

These Governance Guidelines, including the Code of Ethics and Travel, Professional Services, and Management Policies (the "Guidelines") are adopted by the Board of Directors of Reinvestment Zone No. 13, City of Houston, Texas (the "Zone").

1. DEFINITIONS

Unless the context requires otherwise, the following terms and phrases used in the Guidelines and the Policies shall mean the following:

- a. The term "Board" means the Board of Directors of the Zone.
- b. The term "Director" means a person appointed to serve on the Board of Directors of the Zone.
- c. The term "Zone Officials" means Zone Directors, officers, and employees.
- d. The term "Employee" means any person employed by the Zone but does not include independent contractors or professionals hired by the Zone as outside consultants.

The term "Records Administrator" means the director or other person responsible for maintaining the Zone's records.

Board Meeting Dates, Time, and Location

- a. Regular meetings of the Board of Directors shall be held on a date, time and location as designated by the Board.
- b. Special meetings may be scheduled at any time by the Chair whenever business requires, or as requested by the Board.
- c. The Board shall make every effort to hold meetings during a time and location that is convenient to the public.
- d. The Board Chair may cancel meetings, as necessary.

2. Board Agenda Preparation, Posting of Agendas, Agenda Items, Preparation of Board Minutes

- a. The Zone consultants, Zone attorney, or other appropriate party, in consultation with the Chairman, shall prepare the agenda to include all necessary items to be considered by the Board.

- b. The agenda shall be posted as required by and include all relevant information as required by State law and a brief description of each item to be discussed during the meeting.
 - c. The agenda shall include an agenda item that allows for public comment.
 - d. An agenda item not considered for lack of time or information may be continued and shall be included as an agenda item at the following Board meeting, or as otherwise directed by the Board.
 - e. The Zone attorney or another appropriate party shall be responsible for preparing the Board meeting minutes.
3. Quorum for Board Meetings
- a. A quorum exists when a majority of the Board members are present who represent the number of Zone Board of Directors seats that have been filled. For example: If seven (7) Zone Board of Directors seats are filled, a quorum exists when four (4) Board members are present. If nine (9) Zone Board of Director seats are filled, and quorum exists when five (5) Board members are present.
 - b. If it is known in advance that a quorum will not exist at a Board meeting, the Chair may cancel the meeting and all efforts will be made to inform the Board and the public that the meeting has been cancelled
 - c. In the event one or more Zone Board of Directors or committee members shall abstain from voting on a matter before the Zone Board of Directors or committee because of a conflict of interest, then the vote of a majority of Directors or committee members who have not abstained, shall constitute the act of the Zone Board of Directors or committee, as applicable.
4. Rules of Order
- a. The Chair shall function as the Presiding Officer at Board meetings and shall perform other duties consistent with the office and other duties as requested by the Board. If the Chair is absent, the Vice-Chair shall serve as the Presiding Officer.
 - b. All discussion by the Board, the members of the public, and Zone consultants shall be made by addressing the Presiding Officer.
 - c. The Board may respond to questions or statements made by the public in accordance with all State and Local law and provide information to the public through the Presiding Officer.
 - d. The Board may pass a motion to specify that a specific item be placed on a

future agenda.

- e. The Presiding Officer shall state every item to be acted upon by the Board and announce the Board decision on all matters.
- f. The Presiding Officer may move, second and debate on agenda items. No board member is deprived of any right and privileges of a Board member by reason of acting as the Presiding Officer.
- g. Each Board member desiring to speak shall address the Presiding Officer and upon recognition by the Presiding Officer shall confine the remarks to the issue being considered. However, any Board member may pose questions to the public upon approval of the Board. The Presiding Officer may pose more informal procedures under appropriate circumstances, such as workshops.
- h. Once recognized, a Board member shall not be interrupted when speaking unless it is to call the Board member to order, or as otherwise provided in these rules. If a Board member is called to order, the Board member shall cease speaking until the question of order is determined, and if the Board member is declared to be in order, shall be permitted to proceed.
- i. The rules of order set forth herein shall govern the conduct of the meeting of the Board. In the event that a question of procedure arises during the meeting which is not resolved under these rules or other applicable laws, ordinances, or regulations, the current edition of Robert's Rules of Order shall govern to the extent possible. The Zone attorney shall act as the Parliamentarian for the Zone.

5. Public Participation

- a. During the public comment portion of the agenda, any person may speak on any item including items that are not specifically listed on the agenda. Such public comment shall be limited to three (3) minutes per person.
- b. Persons wishing to speak will be provided with a sign-in sheet prior to the commencement of each Board meeting. Each speaker shall state their name for the record.
- c. All comments from the public shall be made to the Presiding Officer unless the speaker is specifically responding to a Board member.
- d. Speakers and other meeting attendees shall observe order and decorum at all times and shall demonstrate appropriate respect for the Board and other meeting attendees.

- e. The Presiding Officer shall have the authority to enforce order and decorum in the Board meeting.

6. Voting

- a. The affirmative votes of a majority of the Board constituting a quorum in attendance at the meeting are required to take action. All actions may be referred to a voice vote unless a roll call vote is requested by any Board member.
- b. Any Board member may state the reasons for their approval/denial vote on any matter and may request that such reasons be entered into the minutes.
- c. Voting on all matters shall be done in person. However, an absent Board or committee member may make his or her views known to the Board or committee by providing a written statement to be read at the meeting.

7. Recording of Board Meetings

- a. Any person may record a Board meeting with an audio or video recorder unless the Board finds that the recording procedure is accompanied by noise, illumination or any other obstruction that constitutes a disruption of the Board meeting proceedings. The Presiding Officer shall have the authority to determine the location of recording equipment and the manner in which the recording is conducted to ensure order and avoid disruption of the Board meeting proceedings so long as such authority is not exercised in a manner which would prevent or unreasonably impair a person from exercising the right to record a Board meeting.

8. Committees

The Chair of the Zone Board of Directors shall nominate the Chair of each standing committee, and not more than two other members. The Chair of the Zone Board of Directors shall also make nominations to fill any vacancies on committees. The Board will confirm all nominations to committees.

9. Code of Ethics

- a. Purpose - The Code of Ethics set forth in this Section 10 (the "Code of Ethics") has been adopted by the Zone for the following purposes: (1) to encourage high ethical standards of official conduct by Zone Officials; and (2) to establish guidelines for such ethical standards of conduct.
- b. Policy -It is the policy of the Zone that Zone Officials shall conduct themselves in a manner consistent with sound business and ethical practices;

that the public interest shall always be considered foremost in conducting Zone business; that the appearance of impropriety shall be avoided to ensure and maintain public confidence in the Zone; and that the Board shall control and manage the affairs of the Zone fairly, impartially, and without discrimination.

- c. Qualification of Directors -A person shall not serve as a Director if he is disqualified by law from doing so.
- d. Conflicts of Interest -A Director must not participate in a vote or decision relating to a business entity or real property in which he has a substantial interest in accordance with State and Local requirements.
- e. Disclosure -Each Zone Official shall complete a Disclosure of Business/Significant Personal Relationships Questionnaire, the form of which is attached as Appendix "A," on an annual basis. The Disclosure Questionnaire shall: (1) disclose all business or personal relationships between such Zone Official or any of his or her immediate family members, and any Vendor or such Vendor's agents, subsidiaries or affiliates, during the preceding 12 months; and (2) be delivered to the TIRZ Administrator within 15 days of the end of each completed fiscal year of the Zone. The TIRZ Administrator shall review all forms for completeness and deliver the completed forms to the Records Administrator within 15 days of receipt. All Disclosure Questionnaires for each Director shall be retained for a minimum of 5 years after the Director leaves the board.
- f. Nepotism -The Board shall comply with all anti-nepotism laws applicable to the Zone.
- g. Acceptance of Gifts - A Zone Official may not solicit, accept, or agree to accept any benefit from a person or business entity the Zone Official knows is interested in or likely to become interested in any contract, purchase, payment, claim, or transaction involving the exercise of the Zone Official's discretion, or any matter before the Board for any decision, opinion, recommendation, vote, or other exercise of discretion in carrying out his official acts for the Zone as prohibited by law.
- h. Bribery - A Zone Official shall not intentionally or knowingly offer, confer, or agree to confer on another, or solicit, accept, or agree to accept from another, any benefit as consideration as prohibited by law.
- i. Acceptance of Honoraria - A Director shall not solicit, accept or agree to accept an honorarium as prohibited by law.

- j. Lobbying - All Directors shall comply with all laws pertaining to lobbying when directly communicating with legislative or executive branch officials.

10. Travel Expenditures Policy

- a. Purpose - The Zone wishes to establish an equitable and reasonable policy for travel expenditures and for the reimbursement to Directors of actual expenses incurred by the Director while engaging in services for the Zone, including without limitation attendance at Zone Board meetings as well as at conferences, seminars, meetings (other than Board meetings), bid openings, and other educational gatherings relating to the purposes and functions of the Zone (collectively, "Conferences"). Travel must be approved in advance.
- b. Conference Registration Expenses -Registration expenses for all Board authorized Conferences shall be reimbursed in full to Directors.
Lodging and Meal Reimbursements – Lodging and meal expenses incurred by the Director while attending Conferences or out of town meetings may be reimbursed by the Zone only to the extent that they are determined to be reasonable and necessary as determined by the Board and subject to any local or state guidelines. The board must approve attendance in advance. Upon a determination by the Board that such costs are reasonable and necessary, the costs of a hotel room at Board Authorized Conferences shall be reimbursed, including the cost of the room the night before the commencement of the Conference or out of town meeting and the night of the final meeting day of the Conference. Other reasonable and necessary expenses will be allowed, subject to approval by the Board and fully comply with all state and local guidelines.
- c. Transportation - Reasonable and necessary mileage incurred by a Director in connection with travel to Board Approved Conferences or out of town meetings shall be reimbursed at the per mile rate allowed by the Internal Revenue Service. Air travel costs to and from Conferences shall be reimbursed at the lowest direct flight available airfare for the Director only. A Director shall be reimbursed for the reasonable and necessary costs of transportation to and from the airport for the Director only, or for the cost of car rental at the location of the Conference, provided that mileage costs charged to the Zone shall include only mileage related to travel for Zone and Conference functions and daily costs shall not exceed the number of days the Conference is convened and travel days where appropriate. Costs of parking at the hotel or Conference shall be reimbursed, including the day before and the morning after same. Reasonable and necessary costs of parking at the airport for the days of

the Conference also may be reimbursed.

- d. Verified Statement for Reimbursement of Expenditures -In order to receive reimbursement for travel expenditures, each Director shall file with the Board a verified statement showing (i) the number of days actually spent in service to the Zone (i.e. the number of days actually spent attending Conferences); (ii) a general description of the duties performed for each day of service; and (iii) a detailed description of the related travel expenditures, together with all supporting receipts and invoices. The verified statement shall be submitted to the Zone's bookkeeper and the City of Houston, and payment for reimbursement of expenditures, to the extent they have been approved by the Board, shall be authorized by the Board at its next regularly scheduled meeting.

11. Professional Services Policy

- a. Purpose - This Professional Services policy has been adopted to provide for the selection, monitoring, review and evaluation of the Zone 's professional services contracts. Consultants retained by the Zone to provide professional services include, but are not limited to, legal, engineering, management, bookkeeping, auditing, and tax services. Selection of such consultants shall be based upon their qualifications and experience.
- b. Periodic Review - The performance of the consultants providing professional services to the Zone shall be regularly monitored and reviewed by the Board, and the Board may appoint a specific committee to provide such monitoring and review to the Board.

12. Management Policy

- a. Purpose - The Board desires to adopt a policy to ensure a better use of management information, including the use of budgets in planning and controlling costs, and the use of uniform reporting requirements.
- b. Accounting and Audit records - Zone financial reports and audit records shall be prepared on a timely basis and maintained in an orderly basis, in conformity with generally accepted accounting principles and the requirements of the State Auditor. Such records shall be available for public inspection in the board materials posted on the Zones website. Board records will remain on the website for a period of 2 years. (Board materials prior to fiscal year 2020 are not posted).
- c. Budget - The Zone shall annually adopt a budget for use in planning and

controlling Zone costs. Such budget shall take into consideration all Zone revenues, including, but not limited to, utility fees, standby fees, impact fees, maintenance taxes and surcharges, if any, and all projected Zone obligations and expenditures. The budget may be amended by a vote of the Directors at a scheduled meeting of the Board. All budgets must be approved by Houston City Council.

13. Miscellaneous

- a. Attendance - Directors shall endeavor to attend all regularly scheduled board meeting and are expected to attend a minimum of 75% of all scheduled board meetings. Directors shall also endeavor to attend the meetings of any board committee on which they serve and are expected to attend a minimum of 75% of all such meetings. Attendance records are provided to the City of Houston at the end of each fiscal year.
- b. Gender - Any references herein to the masculine gender shall also refer to the feminine in all appropriate cases.
- c. Open Meeting -The Board Officially finds, determines, and declares that these Guidelines and Policies were reviewed, carefully considered, and adopted at a meeting of the Board, and that a sufficient written notice of the date, hour place and subject of this meeting was posted at a place readily accessible and convenient to the public within the Zone and at a place convenient to the public within the County for the time required by law preceding this meeting, as required by the Open Meetings Act.

Appendix A

Old Sixth Ward Redevelopment Authority/TIRZ 13 Annual Financial Disclosure Statement

Date: _____

Name: _____

Do you or an immediate family member (parents, siblings, children, spouse) have business relationships where you or the family member received anything of value or were party to a contract with any firm, vendor, vendor's agents, subsidiaries or affiliates with which the TIRZ/Redevelopment Authority has done business within the past 12 months (excluding standard purchases at prices available to the public (i.e. purchasing paper at an office supply store that the TIRZ also buys office supplies from))? Yes _____ No _____

Do you or an immediate family member (parents, siblings, children, spouse) have a significant personal relations with the owner, principals, or officers of any firm, vendor, vendor's agents, subsidiaries or affiliates with which the TIRZ/Redevelopment Authority has done business within the past 12 months (Significant Personal Relationship means any close relationship of a personal nature than can be considered to affect the professional objectivity)? Yes _____ No _____

Provide details of these activities or relationships and if the relationship is financial categorize the value based on the table below(Attach additional pages if necessary):

Financial Value

- A- <\$100
- B- \$101-\$1,000
- C- \$1,001-\$5,000
- D- \$5,001-\$10,000
- E- \$10,001-\$25,000
- F- \$25,001-\$50,000
- G- >\$50,000

Received by Administrator – Date: _____ Initials _____

OLD SIXTH WARD REDEVELOPMENT
AUTHORITY/ TAX INCREMENT
REDEVELOPMENT ZONE NO. 13

Name: Phil Abuel
Title: Chair
Date: 4.29.21