCRIPTION</u>	<u>REIMBURSABLE COST</u>
City of La Porte, Texas	
Advance for Construction Costs related to Street Tie-In Project at Wharton Weems and State Highway 146	
Amount Paid by Developer	<u>200,000.00</u>
TOTAL AMOUNT REIMBURSABLE TO PORT CROSSING LAND, LP AS OF APRIL 24, 2014	\$ 200,000.00
Add: Interest Calculated per Agreement*	<u>32,500.00</u>
TOTAL AMOUNT PAYABLE TO PORT CROSSING LAND, LP AS OF APRIL 24, 2014	<u>\$ 232,500.00</u>

*Interest was calculated at the prime rate of JPMorgan Chase Bank in accordance with the Development Agreement, and limited to five years. No additional interest will accrue.

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Certified Public Accountants

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April 24, 2014

La Porte Redevelopment Authority
c/o David Hawes
Hawes Hill Calderon, LLP
9610 Long Point Road, Suite 150
Houston, TX 77055

We will perform the procedures enumerated below, which are agreed upon by the La Porte Redevelopment Authority (the "Authority") on the invoices and schedules submitted by Malladi S. Reddy and Port Crossing Land, LP (the "Developers") which are included for payment in accordance with the terms of the Development Agreement with 65 La Porte, Ltd. and Port Crossing Land, LP. Our report will be an agreed-upon procedures engagement performed in accordance with standards established by the American Institute of Certified Public Accountants with Regard to the Construction, Engineering and Related Costs of the Developer. Our engagement will be limited to a review of the documentation and information submitted for review by the respective parties, and will be for the purpose of determining the amount to be reimbursed and a comparison of the actual costs to the La Porte Tax Increment Reinvestment Zone (the "TIRZ") Estimated Zone Project Costs.

This agreed-upon procedures engagement will be conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of the procedures is solely the responsibility of the City. Consequently, we will make no representation regarding the sufficiency of the procedures either for the purpose of which this report has been requested or for any other purpose. The procedures we will perform are as summarized below:

- A. We will review certain schedules and supporting invoices submitted by the Developers in substantiation of the costs to be reimbursed. Our review will include all documentation for supporting items, amounts, and proof of payment for which reimbursement is requested. In addition, we will review all agreements provided to us relative to the reimbursement request.

- B. We will review the computation of certain costs paid to the City in accordance with the Development Agreements. Any costs required to be paid by the Developers will be deducted.
- C. We will prepare schedules that compute interest in accordance with the terms of the Development Agreement, and will limit interest where appropriate.
- D. We will prepare a reimbursement report for the benefit of the City, including the accountant's report and schedule of amounts reimbursable to the Developers.
- E. We will be available to attend a meeting to present the report, and to answer questions relating to the report.

The objective of this agreed-upon procedures engagement will be to assist you in evaluating the reasonableness of the aforementioned costs. Because the above procedures will not be sufficient to constitute an audit made in accordance with generally accepted auditing standards, we will not express an opinion on the aforementioned reimbursable costs. However, we will report to you any matters that come to our attention that causes us to believe that the aforementioned costs are incorrect. In addition, this agreed-upon procedures engagement is not primarily or specifically designed, and cannot be relied upon, to disclose defalcations and other similar irregularities, although their discovery may result.

This report of agreed-upon procedures is for the exclusive use of the Board of Directors of the Authority, and should not be distributed to or made available to persons or entities outside of the Board, nor should the report be associated with the presentation of any financial data of the Authority except as required by the specific agreement and the Texas Open Records Act. Chris Swedlund is the engagement partner and is responsible for supervising the engagement and signing the report or authorizing another individual to sign the report.

The charge for this work will be at the firm's regular hourly rates. A portion of the cost of these procedures will be determined by the condition of the records submitted by the respective developer or developers to be reimbursed. Billings will be made when the final report is issued.

The hourly rates are as follows:

- Clerical Services \$60-\$80 per hour
- Staff Professional \$95-\$120 per hour
- Senior Professional or Manager \$120-\$170 per hour
- Principal at \$225 per hour

We estimate the cost of performing these procedures on your behalf to range between \$3,000 and \$4,000.

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

We appreciate the confidence you have placed in this firm by retaining us as your independent accountants in this matter. If you agree with the above understanding of the engagement, please sign the duplicate copy of this letter and return it at your earliest convenience. Thank you.

Sincerely yours,



McCall Gibson Swedlund Barfoot PLLC

ACKNOWLEDGEMENT:

Signature

Title

Date

Engagement Letter - ROW reamb 2014

LA PORTE REDEVELOPMENT AUTHORITY,
CITY OF LA PORTE, TEXAS

AGENDA MEMORANDUM

TO: La Porte Redevelopment Authority Board of Directors
FROM: Executive Director
SUBJECT: Agenda Item Materials

4. Consider approval or other action regarding Authority invoices.

JUNE 2014 EXPENSE SUMMARY - OPERATING ACCOUNT

<i>Checks submitted for approval</i>			
6/11/2014	#152 Andrews Kurth	Inv 10642473	\$ 2,545.00
6/11/2014	#153 McCall Gibson Swedlund Barfoot PLLC	AUP	\$ 3,000.00
6/11/2014	#154 Hawes Hill Calderon LLP	Inv 4694, 4695, 4718, 4719	\$ 9,610.08
6/11/2014	#155 Malladi S. Reddy	construction adv w/int	\$ 232,500.00
6/11/2014	#156 Port Cross Land LP	construction adv w/int	\$ 232,500.00
6/11/2014	#157 Harris County	Sylvan Beach project	\$ 130,500.00
6/11/2014	#159 City of La Porte	trunkline project	\$ 130,500.00
<i>Total, Checks submitted</i>			\$ 741,155.08
Fund balance, Operating Account as of June 11, 2014			\$ 446,074.10

NOTE: CHECK # 158 not used -
Steel

La Porte Redevelopment Authority
Cash Flow Report, FY 2009-2014

Cleared Bank	Operating Account	For	Amount	Subtotal	Total
	Beginning fund balance, 10/1/2009		\$ 265,520.84		
10/15/2009	City of La Porte	county TIRZ payment	\$ 196,067.00		
10/30/2009	interest deposit (0.30%)	interest	\$ 91.25		
11/30/2009	interest deposit (0.10%)	interest	\$ 73.20		
12/31/2009	interest deposit (0.15%)	interest	\$ 36.70		
1/29/2010	interest deposit (0.10%)	interest	\$ 28.41		
2/26/2010	interest deposit (0.10%)	interest	\$ 22.06		
3/31/2010	interest deposit (0.10%)	interest	\$ 25.13		
4/30/2010	interest deposit (0.20%)	interest	\$ 42.59		
5/31/2010	interest deposit (0.20%)	interest	\$ 42.60		
6/10/2010	Harris County tax collections	county TIRZ payment	\$ 257,543.00		
6/22/2010	City of La Porte tax collections	city TIRZ payment	\$ 582,670.33		
6/22/2010	LPISD tax collections	ISD TIRZ payment	\$ 512,646.62		
6/30/2010	interest deposit (0.20%)	interest	\$ 122.57		
7/31/2010	interest deposit (0.20%)	interest	\$ 130.46		
8/31/2010	interest deposit (0.20%)	interest	\$ 102.74		
9/30/2010	interest deposit (0.20%)	interest	\$ 95.55		
10/20/2010	City of La Porte	prior year increment adjustment	\$ 189,261.05		
10/29/2010	interest deposit (0.20%)	interest	\$ 51.37		
11/30/2010	interest deposit (0.10%)	interest	\$ 67.56		
12/31/2010	interest deposit (0.10%)	interest	\$ 65.46		
1/31/2011	interest deposit (0.10%)	interest	\$ 65.46		
2/28/2011	interest deposit (0.10%)	interest	\$ 59.13		
3/31/2011	interest deposit (0.10%)	interest	\$ 65.47		
4/29/2011	interest deposit (0.10%)	interest	\$ 61.21		
5/31/2011	interest deposit (0.10%)	interest	\$ 66.05		
6/16/2011	Wire xfer City of La Porte	city TIRZ payment	\$ 717,580.58		
6/16/2011	Wire xfer City of La Porte	city TIRZ payment	\$ 591,594.44		
6/30/2011	interest deposit (0.10%)	interest	\$ 115.72		
7/25/2011	Wire xfer City of La Porte	county TIRZ payment	\$ 171,528.00		
7/29/2011	interest deposit (0.10%)	interest	\$ 166.23		
8/31/2011	interest deposit (0.05%)	interest	\$ 139.39		
9/30/2011	interest deposit (0.05%)	interest	\$ 41.88		
10/31/2011	interest deposit (0.05%)	interest	\$ 6.98		
11/30/2011	interest deposit (0.05%)	interest	\$ 41.88		
12/31/2011	interest deposit (0.05%)	interest	\$ 41.88		
1/31/2012	interest deposit (0.05%)	interest	\$ 44.67		
2/29/2012	interest deposit (0.05%)	interest	\$ 40.04		
3/30/2012	interest deposit (0.05%)	interest	\$ 41.32		
4/30/2012	interest deposit (0.05%)	interest	\$ 42.46		
5/24/2012	Wire xfer City of La Porte	city TIRZ payment	\$ 591,728.53		
5/24/2012	Wire xfer City of La Porte	city TIRZ payment	\$ 483,366.12		

5/31/2012	Interest deposit (0.05%)	Interest	\$	54.15	
6/25/2012	Wire xfr. City of La Porte	county TIRZ payment	\$	215,582.00	
6/29/2012	Interest deposit (0.05%)	interest	\$	83.82	
7/31/2012	Interest deposit	interest	\$	100.32	
8/31/2012	Interest deposit	interest	\$	92.56	
9/28/2012	Interest deposit	interest	\$	45.36	
10/31/2012	Interest deposit	interest	\$	53.24	
11/30/2012	Interest deposit	interest	\$	48.37	
12/31/2012	Interest deposit	interest	\$	49.99	
1/31/2013	Interest deposit	interest	\$	49.99	
2/28/2013	Interest deposit	interest	\$	38.04	
3/29/2013	Interest deposit	interest	\$	34.32	
4/30/2013	Interest deposit	interest	\$	31.78	
5/20/2013	Wire xfr City of La Porte	city TIRZ payment	\$	461,057.04	
5/20/2013	Wire xfr City of La Porte	taxes co	\$	557,872.33	
5/31/2013	Interest deposit	interest	\$	46.47	
6/24/2013	Wire xfr City of La Porte	Harris County	\$	203,468.00	
6/28/2013	Interest deposit	Interest	\$	67.32	
7/31/2013	Interest deposit	Interest	\$	84.30	
8/26/2013	Beazer Homes deposit	annexation	\$	25,000.00	
8/30/2013	Interest deposit	Interest	\$	37.96	
9/30/2013	Interest deposit	interest	\$	39.64	
10/31/2013	Interest deposit	interest	\$	39.29	
11/29/2013	Interest deposit	interest	\$	36.75	
12/31/2013	Interest deposit	interest	\$	40.56	
1/31/2014	Interest deposit	Interest (0.05%)	\$	39.26	
2/28/2014	Interest deposit	Interest	\$	34.88	
3/31/2014	Interest deposit	Interest	\$	37.87	
4/30/2014	Interest deposit	Interest	\$	36.65	
5/31/2014	Interest deposit	Interest	\$	36.65	
6/4/2014	Wire xfr City of La Porte	Harris County 2013	\$	295,350.00	
	Total, Revenues		\$	6,321,132.84	\$ 6,321,132.84
	Cleared				
	Bank				
	Expenses				
	Checks paid:				
11/23/2009	#117 Port Crossing LP	developer reimbursement	\$	165,769.15	
11/19/2009	#118 Hawes Hill Calderon LLP	Inv 3385, 3400, 3422	\$	7,937.24	
2/25/2010	#120 Hawes Hill Calderon LLP	Inv 3514, 3456, 3515	\$	7,552.62	
3/31/2010	#119 Pattilo Brown & Hill LLP	Interim billing, audit	\$	3,000.00	
6/30/2010	#121 VOID CHECK	error in account posting	\$	-	
7/9/2010	#122 Pattillo, Brown & Hill LLP	audit final invoice	\$	150.00	
7/1/2010	#123 Hawes Hill Calderon LLP	Inv 3523, 3585, 3586, 3614	\$	10,072.29	
8/5/2010	#125 City of La Porte	developer reimbursement	\$	1,033,512.91	
8/27/2010	#126 Hawes Hill Calderon LLP	meeting expenses	\$	266.67	
4/27/2011	#127 Hawes Hill Calderon LLP	Inv 3642, 3666	\$	5,640.07	
8/22/2011	#128 Port Crossing Land LP	Inv 3766-3874	\$	17,686.39	
8/18/2011	#129 Hawes Hill Calderon LLP	developer reimbursement	\$	1,205,754.00	
2/6/2012	#130 Hawes Hill Calderon LLP	Inv 3936, 3937, 3938, 3954 Inv 4054	\$	9,763.04	
			\$	13,685.83	

4/9/2012	#131 McCall Gibson Swedlund Barfoot PLLC	Interim billing - audit	\$ 4,000.00		
4/9/2012	#132 Hawes Hill Calderon LLP	Inv 4105	\$ 3,926.83		
8/23/2012	#133 Hawes Hill Calderon LLP	Inv 4139, 4170, 4214, 426	\$ 9,835.85		
8/29/2012	#134 Port Crossing Land LP	developer reimbursement	\$ 1,095,875.46		
9/26/2012	#135 McCall Gibson Swedlund Barfoot PLLC	2011 audit, final bill	\$ 2,400.00		
9/27/2012	#136 Hawes Hill Calderon LLP	Inv 4241	\$ 3,550.70		
2/22/2013	#137 McCall Gibson Swedlund Barfoot PLLC	2012 audit Interim bill	\$ 4,500.00		
2/9/2013	#138 Hawes Hill Calderon LLP	Inv 43014333	\$ 11,537.90		
2/12/2013	#139 Harris County Treasurer	Inv AH002859	\$ 166,594.19		
2/13/2013	#140 City of La Porte	trunkline project	\$ 130,500.00		
4/4/2013	#141 City of La Porte	TR2 admin fee 2013	\$ 160,767.62		
3/28/2013	#142 Hawes Hill Calderon LLP	Inv 43014375	\$ 3,606.75		
7/24/2013	#143 City of La Porte	TR2 admin fee	\$ 53,577.57		
7/29/2013	#144 Hawes Hill Calderon LLP	Inv 4446, 4447, 4448, 4470	\$ 9,771.19		
7/30/2013	#145 Port Crossing Land LP	developer reimbursement	\$ 934,355.68		
8/27/2013	#146 McCall Gibson Swedlund Barfoot, PLLC	2012 EDY audit -- final	\$ 2,500.00		
8/22/2013	#147 Hawes Hill Calderon LLP	Inv 43014590 and 43914485	\$ 11,064.00		
9/23/2013	#148 Hawes Hill Calderon LLP	Inv 4514, 4517	\$ 11,126.58		
1/22/2014	#149 Hawes Hill Calderon LLP	Inv 4539, 4604, 4605, 4666	\$ 10,140.03		
2/24/2014	#150 McCall Gibson Swedlund Barfoot, PLLC	audit, AUP	\$ 9,750.00		
2/21/2014	#151 Hawes Hill Calderon LLP	Inv 43014626, 43014630	\$ 13,636.00		
	Total, Checks paid		\$ 5,133,806.66	\$ (5,133,806.66)	
Bank fees:					
6/18/2010	Wire transfer	service fee	\$ 8.00		
6/22/2010	Wire transfer	service fee	\$ 8.00		
6/22/2010	Wire transfer	service fee	\$ 8.00		
10/20/2010	Wire transfer	service fee	\$ 8.00		
6/16/2011	Wire transfer	service fee	\$ 10.00		
6/16/2011	Wire transfer	service fee	\$ 10.00		
7/25/2011	Wire transfer	service fee	\$ 10.00		
10/24/2013	VOD Audit Fee	service fee	\$ 35.00		
	Total, Bank fees		\$ 97.00	\$ (97.00)	
Checks outstanding					
	None		\$ -		
	Total, Checks outstanding		\$ -	\$ -	
Checks submitted for approval					
6/11/2014	#152 Andrews Kurth	Inv 1064273	\$ 2,545.00		
6/11/2014	#153 McCall Gibson Swedlund Barfoot PLLC	AUP	\$ 3,000.00		
6/11/2014	#154 Hawes Hill Calderon LLP	Inv 4694, 4695, 4718, 4719	\$ 9,610.08		
6/11/2014	#155 Malladi S. Reddy	construction adv w/int	\$ 232,500.00		
6/11/2014	#156 Port Cross Land LP	construction adv w/int	\$ 232,500.00		
6/11/2014	#157 Harris County	Sylvan Beach project	\$ 130,500.00		
6/11/2014	#159 City of La Porte	trunkline project	\$ 130,500.00		
	Total, Checks submitted		\$ 741,155.08	\$ (741,155.08)	
	Total expenses		\$ 4,392,748.58	\$ (4,392,748.58)	
	Fund balance, Operating Account as of June 3, 2014		\$ 446,074.10		

ANDREWS KURTH

Andrews Kurth LLP
P.O. Box 301276
Dallas, Texas 75303-1276
713.220.4200 Phone
713.220.4285 Fax
andrewskurth.com
Taxpayer I.D. #74-1027138

May 29, 2014

La Porte Redevelopment Authority
c/o David Hawes
Hawes Hill Calderon
P.O. Box 22167
Houston, TX 77227-2167

As of April 30, 2014
Invoice No. 10642473
07873 0023774 / 0153271

RE: ADDITIONAL SERVICES

Date	Services	Name	Hours	
11/07/13	TIRZ #1 - Draft Development Agreement with Beazer Homes.	M. M. WHITE	1.60	
11/08/13	Review draft Development Agreement.	J. A. HERNANDEZ	1.00	
11/19/13	TIRZ #1 - Revise Beazer Development Agreement.	M. M. WHITE	1.20	
11/20/13	TIRZ #1 - Review Beazer changes to Development Agreement.	M. M. WHITE	0.60	
	Total Services		<u>4.40</u>	<u>\$ 2,545.00</u>

Payment due upon receipt
To assist in complying with regulations under IRS §274,
additional documentation for overtime meals and travel meals is available upon request.
For Questions or Comments Regarding this Bill, Please Contact the Accounting Department at (713) 220-4606.

RE: ADDITIONAL SERVICES

SUMMARY OF FEES

Number	Name	Hours	Value
07873	HERNANDEZ, J. A.	1.00	675.00
07875	WHITE, M. M.	3.40	1,870.00
		<u>4.40</u>	<u>\$2,545.00</u>

Payment due upon receipt

To assist in complying with regulations under IRS §274,

additional documentation for overtime meals and travel meals is available upon request.

For Questions or Comments Regarding this Bill, Please Contact the Accounting Department at (713) 220-4606.

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P.O. Box 301276
Dallas, Texas 75303-1276
713.220.4200 Phone
713.220.4285 Fax
andrewskurth.com
Taxpayer I.D. #74-1027138

May 29, 2014

PLEASE RETURN THIS COPY WITH YOUR PAYMENT

La Porte Redevelopment Authority
c/o David Hawes
Hawes Hill Calderon
P.O. Box 22167
Houston, TX 77227-2167

As of April 30, 2014
Invoice No. 10642473
07873 0023774 / 0153271

RE: ADDITIONAL SERVICES

INVOICE SUMMARY

Total Services	\$ 2,545.00
Total Disbursements	<u>0.00</u>
Total Current Services and Disbursements Due This Bill	\$ 2,545.00

SUMMARY OF ACCOUNTS RECEIVABLE

<u>Invoice Date</u>	<u>Invoice Number</u>	<u>Total Balance Due</u>
5/29/14	10642473	<u>2,545.00</u>
Total balance outstanding for this matter As Of May 29, 2014		\$ 2,545.00

*****PLEASE NOTE NEW REMIT ADDRESS BELOW*****

PLEASE RETURN THIS COPY WITH YOUR PAYMENT

Payment due upon receipt

Please Reference Invoice Number & Client/Matter Number on Your Payment

**Please send remittance to:
ANDREWS KURTH LLP
P.O. Box 301276
Dallas, TX 75303-1276

Wire Transfer Information:
JPMorgan Chase, 712 Main Street, Houston, TX 77002
ABA: 021000021
Acct #: 00100184952
Swift Code: CHASUS33
Fax Remittance Info: 713-238-7131
AccountsReivable@aklp.com

ACH Information:
JPMorgan Chase
ABA: 111000614
Acct #: 00100184952

For Questions or Comments Regarding this Invoice, Please Contact the Accounting Department at (713) 220-4606.

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
E-Mail: mgsb@mgsbpllc.com

111 Congress Avenue
Suite 400
Austin, Texas 78701
(512) 610-2209
www.mgsbpllc.com

May 1, 2014

La Porte Redevelopment Authority
c/o Ms. Susan Hill
Hawes Hill Calderon, L.L.P.
9610 Long Point Road, Suite 150
Houston, Texas 77055

Client Number – 537-00

Preparation of Agreed-Upon Procedures Report dated April 24, 2014, for Construction
Advances Reimbursable to Malladi S. Reddy and Port Crossing Land, LP.

Total Due \$ 3,000.00

Hawes Hill Calderon LLP
P.O. Box 22167
Houston TX 77227-2167

STATEMENT

TIRZ -La Porte # 1
604 W. Fairmont Pkwy.
La Porte, TX 77571

DATE
6/6/2014

AMOUNT REMITTED

Page 1

\$

DATE	INVOICE NO.	DESCRIPTION	CHARGES	PAYMENTS	BALANCE
3/6/2014	43014694	Sale; City of La Porte			
4/6/2014	43014695	Sale; City of La Porte	\$2,109.60		\$2,109.60
5/6/2014	43014718	Sale; City of La Porte	\$2,000.00		\$2,000.00
6/6/2014	43014719	Sale; City of La Porte	\$2,000.00		\$2,000.00
			\$3,500.48		\$3,500.48

6/6/2014

Finance Charge

\$0.00

\$0.00

CURRENT	30 DAYS	90 DAYS	90+ DAYS	AMOUNT DUE
\$3,500.48	\$0.00	\$4,000.00	\$2,109.60	\$9,610.08

EXPENSE DETAIL (La Porte TIF01)

DATE	CLIENT NO.	VENDOR/DESCRIPTION	QTY	U PRICE	TOT REIM.	BILL
1/22/2014	CLPTIF01	Mileage to/from Mtg. w/Board	76	\$ 0.560	\$ 42.56	Y
2/19/2014	CLPTIF01	Mileage to/from Mtg. w/Board	76	\$ 0.560	\$ 42.56	Y
	CLPTIF01			\$ 0.560	\$ -	Y
	CLPTIF01			\$ 0.560	\$ -	Y
	CLPTIF01			\$ 0.560	\$ -	Y
TOTAL					\$ 85.12	Y

Hawes Hill Calderon LLP
P.O. Box 22167
Houston TX 77227-2167

Invoice

Bill To:

TIRZ -La Porte # 1
604 W. Fairmont Pkwy.
La Porte, TX 77571

Invoice #: 43014695

Date: 4/6/2014

Page: 1

DATE	DESCRIPTION	AMOUNT
	Project Management Services, April 2014	\$2,000.00
		Sales Tax: \$0.00
		Total Amount: \$2,000.00
		Amount Applied: \$0.00
		Balance Due: \$2,000.00

Terms: C.O.D.

Hawes Hill Calderon LLP
P.O. Box 22167
Houston TX 77227-2167

Invoice

Bill To:

TIRZ -La Porte # 1
604 W. Fairmont Pkwy.
La Porte, TX 77571

Invoice #: 43014718

Date: 5/6/2014

Page: 1

DATE	DESCRIPTION	AMOUNT
	Project Management Services, May 2014	\$2,000.00
		Sales Tax: \$0.00
		Total Amount: \$2,000.00
		Amount Applied: \$0.00
		Balance Due: \$2,000.00

Terms: C.O.D.

Hawes Hill Calderon LLP
P.O. Box 22167
Houston TX 77227-2167

Invoice

Bill To:

TIRZ -La Porte # 1
604 W. Fairmont Pkwy.
La Porte, TX 77571

Invoice #: 43014719

Date: 6/6/2014

Page: 1

DATE	DESCRIPTION	AMOUNT
6/11/2014	Project Management Services, June 2014	\$2,000.00
	Board of Directors Meeting	\$1,500.00
	Reimbursable expenses as follows:	
	In house postage	\$0.48
		Sales Tax: \$0.00
		Total Amount: \$3,500.48
		Amount Applied: \$0.00
		Balance Due: \$3,500.48

Terms: C.O.D.

FEDERAL HOME LOAN BANK-DALLAS
8500 FREEPORT PARKWAY SOUTH
SUITE 100
IRVING, TX 75063-2547

LaPorte Redevelopment Auth Ops

Hall Hill Calderon, LLP
Attn: Susan Hill
10103 Fondren Rd., Suite 300
Houston, TX 77096-4655

New Pledged Security Notification

Receipt Number: 2377009212 Account: 9518 Effective:
06/05/2014

The following securities have been pledged by:

Amegy Bank, N.A.
Attn: Scott Wolfe
4400 Post Oak, 13th Floor
Houston, TX 77027

SBA 507700
83164JRV0

CUSIP: 83164JRV0
Maturity Dt: 05/25/2031
Current Rate: 2.5800000
Issue Dt: 05/01/2006
Face Amt: 280,000.00
Par Amt: 119,172.53

IN ORDER TO COMPLY WITH 2257.045(C) (2) OF THE TEXAS GOVERNMENT
CODE,
PROMPTLY, BY THE CLOSE OF BUSINESS TODAY, DELIVER A COPY OF THIS
TRUST
RECEIPT TO YOUR DEPOSITOR

NOTICE OF MEETING OF

LA PORTE TAX INCREMENT REINVESTMENT ZONE

Notice is hereby given of the meeting of the La Porte Tax Increment Reinvestment Zone to be held Wednesday, June 11, 2014 at 6:30 p.m. in the Council Chambers of City Hall, 604 West Fairmont Parkway, La Porte, Texas, for the purpose of considering the following agenda items:

1. Call to order – Lindsay Pfeiffer, President
2. Consider approval of the minutes of Board of Directors meeting held on February 19, 2014;
3. Consent agenda – any item may be removed by a board member for discussion
 - Entertain motion and a second to approve the TIRZ items in the same form and manner as was approved in the previous Redevelopment Authority meeting – Lindsey Pfeiffer, Chairperson
 - a. Consider Approval of Report on Applying Agreed Upon Procedures to Construction Advance Reimbursable to Malladi S. Reddy and Port Crossing Land, LP;
 - b. Consider approval or other action with regard to authority invoices;
 - c. Receive updates from the city, developers and staff with regard to development within the Zone;
 - d. Board member comments with regard to matters appearing on agenda and inquiry of staff regarding specific factual information or existing policy;
 - e. Adjournment.

In compliance with the American Disabilities Act, the City of La Porte City will provide for reasonable accommodations for persons attending public meetings. To better serve attendees, requests should be received 24 hours prior to the meetings. Please contact Patrice Fogarty, City secretary, at 281-470-5019 or TDD 281-471-5030.

A possible quorum of city council members may be present at this meeting and participate in discussions but will take no action.

David W. Hawes
Executive Director



**MINUTES OF THE MEETING OF THE
LA PORTE TAX INCREMENT REINVESTMENT ZONE
CITY OF LA PORTE, TEXAS
BOARD OF DIRECTORS**

February 19, 2014

CALL TO ORDER – LINDSAY PFEIFFER, PRESIDENT.

The Board of Directors of the La Porte Tax Increment Reinvestment Zone, City of La Porte, Texas, held a regular meeting, open to the public, on Wednesday, February 19, 2014, at 6:30 p.m., in the Council Chambers of City Hall, 604 West Fairmont Parkway, La Porte, Texas, and the roll was called of the duly appointed members of the Board, to-wit:

Peggy Antone, <i>Secretary</i>	Position 1
Dave Turnquist	Position 2
Alton Porter	Position 3
Horace Leopard	Position 4
Doug Martin, <i>Vice Chair</i>	Position 5
JJ Meza	Position 6
Lloyd Graham	Position 7
Chester Pool	Position 8
Lindsay Pfeiffer, <i>Chair</i>	Position 9

and all of the above were present with the exception of Directors JJ Meza and Lloyd Graham, thus constituting a quorum. Also present were David Hawes and Linda Clayton, both of Hawes Hill Calderon, L.L.P.; and Scott Livingston EDC Director. Also attending the meeting was Paul Grohma, Gromax. Chairman Pfeiffer called the meeting to order at 7:00 p.m.

CONSIDER APPROVAL OF THE MINUTES OF BOARD OF DIRECTORS MEETING HELD ON JANUARY 22, 2014.

Upon a motion duly made by Director Turnquist, and being seconded by Director Martin, the Board voted unanimously to approve the minutes of January 22, 2014, as presented.

CONSENT AGENDA – ANY ITEM MAY BE REMOVED BY A BOARD MEMBER FOR DISCUSSION.

- **ENTERTAIN MOTION AND A SECOND TO APPROVE THE TIRZ ITEMS IN THE SAME FORM AND MANNER AS WAS APPROVED IN THE PREVIOUS REDEVELOPMENT AUTHORITY MEETING – LINDSAY PFEIFFER, CHAIRMAN.**
 - a. **Consider Approval of Development Financing Agreement Between The City Of La Porte, Tax Increment Reinvestment Zone Number One, City Of La Porte, La Porte Redevelopment Authority, and Beazer Homes Texas LP.**
 - b. **Consider approval of Agreed Upon Procedures Report for Retreat at Bay Forest, LP.**
 - c. **Consider approval or other action with regard to Authority Invoices.**
 - d. **Receive updates from the city, developers and staff with regard to development within the zone.**

- e. **Board member comments with regard to matters appearing on the agenda and inquiry of staff regarding specific factual information or existing policy;**
- f. **Adjournment.**

Upon a motion duly made by Director Porter, and being seconded by Director Pool, the Board voted unanimously to approve the TIRZ items in the same form and manner as was approved at the previous Redevelopment Authority meeting.

ADJOURNMENT.

There being no further business to come before the Board, Chairman Pfeiffer adjourned the meeting at 7:01 p.m.

Secretary