

HARDY/NEAR NORTHSIDE REDEVELOPMENT AUTHORITY

JOINT MEETING OF THE BOARDS OF DIRECTORS

SEPTEMBER 20, 2021

BOARD PACKET

REINVESTMENT ZONE NUMBER

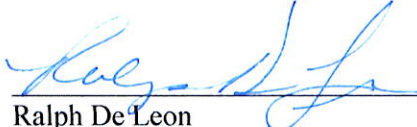
TWENTY-ONE

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, 20, 2021**, at 9:00 a.m., at 218 Joyce Street, Houston, Texas 77009, and is open to the public, to consider, discuss and adopt such orders, resolutions or motions, and take direct or indirect actions as may be necessary, convenient, or desirable with respect to the following matters:

1. Establish quorum and call to order.
2. Public comments.
3. Approve Minutes from last meeting.
4. Financial and bookkeeping matters, including Financial Report including payment of bills including:
 - a. Tax Year 2020 Payment to CR V Hardy Yards, L.P.
5. Adopt Audit for Fiscal Year end June 30, 2021.
6. Gauge Engineering Amendment No. 1, Task Order No. 2 related to Capital Improvement Plan Development.
7. Gauge Engineering Task Order No. 4 related to the Pickney Trail Project.
8. Engagement Agreement Squidz Ink Design for web site design services.
9. Third Amendment to Development Agreement with CR V Hardy Yards, L.P
10. Presentations, reports, or updates from the Directors, consultants, City of Houston Staff, or others regarding development in the Authority and the Zone and implementation of Project Plan and Reinvestment Zone Financing Plan including:
 - a. Infrastructure Committee Report – Director Bustamante,
 - b. Parks Committee Report – Director Ortiz.
11. Attorney's report.
12. Convene in Executive Session pursuant to section 551.087, Texas Government Code, to receive advice from legal counsel and discuss matters relating to pending or contemplated litigation, personnel matters, gifts and donations, real estate transactions, the deployment, or specific occasions for the implementation of, security personnel or devices and or economic development negotiations.
13. Reconvene in Open Session and authorize appropriate action regarding economic development negotiations.
14. Discuss meeting schedule including date and time of next meeting for **October 25, 2021, at 9:00 a.m.**
15. Adjourn.



Ralph De Leon
Administrator for the Zone

The Board of Directors meeting packet can be found at:

<https://bracewell.sharefile.com/dsf4ac48ffc8054af48babbe9660b69da8>

TAB

THREE

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

June 21, 2021

The Board of Directors (the “Board”) of Hardy/Near Northside Redevelopment Authority (the “Authority”) convened in regular session, open to the public, on the 21st day of June 2021, via telephonic communication in accordance with Section 418.016 of the Texas Government Code, as amended, 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/ Assistant Secretary
Elia Quiles	Assistant Secretary
Daniel Ortiz	Treasurer
Fernando Zamarripa	Director
Monte Large	Director

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

Also present were Brian Jackson of the City of Houston; Ralph De Leon of TIFWorks LLC; Clark Lord of Bracewell LLP; Muhammed Ali of Gauge Engineering; Melissa Morton of The Morton Accounting Services; James Vick, Michael Robinson and Xinye Zheng of the SWA Group; Rebecca Reyna of the Near Northside Management District; Linda Trevino of METRO; and Monica Aizpurua of Binkley & Barfield Inc. There were no members of the public that were present, telephonically at the meeting.

- 1. Establish quorum and call to order.** Director Reyes performed a roll call and noted that a quorum was present. He called the meeting to order at 9:01 a.m.
- 2. Public Comments.** There were no public comments.
- 3. Approve Minutes from last meeting.** The Board considered approval of the minutes of May 24, 2021. Following discussion, upon a motion made by Director Ortiz, and seconded by Director Large and approval of the Minutes were passed by unanimous vote.

4. Financial and bookkeeping matters, including Financial Report and payment of bills. Ms. Morton provided an overview of the monthly transactions and the Unpaid Bills Report. After review and discussion Director Ortiz motioned to accept the Financial Report and authorize payment of Invoices, which was seconded by Director Zamarripa and passed by unanimous vote.

5. Master Agreements SWA Group related to Professional Landscape Architectural Services.

a. Task Order No. 1 - SWA Group.

Mr. De Leon provided an overview of the Master Agreement and Task Order No. 1 for the SWA Group. Mr. Robinson of the SWA Group then provide a detailed breakdown of various Sup-Tasks included in Task Order No. 1 and discussed goals and benchmarks to be completed upon conclusion of Task Order No. 1 over the 43-week work effort. Director Ortiz then summarized the need to create a linear framework for all CIP Projects to follow for the next 20 years, and the need to establish context for future CIP projects of the Authority when engaging sister Agencies in joint effort projects. After discussion and review Director Quiles motioned to engage the SWA Group, which was seconded by Director Large and passed by unanimous vote.

6. Gauge Engineering Amendment No. 1 – Task Order No. 2 related to Capital Improvement Development Plan. Item was tabled until the September 20, 2021, Board of Directors Meeting.

7. Engagement Agreement Squidz Ink Design for web site design services. Item was tabled until the September 20, 2021, Board of Directors Meeting.

8. Third Amendment to Development Agreement with CR V Hardy Yards, L.P. Mr. Lord reported on the status of the proposed Amendment, including on-going discussions between the developer and the City related to same. No action was taken.

9. Presentations, reports, or updates from the Directors, consultants, City of Houston Staff, or other regarding development in the Zone and implementation of the Project Plan and Reinvestment Zone Financing Plan including:

a. Infrastructure Committee Report – Director Bustamante. No report was provided.

b. Parks Committee Report – Director Ortiz. Director Ortiz discussed the ongoing place making efforts by the SWA Group.

10. Discuss meeting schedule including date and time of next meeting for September 20, 2021, at 9:00 a.m.

- 11. Convene in Executive Session pursuant to section 551.087, Texas Government Code, to discuss economic development matters of the Zone.** No executive session was necessary.
- 12. Reconvene in Open Session and authorize appropriate action regarding economic development negotiations.**
- 13. Adjourn.** After discussion, Director Large moved to adjourn the meeting at 9:57 a.m., which was seconded by Director Quiles and passed by unanimous vote.

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

Secretary

TAB

FOUR



**Hardy Near Northside Redevelopment Authority
Monthly Financial Report Summary
September Board Meeting
Monday, September 20, 2021**

At the beginning of July, the Hardy Near Northside Redevelopment Authority (TIRZ #21) beginning Operating Fund Balance was \$508,265. TIRZ #21 received a total of \$590,746, mainly from City of Houston tax increment. During the period, TIRZ #21 processed \$27,307 in disbursements during the period. 87% of the disbursements related to disbursements to Bracewell for legal services (\$11,320) and to Equitax for tax consulting (\$12,528). The ending balance as of month end August 31, 2021 was \$1,071,704.

The invoices pending approval total \$433,665. See attached "Unpaid Bills Detail" Report on page 3. A transfer of \$350,000 will be transferred from the Pool Account to the Operating account to cover outstanding invoices.

**Hardy Near Northside Redevelopment Authority
General Operating Fund
As of August 31, 2021**

General Operating Fund

BEGINNING BALANCE \$ 508,264.56

REVENUE

BBVA Compass	1.24	Monthly Interest
BBVA Compass	4.04	Monthly Interest
BBVA Compass	590,728.50	City Increment
TexPool Investment	5.73	Monthly Interest
TexPool Investment	6.73	Monthly Interest

Total Revenue 590,746.24

DISBURSEMENTS

EFT	BBVA Compass	14.80	Bank Service Charge
1098	Bracewell LLP	11,319.50	Legal Services
1099	Equitax Inc	12,528.00	Tax Consultants
1100	TIFWorks LLC	3,375.00	Admin Consultants
EFT	BBVA Compass	69.55	Bank Service Charge

Total Disbursements 27,306.85

ENDING BALANCE \$ 1,071,703.95

-

August 31, 2021

Balance

LOCATION OF ASSETS

BBVA Compass		\$ 715,303.19
TexPool Investment		356,400.76

Total Account Balance \$ 1,071,703.95

HARDY/NEAR NORTHSIDE TIRZ # 21

Unpaid Bills Detail

As of September 15, 2021

Type	Date	Num	Memo	Open Balance
Bracewell LLP				
Bill	07/31/2021	21913818	General Legal through July 31, 2021	315.25
Bill	07/31/2021	21913817	Meeting services through July 31, 2021	185.50
Total Bracewell LLP				500.75
CRV Hardy Yards, L. P.				
Bill	09/15/2021	Developer ...	Reimbursement to CRV Hardy Yards	417,689.00
Total CRV Hardy Yards, L. P.				417,689.00
McCall Gibson Swedlund Barfoot PLLC				
Bill	08/24/2021	2021 Audit...	FYE 06.30.21 Audit - Interim billing	7,500.00
Total McCall Gibson Swedlund Barfoot PLLC				7,500.00
The Morton Accounting Services				
Bill	06/30/2021	2200	CPA Services and Invest. Officer Jan, Feb, Mar, Apr, May and June 20...	5,462.41
Total The Morton Accounting Services				5,462.41
TIFWorks, LLC				
Bill	09/13/2021	24	General Consulting Services July 28 through September 13, 2021	2,512.50
Total TIFWorks, LLC				2,512.50
TOTAL				433,664.66

HARDY/NEAR NORTHSIDE TIRZ # 21
Profit & Loss Prev Year Comparison
July through August 2021

	Jul - Aug 21	Jul - Aug 20	\$ Change	% Change
Ordinary Income/Expense				
Income				
Interest Income checking	5.28	21.79	-16.51	-75.8%
Interest on TexPool	12.46	225.95	-213.49	-94.5%
Tax increments	0.00	0.00	0.00	0.0%
Total Income	<u>17.74</u>	<u>247.74</u>	<u>-230.00</u>	<u>-92.8%</u>
Gross Profit	17.74	247.74	-230.00	-92.8%
Expense				
Developer Reimbursement				
Hardy Yards/Cypress - Offsite	300,736.00	318,883.00	-18,147.00	-5.7%
Hardy Yards/Cypress - Onsite	116,953.00	124,010.60	-7,057.60	-5.7%
Total Developer Reimbursement	417,689.00	442,893.60	-25,204.60	-5.7%
Program and Project Consultants				
Planning Consultants	0.00	8,818.00	-8,818.00	-100.0%
Legal Consultants	315.25	2,000.00	-1,684.75	-84.2%
Total Program and Project Consultants	315.25	10,818.00	-10,502.75	-97.1%
TIRZ Administration Overhead				
Tax Consultants	12,528.00	1,868.40	10,659.60	570.5%
Accounting Services	0.00	1,814.22	-1,814.22	-100.0%
Administrative Services	1,835.50	5,378.75	-3,543.25	-65.9%
Audit Services	7,500.00	0.00	7,500.00	100.0%
Bank Charges	84.35	29.60	54.75	185.0%
Total TIRZ Administration Overhead	21,947.85	9,090.97	12,856.88	141.4%
Total Expense	<u>439,952.10</u>	<u>462,802.57</u>	<u>-22,850.47</u>	<u>-4.9%</u>
Net Ordinary Income	<u>-439,934.36</u>	<u>-462,554.83</u>	<u>22,620.47</u>	<u>4.9%</u>
Net Income	<u>-439,934.36</u>	<u>-462,554.83</u>	<u>22,620.47</u>	<u>4.9%</u>

HARDY/NEAR NORTHSIDE TIRZ # 21
Balance Sheet Prev Year Comparison
As of August 31, 2021

	Aug 31, 21	Aug 31, 20	\$ Change	% Change
ASSETS				
Current Assets				
Checking/Savings				
BBVA Compass	715,303.19	72,200.52	643,102.67	890.7%
Tex Pool AC 7932300001	356,400.76	691,056.18	-334,655.42	-48.4%
Total Checking/Savings	1,071,703.95	763,256.70	308,447.25	40.4%
Total Current Assets	1,071,703.95	763,256.70	308,447.25	40.4%
TOTAL ASSETS	1,071,703.95	763,256.70	308,447.25	40.4%
LIABILITIES & EQUITY				
Liabilities				
Current Liabilities				
Accounts Payable				
*Accounts Payable	431,152.16	9,192.97	421,959.19	4,590.0%
Total Accounts Payable	431,152.16	9,192.97	421,959.19	4,590.0%
Total Current Liabilities	431,152.16	9,192.97	421,959.19	4,590.0%
Total Liabilities	431,152.16	9,192.97	421,959.19	4,590.0%
Equity				
*Fund Balance	1,080,486.15	1,216,618.56	-136,132.41	-11.2%
Net Income	-439,934.36	-462,554.83	22,620.47	4.9%
Total Equity	640,551.79	754,063.73	-113,511.94	-15.1%
TOTAL LIABILITIES & EQUITY	1,071,703.95	763,256.70	308,447.25	40.4%

HARDY/NEAR NORTHSIDE TIRZ # 21

Profit & Loss Detail

July through August 2021

Type	Date	Num	Adj	Name	Memo	Amount
Ordinary Income/Expense						
Income						
Interest Income checking						
Deposit	07/01/2021			Interest		1.24
Deposit	08/01/2021			Interest		4.04
Total Interest Income checking						5.28
Interest on TexPool						
Deposit	07/31/2021			Interest		5.73
Deposit	08/31/2021			Interest		6.73
Total Interest on TexPool						12.46
Tax increments						
Genera...	07/01/2021	CPA ...	*	City of Houston, TX	City of Houston Incrememnt	-590,728.50
Deposit	07/15/2021			City of Houston, TX	City of Houston increment	590,728.50
Total Tax increments						0.00
Total Income						17.74
Gross Profit						17.74
Expense						
Developer Reimbursement						
Hardy Yards/Cypress - Offsite						
Bill	08/31/2021	Devel...		CRV Hardy Yards, L. P.	Reimbursement to CRV Hardy Yards	300,736.00
Total Hardy Yards/Cypress - Offsite						300,736.00
Hardy Yards/Cypress - Onsite						
Bill	08/31/2021	Devel...		CRV Hardy Yards, L. P.	Reimbursement to CRV Hardy Yards	116,953.00
Total Hardy Yards/Cypress - Onsite						116,953.00
Total Developer Reimbursement						417,689.00
Program and Project Consultants						
Legal Consultants						
Bill	07/31/2021	21913...		Bracewell LLP	General Legal through July 31, 2021	315.25
Total Legal Consultants						315.25
Total Program and Project Consultants						315.25
TIRZ Administration Overhead						
Tax Consultants						
Bill	07/01/2021	57143		Equi-Tax Inc.	July - June 2022 Consultant Services fee per Contract	12,528.00
Total Tax Consultants						12,528.00
Administrative Services						
Bill	07/15/2021	23		TIFWorks, LLC	General Consulting Services July 1 through July 28, 2021	1,650.00
Bill	07/31/2021	21913...		Bracewell LLP	Meeting services through July 31, 2021	185.50
Total Administrative Services						1,835.50
Audit Services						
Bill	08/24/2021	2021 ...		McCall Gibson Swedlund Barfo...	FYE 06.30.21 Audit - Interim billing	7,500.00
Total Audit Services						7,500.00
Bank Charges						
Check	07/15/2021				Service Charge	69.55
Check	08/15/2021				Service Charge	14.80
Total Bank Charges						84.35
Total TIRZ Administration Overhead						21,947.85
Total Expense						439,952.10
Net Ordinary Income						-439,934.36
Net Income						-439,934.36

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

August 24, 2021

Hardy/Near Northside Redevelopment Authority
c/o Melissa C. Morton, CPA
The Morton Accounting Services
1125 Cypress Station Drive
Building H4
Houston, TX 77090

Client Number: 300-20

Audit of Hardy/Near Northside Redevelopment Authority as
of and for the year ended June 30, 2021.

Interim Billing

\$ 7,500.00

BRACEWELL

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

August 03, 2021
Invoice: 21913817
BA: 04674 Clark Stockton Lord

Our Matter: 0037619.000003 Meeting Services
For Services Through July 31, 2021

<u>Date</u>	<u>Description</u>	<u>Timekeeper</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
07/14/21	Receive and review correspondence from Administrator.	Brenda Presser	0.50	333.00	166.50
Total Fees					\$ 166.50

Summary of Fees

<u>Timekeeper</u>	<u>Title</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
Brenda Presser	Paralegal	0.50	333.00	166.50
Total Summary of Fees				\$ 166.50

Expense Detail

<u>Date</u>	<u>Cost</u>	<u>Description</u>	<u>Amount</u>
06/18/21	Delivery Services/Messenger	3rd Party Courier 2021-06-18 Clark Stockton Lord #427729	19.00
Total Expenses			\$ 19.00

Total Fees, Expenses and Charges on This Invoice **\$ 185.50**

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REMITTANCE PAGE

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

Invoice: 21913817

Matter No: 0037619.000003

Total Fees	\$ 166.50
Total Expenses	\$ 19.00
Total Fees, Expenses and Charges for this Invoice	\$ 185.50
Total Current Billing on this Invoice	\$ 185.50
Balance Forward	\$ 1,850.50
Please Remit Total Balance Due on this Invoice	\$ 2,036.00

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:**21913817**

Check Information

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

Courier Information

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

Credit Card Information

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

BRACEWELL

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

August 03, 2021
Invoice: 21913818
BA: 04674 Clark Stockton Lord

Our Matter: 0037619.000001 General Counsel
For Services Through July 31, 2021

<u>Date</u>	<u>Description</u>	<u>Timekeeper</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
07/01/21	Review audit letter.	Mary D. Bishop	0.25	675.00	168.75
07/01/21	Review client matters and billing, and prepare audit letter to McCall Gibson	Scott E. Legg	0.50	293.00	146.50
Total Fees					\$ 315.25

Summary of Fees

<u>Timekeeper</u>	<u>Title</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
Mary D. Bishop	Counsel	0.25	675.00	168.75
Scott E. Legg	Paralegal	0.50	293.00	146.50
Total Summary of Fees		0.75		\$ 315.25

Total Fees, Expenses and Charges on This Invoice **\$ 315.25**

BRACEWELL

REMITTANCE PAGE

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

Invoice: 21913818

Matter No: 0037619.000001

Total Fees	\$ 315.25
Total Expenses	\$ 0.00
Total Fees, Expenses and Charges for this Invoice	\$ 315.25
Total Current Billing on this Invoice	\$ 315.25
Balance Forward	\$ 9,469.00
Please Remit Total Balance Due on this Invoice	\$ 9,784.25

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:**21913818**

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/>

11:46 AM

08/10/21

HARDY/NEAR NORTHSIDE TIRZ # 21

Unpaid Bills Detail

As of July 15, 2021

Type	Date	Num	Memo	Open Balance
Bracewell LLP				
Bill	06/30/2021	21911929	General Legal through June 30, 2021	9,469.00
Bill	06/30/2021	21911753	Meeting services through June 30, 2021	1,850.50
Total Bracewell LLP				11,319.50
Equi-Tax Inc.				
Bill	07/01/2021	57143	July - June 2022 Consultant Services fee per Contract	12,528.00
Total Equi-Tax Inc.				12,528.00
TIFWorks, LLC				
Bill	06/30/2021	22	General Consulting Services June 15 through June 30, 2021	1,725.00
Bill	07/15/2021	23	General Consulting Services July 1 through July 28, 2021	1,650.00
Total TIFWorks, LLC				3,375.00
TOTAL				27,222.50

BRACEWELL

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

July 07, 2021
Invoice: 21911929
BA: 04674 Clark Stockton Lord

Our Matter: 0037619.000001 General Counsel
For Services Through June 30, 2021

<u>Date</u>	<u>Description</u>	<u>Timekeeper</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
06/01/21	Review developer's proposed revisions to third amendment to Hardy Yards development agreement; draft email to C Lord regarding same	Mary Buzak	0.25	536.00	134.00
06/02/21	Review templates for professional service contract with landscape architect; draft emails to C Lord and R De Leon regarding same; review G Tillotson email regarding developer's proposed changes to Hardy Yards third amendment; discussion of same with C Lord; draft email response to G Tillotson regarding same	Mary Buzak	1.50	536.00	804.00
06/03/21	Review templates for professional service contract with landscape architect; draft email to B Presser regarding same	Mary Buzak	0.25	536.00	134.00
06/07/21	Revise third amendment to Hardy Yards development agreement; draft assignment and assumption regarding same	Mary Buzak	0.75	536.00	402.00
06/08/21	Review Hardy Yards PSA, development agreement and amendments; review agreed procedures report for developer reimbursement; revise third amendment to Hardy Yards development agreement; draft emails to C Lord regarding same; email correspondence with G Tillotson regarding same	Mary Buzak	3.50	536.00	1,876.00
06/09/21	Revise third amendment to Hardy Yards development agreement; teleconference with G Tillotson regarding same email correspondence with G Tillotson and C Lord regarding same	Mary Buzak	2.50	536.00	1,340.00

BRACEWELL

Client: Hardy/Near Northside Redevelopment Authority

Invoice: 21911929

<u>Date</u>	<u>Description</u>	<u>Timekeeper</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
06/10/21	Revise third amendment to Hardy Yards development agreement; teleconference with C Lord regarding same	Mary Buzak	1.00	536.00	536.00
06/11/21	Review and revise landscape architect services contract with SWA Group	Mary Buzak	1.50	536.00	804.00
06/14/21	Prepare for and participate in teleconference with R De Leon and C Lord regarding third amendment to Hardy Yards development agreement	Mary Buzak	0.50	536.00	268.00
06/15/21	Review and respond to email correspondence regarding draft agenda for June board meeting; draft master services agreement with SquidzInk for web design services; email correspondence with R De Leon regarding same	Mary Buzak	1.50	536.00	804.00
06/16/21	Review developer's revisions to third amendment to Hardy Yards development agreement; draft email to C Lord re: same	Mary Buzak	0.25	536.00	134.00
06/17/21	Review developer's revisions to third amendment to Hardy Yards development agreement; draft email to developer's counsel regarding same; draft email to G Tillotson regarding same	Mary Buzak	1.00	536.00	536.00
06/18/21	Discussion with C Lord regarding negotiation of third amendment to Hardy Yards development agreement; email correspondence with developer's counsel re: same	Mary Buzak	0.50	536.00	268.00
06/21/21	Email correspondence with developer's counsel and with G Tillotson regarding open issues with third amendment to development agreement for Hardy Yards; revise third amendment	Mary Buzak	1.75	536.00	938.00
06/21/21	Prepare for and attend board meeting	Clark Stockton Lord	1.50	400.00	600.00

BRACEWELL

Client: Hardy/Near Northside Redevelopment Authority

Invoice: 21911929

<u>Date</u>	<u>Description</u>	<u>Timekeeper</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
06/22/21	Email correspondence with developer's counsel and with G Tillotson regarding third amendment to development agreement for Hardy Yards; revise third amendment	Mary Buzak	1.00	536.00	536.00
06/25/21	Draft emails to developer's counsel and G Tillotson regarding third amendment to development agreement for Hardy Yards; revise 3rd amendment	Mary Buzak	0.50	536.00	268.00
06/28/21	Email correspondence with G Tillotson regarding status of negotiations for third amendment to development agreement for Hardy Yards	Mary Buzak	0.50	536.00	268.00
06/29/21	Teleconference with C Lord and G Tillotson regarding status of negotiations for third amendment to development agreement for Hardy Yards; teleconference with C Lord and R De Leon regarding same; prepare for and attend meeting with City and developer regarding same; revise third amendment to development agreement; draft email to developer and City regarding same	Mary Buzak	4.00	536.00	2,144.00
06/30/21	Discussions with C Lord re: status of negotiations for third amendment to development agreement for Hardy Yards; call to T Tran re: same; teleconference with G Tillotson regarding same; revise same; draft email summary to R De Leon regarding same	Mary Buzak	2.00	536.00	1,072.00
06/30/21	Revise Cypress development agreement amendment; teleconference R De Leon	Clark Stockton Lord	1.50	400.00	600.00
Total Fees					\$ 14,466.00
Discount					\$ (5,000.00)
Total Adjusted Fees on This Invoice					\$ 9,466.00

BRACEWELL

Client: Hardy/Near Northside Redevelopment Authority

Invoice: 21911929

Summary of Fees

<u>Timekeeper</u>	<u>Title</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
Mary Buzak	Counsel	24.75	536.00	13,266.00
Clark Stockton Lord	Partner	3.00	400.00	1,200.00
Total Summary of Fees		27.75		\$ 14,466.00

Expense Detail

<u>Date</u>	<u>Cost</u>	<u>Description</u>	<u>Amount</u>
05/12/21	Online Research	Online Research 05/12/2021 Natalie Lira Texas Secretary of State	1.00
05/12/21	Online Research	Online Research 05/12/2021 Natalie Lira Texas Secretary of State	1.00
05/12/21	Online Research	Online Research 05/12/2021 Natalie Lira Texas Secretary of State	1.00

Total Expenses \$ 3.00

Total Fees, Expenses and Charges on This Invoice **\$ 9,469.00**

BRACEWELL

REMITTANCE PAGE

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

Invoice: 21911929

Matter No: 0037619.000001

Total Fees	\$ 14,466.00
Total Adjustments	\$ (5,000.00)
Total Adjusted Fees	\$ 9,466.00
Total Expenses	\$ 3.00
Total Fees, Expenses and Charges for this Invoice	\$ 9,469.00
Total Current Billing on this Invoice	\$ 9,469.00
Balance Forward	\$ 0.00
Please Remit Total Balance Due on this Invoice	\$ 9,469.00

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:**21911929**

Check Information

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

Courier Information

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

Credit Card Information

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

BRACEWELL

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

July 06, 2021
Invoice: 21911753
BA: 04674 Clark Stockton Lord

Our Matter: 0037619.000003 Meeting Services
For Services Through June 30, 2021

<u>Date</u>	<u>Description</u>	<u>Timekeeper</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
06/03/21	Draft Landscape Architect Agreement.	Brenda Presser	3.00	333.00	999.00
06/11/21	Revise template for master agreement for construction projects.	Brenda Presser	2.50	333.00	832.50
Total Fees					\$ 1,831.50

Summary of Fees

<u>Timekeeper</u>	<u>Title</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
Brenda Presser	Paralegal	5.50	333.00	1,831.50
Total Summary of Fees		5.50		\$ 1,831.50

Expense Detail

<u>Date</u>	<u>Cost</u>	<u>Description</u>	<u>Amount</u>
05/20/21	Delivery Services/Messenger	3rd Party Courier 2021-05-20 Clark Stockton Lord #426631	19.00
Total Expenses			\$ 19.00

Total Fees, Expenses and Charges on This Invoice **\$ 1,850.50**

BRACEWELL

REMITTANCE PAGE

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

Invoice: 21911753

Matter No: 0037619.000003

Total Fees	\$ 1,831.50
Total Expenses	\$ 19.00
Total Fees, Expenses and Charges for this Invoice	\$ 1,850.50
Total Current Billing on this Invoice	\$ 1,850.50
Balance Forward	\$ 0.00
Please Remit Total Balance Due on this Invoice	\$ 1,850.50

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:**21911753**

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/>

Equi-Tax Inc.

Invoice

Suite 200
17111 Rolling Creek Drive
Houston Texas 77090
281-444-4866

DATE	INVOICE #
7/1/2021	57143

BILL TO
TIRZ No. 21 - Hardy / Near Northside RDA c/o Ralph DeLeon Tifworks, L.L.C. P.O. Box 10330 Houston TX 77206

DESCRIPTION	AMOUNT
Annual Consultant Services fee per Contract July 1, 2021 to June 30, 2022 Based on 3,480 items on the tax roll as of January 2021, at \$0.30 per item	12,528.00
Invoice emailed to: Melissa Morton at melissacpa@themortonassociates.com cc'ed Ralph DeLeon at ralph@tifworks.com	


Total	\$12,528.00
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HARDY/NEAR NORTHSIDE REDEVELOPMENT AUTHORITY
QUARTERLY INVESTMENT REPORT
4th QUARTER FISCAL YEAR 2021

April 1, 2021 to
June 30, 2021

Transaction Date	TexasClass Deposits or Withdrawals	Book Value	Market Value	Activity
4/1/2021	Texpool	\$ 616,373.31	\$ 616,373.31	Beginning Balance
4/27/2021	(100,000.00)	516,373.31	516,373.31	Transfer to Checking Account
4/30/2021	6.70	516,380.01	516,380.01	Interest 0.0135%
5/31/2021	4.38	516,384.39	516,384.39	Interest 0.0102%
6/2/2021	(60,000.00)	456,384.39	456,384.39	Transfer to Checking Account
6/2/2021	(100,000.00)	356,384.39	356,384.39	Transfer to Checking Account
6/30/2021	3.91	356,388.30	356,388.30	Interest 0.0131%
6/30/2021		356,388.30	356,388.30	Ending Balance

The investments for the District for the period are in compliance with the Public Funds Investment Act, the District's investment policy and the District's investment strategy.

Investment Officer: 

TAB

FOUR A

Tax Year 2020 Payment Cypress Development for CR V Hardy Yards, L.P.

Tax Year 2020 Increment:

Gross Increment	\$	761,094.00
Less City Admin Fee	\$	(38,054.00)
Less City Affordable Housing	\$	(253,698.00)
Less Estimated Zone Operating Costs	\$	(51,653.00)
<hr/>		
Available for Reimbursement	\$	417,689.00
On-Site Payment (28%)	\$	116,953.00
Off-Site Payment (72%)	\$	300,736.00
<hr/>		
	\$	417,689.00

TY20 City Increment Transfer to TIRZ

#	TIRZ Name	Jurisdiction Code	Fund #	City Increment	Affordable Housing Transfer to Fund 2409	City Admin. Fee Transfer to Fund 1000	Total Increment Amount Due	Payee	SAP Budget Number
1.	Lamar Terrace		7512	\$ 3,204,508.09	\$ 1,068,169.36	\$ 160,225.40	\$ 1,976,113.33	St. George Place RA	100669852
	Original	577		1,615,779.28	538,593.09	80,788.96	996,397.23		
	Annexed	800		1,588,728.81	529,576.27	79,436.44	979,716.10		
2.	Midtown		7550	\$ 12,255,158.81	N/A	\$ 612,757.94	\$ 11,642,400.87	Midtown RA	100669853
	Original	581&582		10,784,815.65		539,240.78	10,245,574.87		
	Annexed	593		1,412,597.03		70,629.85	1,341,967.18		
	Annexed	312		-		-	-		
	Annexed	814		57,746.13		2,887.31	54,858.82		
3.	Main St./Market Square		7551	\$ 19,010,309.07	N/A	\$ 950,515.45	\$ 18,059,793.62	Special Pay Instructions #1	100669854
	Original	575		2,213,305.22		110,665.26	2,102,639.96		
	Annexed	576		14,515,413.79		725,770.69	13,789,643.10		
	Annexed	260		102,161.14		5,108.06	97,053.08		
	Annexed	936		-		-	-		
	Annexed	924		399,420.28		19,971.01	379,449.27		
	Annexed	796		1,780,008.64		89,000.43	1,691,008.21		
5.	Memorial Heights		7553	\$ 8,093,528.79	N/A	\$ 404,676.44	\$ 7,688,852.35	Memorial Heights RA	100669855
	Original	583		2,967,044.45		148,352.22	2,818,692.23		
	Annexed	935		289,285.53		14,464.28	274,821.25		
	Annexed	307		728,368.89		36,418.44	691,950.45		
	Annexed	309		1,553.50		77.68	1,475.82		
	Annexed	816		4,107,276.42		205,363.82	3,901,912.60		
6.	Eastside	584	7554	\$ 2,299,002.69	N/A	\$ -	\$ 2,299,002.69	Houston ISD	100669856
7.	OST/Alameda		7555	\$ 9,701,426.41	N/A	\$ 485,071.33	\$ 9,216,355.08	OST Alameda RA	100669857
	Original	586		5,828,362.55		291,418.13	5,536,944.42		
	Annexed	587		3,350,708.52		167,535.43	3,183,173.09		
	Annexed	573		1,589.97		79.50	1,510.47		
	Annexed	888		416,053.94		20,802.70	395,251.24		
	Annexed	780		104,711.43		5,235.57	99,475.86		
8.	Gulfgate		7556	\$ 3,568,772.92	N/A	\$ 178,438.65	\$ 3,390,334.27	Gulfgate RA	100669858
	Original	588		293,366.54		14,668.33	278,698.21		
	Annexed	595		327,798.17		16,389.91	311,408.26		
	Annexed	909		2,947,608.21		147,380.41	2,800,227.80		
9.	South Post Oak		7557	\$ 707,926.56	N/A	\$ 35,396.33	\$ 672,530.23	South Post Oak RA	100669859
	Original	589		420,787.20		21,039.36	399,747.84		

TY20 City Increment Transfer to TIRZ

#	TIRZ Name	Jurisdiction Code	Fund #	City Increment	Affordable Housing Transfer to Fund 2409	City Admin. Fee Transfer to Fund 1000	Total Increment Amount Due	Payee	SAP Budget Number
	<i>Annexed</i>	830		287,139.36		14,356.97	272,782.39		
10.	Lake Houston		7558	\$ 5,945,640.29	N/A	\$ 297,282.02	\$ 5,648,358.27	Lake Houston RA	100669860
	<i>Original</i>	585		2,467,177.66		123,358.88	2,343,818.78		
	<i>Annexed</i>	580		1,347,006.10		67,350.31	1,279,655.79		
	<i>Annexed (2011)</i>	926		8,424.54		421.23	8,003.31		
	<i>Annexed (2011)</i>	RCH		1,446,445.49		72,322.27	1,374,123.22		
	<i>Annexed (2014)</i>	858		676,586.50		33,829.33	642,757.17		
11.	Greater Greenspoint		7559	\$ 5,607,270.51	N/A	\$ 280,363.53	\$ 5,326,906.98	Greater Greenspoint RA	100669861
	<i>Original</i>	590		\$ 5,607,270.51		\$ 280,363.53	\$ 5,326,906.98		
	<i>Annexed</i>	775		\$ -		\$ -	\$ -		
12.	City Park		7560	\$ 449,658.41	N/A	\$ 22,482.92	\$ 427,175.49	City Park RA	100669862
13.	Old Sixth Ward		7561	\$ 2,106,000.29	\$ 702,000.10	\$ 105,300.01	\$ 1,298,700.18	Old Sixth Ward RA	100669863
	<i>Original</i>	592		1,646,352.08	548,784.03	82,317.60	1,015,250.45		
	<i>Annexed</i>	922		459,648.21	153,216.07	22,982.41	283,449.73		
14.	Fourth Ward (1)		7562	\$ 2,653,576.11	\$ 650,575.03	\$ 146,379.38	\$ 1,856,621.70	Fourth Ward RA	100669864
	<i>Original</i>	599		2,413,211.83	597,160.74	134,361.17	1,681,689.92		
	<i>Annexed</i>	937		240,364.28	53,414.29	12,018.21	174,931.78		
	<i>Annexed</i>	772		0.00	-	-	-		
15.	East Downtown		7563	\$ 3,076,996.00	N/A	\$ 153,849.80	\$ 2,923,146.20	East Downtown RA	100669865
	<i>Original</i>	596		1,305,828.81		65,291.44	1,240,537.37		
	<i>Annexed</i>	938		1,771,167.19		88,558.36	1,682,608.83		
16.	Uptown		7564	\$ 29,621,472.33	N/A	\$ 1,481,073.62	\$ 28,140,398.71	Uptown Development Authority	100669866
	<i>Original</i>	597		28,682,310.90		1,434,115.55	27,248,195.35		
	<i>Annexed</i>	299		714,648.34		35,732.42	678,915.92		
	<i>Annexed</i>	856		224,513.09		11,225.65	213,287.44		
17.	Memorial City		7565	\$ 18,148,262.77	N/A	\$ 907,413.14	\$17,240,849.63	Memorial City RA	100669867
	<i>Original</i>	977		18,148,262.77		907,413.14	17,240,849.63		
	<i>Annexed (2011)</i>	927		-		-	-		
	<i>Annexed (2014)</i>	908		-		-	-		
18.	Fifth Ward		7566	\$ 834,248.87	N/A	\$ 41,712.44	\$ 792,536.43	Fifth Ward RA	100669868
	<i>Original</i>	594		474,111.98		23,705.60	450,406.38		
	<i>Annexed (2008)</i>	572		174,716.09		8,735.80	165,980.29		
	<i>Annexed (2015)</i>	835		150,347.51		7,517.38	142,830.13		
	<i>Annexed (2019)</i>	766		35,073.29		1,753.66	33,319.63		

TY20 City Increment Transfer to TIRZ

#	TIRZ Name	Jurisdiction Code	Fund #	City Increment	Affordable Housing Transfer to Fund 2409	City Admin. Fee Transfer to Fund 1000	Total Increment Amount Due	Payee	SAP Budget Number
19.	Upper Kirby		7567	\$ 16,353,904.12	N/A	\$ 817,695.21	\$ 15,536,208.91	Upper Kirby RA	100669869
	Original	598		15,906,746.16		795,337.31	15,111,408.85		
	Annexed (2015)	836		447,157.96		22,357.90	424,800.06		
20.	Southwest Houston		7568	\$ 10,054,555.98	N/A	\$ 502,727.80	\$ 9,551,828.18	Southwest Houston RA	100669870
	Original	994		8,809,518.12		440,475.91	8,369,042.21		
	Annexed (2013)	855		786,022.34		39,301.12	746,721.22		
	Annexed (2015)	837		459,015.52		22,950.78	436,064.74		
21.	Hardy/Near Northside		7569	\$ 957,938.42	\$ 319,313.00	\$ 47,896.92	\$ 590,728.50	Hardy Place RA	100669871
	Original	794		\$ 761,094.14	\$ 253,698.00	\$ 38,054.71	\$ 469,341.43		
	Annexed (2019)	758		\$ 196,844.28	\$ 65,615.00	\$ 9,842.21	\$ 121,387.07		
22.	Leland Woods		7570	\$ 179,104.16	N/A	\$ 8,955.21	\$ 170,148.95	Leland Woods RA	100669872
	Original	795		\$ 179,104.16		\$ 8,955.21	\$ 170,148.95		
	Annexed (2019)	754		\$ -		\$ -	\$ -		
23.	Harrisburg		7571	\$ 2,707,019.13	N/A	\$ 135,350.96	\$ 2,571,668.17	Harrisburg RA	100669873
	Original	925		\$ 2,475,386.50		\$ 123,769.33	\$ 2,351,617.17		
	Annexed (2019)	753		\$ 231,632.63		\$ 11,581.63	\$ 220,051.00		
24.	Greater Houston		7581	\$ 10,325,441.18	N/A	\$ 516,272.06	\$ 9,809,169.12	Special Pay Instructions #2	100669874
	Original (2012)	920		10,056,852.86		502,842.64	9,554,010.22		
	Annexed (2015)	839		268,588.32		13,429.42	255,158.90		
25.	Hiram Clarke Fort Bend	857	7582	\$ 2,345,428.64	N/A	\$ 117,271.43	\$ 2,228,157.21	Hiram Clarke Fort Bend RA	100669875
26.	Sunnyside	840	7583	\$ 777,150.19	N/A	\$ 38,857.51	\$ 738,292.68	Special Pay Instructions #2	100669876
27.	Montrose	872	7584	\$ 4,262,666.33	N/A	\$ 213,133.32	\$ 4,049,533.01	Montrose RA	100669877
	Total			\$ 175,246,967.07	\$ 2,740,057.49	\$ 8,661,098.82	\$ 163,845,810.76		

Special Pay Instructions #1

Payment to HHFC for Rice Hotel (original zone)	\$ 747,935.70	Final Payment
Payment to Main Street/Market Square RA	\$ 17,311,857.92	
Total Increment	\$ 18,059,793.62	

Special Pay Instructions #2

Payments are for administration, project costs, project related costs, developer reimbursements, and debt service; invoices submitted to and paid by Economic Development.

TAB

FIVE

HARDY/NEAR NORTHSIDE REDEVELOPMENT AUTHORITY
CITY OF HOUSTON, TEXAS
SEPTEMBER 20, 2021

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 Hardy/Near Northside Redevelopment Authority, (the "Authority"), which comprise the respective financial position of the governmental activities and each major fund as of June 30, 2021, 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 20, 2021, 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 April 6, 2020, 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) We are in agreement with the adjusting journal entries you have proposed, and they have been posted to the accounts.
- 9) The effects of all known actual or possible litigation, claims, and assessments have been accounted for and disclosed in accordance with U.S. GAAP.
- 10) Guarantees, whether written or oral, under which the Authority is contingently liable, if any, have been properly recorded or disclosed.

Information Provided

- 11) 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.
- 12) All material transactions have been recorded in the accounting records and are reflected in the financial statements.
- 13) 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.
- 14) 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.
- 15) 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.
- 16) 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.
- 17) We have disclosed to you all known actual or possible litigation, claims, and assessments whose effects should be considered when preparing the financial statements.
- 18) 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

- 19) There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.
- 20) 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.

- 21) The Authority has no plans or intentions that may materially affect the carrying value or classification of assets, liabilities, or equity.
- 22) 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.
- 23) 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.
- 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 those financial statements and related notes.
- 25) 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.
- 26) 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.
- 27) We have followed all applicable laws and regulations in adopting, approving, and amending budgets.
- 28) 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.
- 29) The financial statements properly classify all funds and activities, in accordance with GASB Statement No. 34.
- 30) 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.
- 31) 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.
- 32) Provisions for uncollectible receivables have been properly identified and recorded, if applicable.
- 33) 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.
- 34) 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.

- 35) Interfund, internal, and intra-entity activity and balances have been appropriately classified and reported.
- 36) Deposits and investment securities are properly classified as to risk and are properly disclosed.
- 37) Capital assets, including infrastructure and intangible assets, are properly capitalized, reported, and, if applicable, depreciated.
- 38) 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.
- 39) 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.
- 40) 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.
- 41) With respect to the supplementary information required by the Water Authority Financial Management Guide,
 - a) We acknowledge our responsibility for presenting this information in accordance with the Commission's requirements and we believe this information, including its form and content, is fairly presented in accordance with the Commission's requirements. 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.

HARDY/NEAR NORTHSIDE REDEVELOPMENT AUTHORITY

Signature on behalf of the Board of Directors

Board Member

D-007

Title

McCALL GIBSON SWEDLUND BARFOOT PLLC

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September 20, 2021

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

We have audited the financial statements of the governmental activities and major fund of Hardy/Near Northside Redevelopment Authority (the "Authority") for the year ended June 30, 2021. 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 April 6, 2020. 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. The Authority's bookkeeper will be provided with all such adjustments.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated September 20, 2021.

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 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, which accompany the financial statements but are not RSI. With respect to this supplementary 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 the supplementary 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 these specified parties.

Sincerely,

McCall Gibson Swedlund Barfoot PLLC
Certified Public Accountants
Houston, Texas

HARDY/NEAR NORTHSIDE REDEVELOPMENT AUTHORITY

CITY OF HOUSTON, TEXAS

ANNUAL FINANCIAL REPORT

JUNE 30, 2021

DRAFT SUBJECT TO CHANGE

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INDEPENDENT AUDITOR'S REPORT

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

We have audited the accompanying financial statements of the governmental activities and major fund of Hardy/Near Northside Redevelopment Authority (the "Authority"), a component unit of the City of Houston, Texas, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting policies generally accepted in the United States of America; this includes 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.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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

Opinions

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, 2021, 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.

Other Matter

Required Supplementary Information

Accounting principles generally accepted in the United State 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, 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.

Other 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. The supplementary information, excluding that portion marked "Unaudited" on which we express no opinion or provide any assurance, 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 20, 2021

HARDY/NEAR NORTHSIDE REDEVELOPMENT AUTHORITY

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE YEAR ENDED JUNE 30, 2021

Management's discussion and analysis of Hardy/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, 2021. 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 \$590,729 were received from the City in July 2021 for the tax year 2020 versus budgeted revenues from tax increments of \$485,304, a budgeted surplus of \$105,425. The Authority received no grant income for year ended June 30, 2021 and no grant revenue was budgeted.
- Total management and consulting expenses for the year ended June 30, 2021 were \$247,537 versus budgeted expenses of \$303,250, a budgeted surplus of \$55,713.
- In the Authority's government-wide financial statements, liabilities exceeded assets by \$4,801,488 (net position) at June 30, 2021, compared to \$5,108,246 at June 30, 2020, a \$306,758 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.

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.

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 \$4,801,488 as of June 30, 2021.

The following table provides a summary of changes in the Statement of Net Position as of June 30, 2021 and June 30, 2020

	Summary of Changes in the Statement of Net Position		
	2021	2020	Variance Positive (Negative)
ASSETS			
Cash and Investments	\$ 508,260	\$ 745,457	\$ (237,197)
Tax Increment Receivable	590,729	478,501	112,228
Capital Assets	123,022	123,022	-
TOTAL ASSETS	\$ 1,222,011	\$ 1,346,980	\$ (124,969)
LIABILITIES			
Accounts Payable	\$ 18,507	\$ 7,340	\$ (11,167)
Due to Developer	6,004,992	6,447,886	442,894
TOTAL LIABILITIES	\$ 6,023,499	\$ 6,455,226	\$ 431,727
NET POSITION			
Net Investment in Capital Assets	\$ 123,022	\$ 123,022	\$ -
Unrestricted	(4,924,510)	(5,231,268)	306,758
TOTAL NET POSITION	\$ (4,801,488)	\$ (5,108,246)	\$ 306,758

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

The following table provides a summary of the Statement of Activities for the fiscal year ended June 30, 2021, and June 30, 2020:

	<u>Summary of Changes in the Statement of Activities</u>		
	<u>2021</u>	<u>2020</u>	<u>Variance Positive (Negative)</u>
Revenues:			
Tax Increment Revenue	\$ 590,729	\$ 478,501	\$ 112,228
Grant Revenue	-	235,207	(235,207)
Interest Revenue	646	10,120	(9,474)
Total Revenues	<u>\$ 591,375</u>	<u>\$ 723,828</u>	<u>\$ (132,453)</u>
Expenses:			
Administrative Consultant	\$ 51,266	\$ 20,041	\$ (31,225)
Accounting	13,532	18,942	5,410
Auditing	9,000	8,500	(500)
Engineering Consultant	151,765	-	(151,765)
Planning Consultant	-	30,238	30,238
Legal Consultant	18,940	6,500	(12,440)
Insurance	930	928	(2)
Other Consultant	1,868	1,868	-
Bank Charges	236	176	(60)
Office Expense	-	440	440
Conveyance of Assets	37,080	639,578	602,498
Total Expenses	<u>\$ 284,617</u>	<u>\$ 727,211</u>	<u>\$ 442,594</u>
Change in Net Position	\$ 306,758	\$ (3,383)	\$ 310,141
Net Position, Beginning of Year	<u>(5,108,246)</u>	<u>(5,104,863)</u>	<u>(3,383)</u>
Net Position, End of Year	<u>\$ (4,801,488)</u>	<u>\$ (5,108,246)</u>	<u>\$ 306,758</u>

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 \$1,080,482.

GENERAL FUND BUDGETARY HIGHLIGHTS

The Board of the Authority did not amend the budget during the current fiscal year. Actual revenues were \$104,281 more than budgeted. Actual expenditures were \$224,793 less than budgeted primarily due to lower than budgeted maintenance, operations and capital expenditures. A budgetary comparison schedule is included as RSI for the General Fund.

CAPITAL ASSETS

During the fiscal year ending June 30, 2021, the Authority did not incur any development costs.

LONG-TERM DEBT ACTIVITY

As of June 30, 2021, the Authority did not have any long-term debt, but has recorded an amount due to the Developer of \$6,004,992 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 Hardy/Near Northside Redevelopment Authority, c/o Bracewell LLP 711 Louisiana Street, Suite 2300, Houston, Texas 77002-2770.

HARDY/NEAR NORTHSIDE REDEVELOPMENT AUTHORITY
STATEMENT OF NET POSITION AND
GOVERNMENTAL FUND BALANCE SHEET
JUNE 30, 2021

	<u>General Fund</u>	<u>Adjustments</u>	<u>Statement of Net Position</u>
ASSETS			
Cash	\$ 151,876	\$ -	\$ 151,876
Investments	356,384	-	356,384
Tax Increment Receivable	590,729	-	590,729
Construction in Progress			-
Capital Assets - Development Costs	-	123,022	123,022
TOTAL ASSETS	<u>\$ 1,098,989</u>	<u>\$ 123,022</u>	<u>\$ 1,222,011</u>
LIABILITIES			
Accounts Payable	\$ 18,507	\$ -	\$ 18,507
Due to Developer	-	6,004,992	6,004,992
TOTAL LIABILITIES	<u>\$ 18,507</u>	<u>\$ 6,004,992</u>	<u>\$ 6,023,499</u>
FUND BALANCE			
Assigned for 2022 Budget Deficit	878,492	(878,492)	
Unassigned	\$ 201,990	\$ (201,990)	\$ -
TOTAL FUND BALANCE	<u>\$ 1,080,482</u>	<u>\$ (1,080,482)</u>	<u>\$ -</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 1,098,989</u>		
NET POSITION			
Net Investment in Capital Assets		\$ 123,022	\$ 123,022
Unrestricted		(4,924,510)	(4,924,510)
TOTAL NET POSITION		<u>\$ (4,801,488)</u>	<u>\$ (4,801,488)</u>

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

HARDY/NEAR NORTHSIDE REDEVELOPMENT AUTHORITY
RECONCILIATION OF THE GOVERNMENTAL FUND BALANCE SHEET
TO THE STATEMENT OF NET POSITION
JUNE 30, 2021

Total Fund Balance - Governmental Fund	\$ 1,080,482
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>(6,004,992)</u>
Total Net Position - Governmental Activities	<u><u>\$ (4,801,488)</u></u>

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

HARDY/NEAR NORTHSIDE REDEVELOPMENT AUTHORITY
STATEMENT OF ACTIVITIES AND GOVERNMENTAL FUND REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2021

	<u>General Fund</u>	<u>Adjustments</u>	<u>Statement of Activities</u>
REVENUES			
Tax Increment Revenue	\$ 590,729	\$ -	\$ 590,729
Grant Revenue	-	\$ -	-
Interest Revenue	646	-	646
TOTAL REVENUES	<u>\$ 591,375</u>	<u>\$ -</u>	<u>\$ 591,375</u>
EXPENDITURES/EXPENSES:			
Administrative Consultant	\$ 51,266	\$ -	\$ 51,266
Accounting	13,532	-	13,532
Auditing	9,000	-	9,000
Capital Expenditures	37,080	(37,080)	-
Engineering Consultant	151,765	-	151,765
Legal Consultant	18,940	-	18,940
Insurance	930	-	930
Other Consultant	1,868	-	1,868
Bank Charges	236	-	236
Developer Reimbursement	442,894	(442,894)	-
Conveyance of Assets	-	37,080	37,080
TOTAL EXPENDITURES/EXPENSES	<u>\$ 727,511</u>	<u>\$ (442,894)</u>	<u>\$ 284,617</u>
NET CHANGE IN FUND BALANCE	\$ (136,136)	\$ 136,136	\$ -
CHANGE IN NET POSITION	-	306,758	306,758
FUND BALANCE/NET POSITION - JULY 1, 2020	<u>1,216,618</u>	<u>(6,324,864)</u>	<u>(5,108,246)</u>
FUND BALANCE/NET POSITION - JUNE 30, 2021	<u>\$ 1,080,482</u>	<u>\$ (5,881,970)</u>	<u>\$ (4,801,488)</u>

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

HARDY/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, 2021

Net Change in Fund Balance - Governmental Fund	\$ (136,136)
<p>Amounts reported for governmental activities in the Statement of Activities are different because:</p>	
<p>Governmental funds report capital outlay for developer reimbursements as expenditures. 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.</p>	442,894
<p>Assets conveyed to other entities for operations and maintenance are recorded as expenses in the Statement of Assets.</p>	(37,080)
<p>Governmental funds report capital outlay for development costs as expenditures. However, such costs are not reported as expenses on the Statement of Activities, but are instead capitalized in the Statement of Net Position.</p>	<u>37,080</u>
Change in Net Position - Governmental Activities	<u><u>\$ 306,758</u></u>

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

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HARDY/NEAR NORTHSIDE REDEVELOPMENT AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021

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.

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 has assigned \$878,492 of its General Fund fund balance to offset a FY2022 budgeted deficit.

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, 2021, the BBVA Compass Bank balance was \$151,876, which was covered by federal depository insurance.

The carrying values of the deposits are included in the Governmental Fund Balance Sheet and the Statement of Net Position at June 30, 2021, as listed below:

Total Cash Deposits	<u>\$151,876</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 Investors 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, 2021, the Authority had the following investments and maturities:

Type	Fair Value	Maturities in Years			
		Less Than 1	1-5	6-10	More Than 10
<u>GENERAL FUND -</u> TexPool	\$ 356,384	\$ 356,384	\$ -	\$ -	\$ -
					=

Credit risk is the risk that the issuer or other counterparty to an investment will not fulfill its obligations. At June 30, 2021, 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 \$590,729 were remitted from the fund to the Authority for tax year 2020. In addition, the City withheld \$319,313 from the tax increment to fund affordable housing and \$47,897 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, 2021, the Authority contributed \$930 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, 2021, 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 \$1,844,590, of which \$442,894 was reimbursed during the fiscal year ended June 30, 2021, leaving a balance of \$6,004,992 due to the Developer at June 30, 2021. The total is comprised of \$4,316,310 for onsite public improvements and \$1,688,682 for offsite public improvements.

NOTE 9. CAPITAL ASSETS – DEVELOPMENT COSTS

During the fiscal year ended June 30, 2021, 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, 2021, totaled \$123,022.

During the fiscal year ended June 30, 2021, 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.

NOTE 10. GRANT PROGRAMS

The City of Houston

On December 10, 2014, the Authority executed an agreement with the City of Houston (the “City”). On behalf of the City, the City’s Housing & Community Development Department submitted an application for federal assistance to the Texas General Land Office to receive an award of Community Development Block Grant Disaster Recovery Program funding in the amount of \$11,986,000 allocated for the repair, replacement, redesign and/or reconstruction of public infrastructure within the boundaries of the Authority.

Through June 30, 2021, the Authority has recorded a total of \$11,118,861 in engineering and construction costs paid from grant revenues. During the fiscal year ended June 30, 2020, the Authority paid \$235,207 in capital improvement costs related to improvements of the Hernandez Tunnel and completed the project, therefore there were no costs incurred during the current year.

NOTE 11. ECONOMIC UNCERTAINTIES

On March 11, 2020, the World Health Organization declared the COVID-19 virus a global pandemic. As a result, economic uncertainties have arisen which could have an impact on the operations of the Authority. The Authority is carefully monitoring the situation and evaluating its options during this time. No adjustments have been made to these financial statements as a result of this uncertainty, as the potential financial impact of this pandemic is unknown at this time.

HARDY/NEAR NORTHSIDE REDEVELOPMENT AUTHORITY

REQUIRED SUPPLEMENTARY INFORMATION

JUNE 30, 2021

DRAFT SUBJECT TO CHANGE

HARDY/NEAR NORTHSIDE REDEVELOPMENT AUTHORITY
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL – GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2021

	General Fund		
	Original and Final Budget	Actual	Variance Positive (Negative)
REVENUES			
Tax Increment Revenue	\$ 485,304	\$ 590,729	\$ 105,425
Grant Revenue	-	-	-
Interest Revenue	1,790	646	(1,144)
TOTAL REVENUES	\$ 487,094	\$ 591,375	\$ 104,281
EXPENDITURES			
Maintenance and Operations	\$ 303,250	\$ 247,537	\$ 55,713
Capital Expenditures	202,000	37,080	164,920
Developer/Project Reimbursements	447,054	442,894	4,160
TOTAL EXPENDITURES	\$ 952,304	\$ 727,511	\$ 224,793
NET CHANGE IN FUND BALANCE	\$ (465,210)	\$ (136,136)	\$ 329,074
FUND BALANCE - JULY 1, 2020	1,233,408	1,216,618	(16,790)
FUND BALANCE - JUNE 30, 2021	\$ 768,198	\$ 1,080,482	\$ 312,284

See accompanying independent auditor's report.

HARDY/NEAR NORTHSIDE REDEVELOPMENT AUTHORITY

SUPPLEMENTARY INFORMATION

REQUIRED BY THE CITY OF HOUSTON

JUNE 30, 2021

DRAFT SUBJECT TO CHANGE

**HARDY/NEAR NORTHSIDE REDEVELOPMENT AUTHORITY
OPERATING AND CAPITAL EXPENDITURES
FOR THE YEAR ENDED JUNE 30, 2021**

Category	Vendor	Budget	Actual Expenditures	Variance Positive (Negative)
ADMINISTRATION AND OVERHEAD				
Accounting	The Morton Accounting Serv.	\$ 10,000	\$ 13,532	\$ (3,532)
Administrative Consultant	Bracewell LLP and TIFWorks, LLC	35,000	51,266	(16,266)
Auditor	McCall Gibson Swedlund			
	Barfoot PLLC	10,000	9,000	1,000
Tax Advisor	Equitax, Inc	2,000	1,868	132
Insurance	Texas Municipal League	1,000	930	70
Office Administration	BBVA Compass	250	236	14
SUBTOTAL		<u>\$ 58,250</u>	<u>\$ 76,832</u>	<u>\$ (18,582)</u>
PROGRAM AND PROJECT CONSULTANTS				
Engineering Consultant	Gauge Engineering	\$ 225,000	\$ 151,765	\$ 73,235
Legal Consultant	Bracewell LLP	20,000	18,940	1,060
SUBTOTAL		<u>\$ 245,000</u>	<u>\$ 170,705</u>	<u>\$ 74,295</u>
TOTAL MANAGEMENT CONSULTING SERVICES		<u>\$ 303,250</u>	<u>\$ 247,537</u>	<u>\$ 55,713</u>
CAPITAL EXPENDITURES				
Project T-2103: English Street Park		\$ 122,000	\$ -	\$ 122,000
Project T-2104: 2600-3500 Blk Main St Pedestrian/Bicycle		55,000	37,080	
Project T-2199: Concrete Panel & Sidewalk Replacement		25,000	-	25,000
TOTAL CAPITAL EXPENDITURES		<u>\$ 202,000</u>	<u>\$ 37,080</u>	<u>\$ 164,920</u>
DEVELOPER/PROJECT REIMBURSEMENTS				
CRV Hardy Yards: Roadway and Sidewalk Improvements		\$ 447,054	\$ 442,894	\$ 4,160

See accompanying independent auditor's report.

HARDY/NEAR NORTHSIDE REDEVELOPMENT AUTHORITY
PROJECT PLAN RECONCILIATION
FOR THE YEAR ENDED JUNE 30, 2021

	Project Plan Estimated Amount	Cumulative Expenditures as of the Fiscal Year Ended 2021	Variance Positive (Negative)
ESTIMATED PROJECT COSTS			
Roadway, Sidewalk and Landscape Improvements	\$ 37,692,000	\$ 12,611,160	\$ 25,080,840
Roadway, Sidewalk and Bridge Improvements	60,000,000		60,000,000
Public Utility Improvements	47,884,000	-	47,884,000
Parks, Plazas and Recreational Facilities	29,328,000	-	29,328,000
Land Cost, Site Prep, Environmental Remediation	9,820,000	-	9,820,000
Affordable Housing	32,920,874	2,203,525	30,717,349
Financing Costs	1,700,000	-	1,700,000
Zone Creation and Administration	4,200,000	1,027,917	3,172,083
TOTAL ESTIMATED PROJECT COSTS	<u>\$ 223,544,874</u>	<u>\$ 15,842,602</u>	<u>\$ 207,702,272</u>

See accompanying independent auditor's report.

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HARDY/NEAR NORTHSIDE REDEVELOPMENT AUTHORITY

OTHER SUPPLEMENTARY INFORMATION

JUNE 30, 2021

DRAFT SUBJECT TO CHANGE

HARDY/NEAR NORTHSIDE REDEVELOPMENT AUTHORITY
BOARD OF DIRECTORS
JUNE 30, 2021

Authority Mailing Address - HARDY/NEAR NORTHSIDE REDEVELOPMENT
AUTHORITY
C/O Bracewell LLP
711 Louisiana Street, Suite 2300
Houston, TX 77002-2770

Authority Telephone Number - (713) 223-2300

Board Members	Position
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

See accompanying independent auditor's report.

TAB

SIX

TASK ORDER NO. 2 - AMENDMENT NO. 1



September 16th, 2021

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

Re: Proposal for Capital Improvement Plan Development – Amendment No. 1

Dear Ms. Reyes,

Gauge Engineering, LLC (Gauge) is pleased to submit this proposal for amending the scope and level of effort for the original Capital Improvement Plan task order. The effort will include finalizing the mobility assessment and drainage analysis and documenting the results in a report.

We propose to perform these services for a lump sum amount of \$29,400. **The proposed effort will be funded with unused budget from the original Capital Improvement Plan contract. No additional funding allocation is necessary.** A detailed breakdown of the work tasks and fee can be found under Exhibit "A". We are prepared to begin this work immediately. Please feel free to contact me at (713) 254-5946 if you have any questions or need additional information.

Sincerely,

A handwritten signature in black ink, appearing to be "MA", written over a horizontal line.

Muhammad Ali, P.E.
Principal

Accepted for
Hardy/Near Northside Redevelopment Authority/TIRZ 21

Signature Date

Attachments:
Exhibit A – Level-of-Effort

Print

Accepted for
City of Houston

Signature Date

Print

EXHIBIT A
CAPITAL IMPROVEMENT PLAN - AMENDMENT
LEVEL-OF-EFFORT



DESCRIPTION OF WORK TASKS		Sr. PROJ MGR	Sr. PROJ ENGINEER	GRAD ENGINEER	CADD TECH	ADMIN ASST	TOTAL HOURS	LABOR COSTS
A. Amendment								
1	Complete Mobility Assessment, Project Description & Writeup	6	16	40	24		86	\$10,950.00
2	Complete Drainage Analysis, Project Description & Writeup	6	16	40	24		86	\$10,950.00
3	Cost Estimates	4	8	12			24	\$3,660.00
4	General Project Management	4	6			2	12	\$2,060.00
5	Quality Control	4	4				8	\$1,560.00
	Total	24	50	92	48	2	216	\$29,180.00
	TOTAL HOURS	24	50	92	48	2	216	
	Contract Labor Rate	\$225.00	\$165.00	\$120.00	\$90.00	\$85.00		
	TOTAL LABOR COSTS BASIC ENGINEERING SERVICES	\$5,400.00	\$8,250.00	\$11,040.00	\$4,320.00	\$170.00		\$29,180.00

EXPENSES	TOTAL
1 Printing, Reproduction, Mileage, Deliveries	\$220.00
TOTAL REIMBURSABLE EXPENSES	\$220.00

GRAND TOTAL	
I. Basic Services	\$29,180.00
II. Expenses	\$220.00
GRAND TOTAL	\$29,400

TAB

SEVEN

TASK ORDER NO. 4



July 16th, 2021

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

Re: Proposal to Provide PS&E Services – Pinckney Trail Connection

Dear Ms. Reyes,

Gauge Engineering, LLC (Gauge) is pleased to submit this proposal for detail design engineering services to develop bid ready construction plans for a 10' concrete multi-use trail from the White Oak Bayou Greenway to the intersection of Fletcher Street and Pinckney Street. The project will provide a dedicated pedestrian and bicycle pathway from the community to the White Oak Bayou Greenway, thus safely connecting the neighborhood to the existing regional hike and bike trail networks.

We propose to perform this work for a lump sum amount of **\$157,332.40**. A detailed breakdown of the scope items and fee can be found under Exhibit "A" thru "F". We are prepared to begin this work immediately. Please feel free to contact me at (713) 254-5946 if you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to be "MA", written over a horizontal line.

Muhammad Ali, P.E.
Principal

Accepted for
Hardy/Near Northside Redevelopment Authority/TIRZ 21

Signature Date

Attachments:

- Exhibit A – Scope
- Exhibit B – Level-of-Effort
- Exhibit C-1& C-2 – Topo Survey - Kuo
- Exhibit D – Geotech - Aviles
- Exhibit E – Structural - SSH
- Exhibit F – Tree Protection -CN Koehl

Print

Accepted for
City of Houston

Signature Date

Print

**EXHIBIT A
SCOPE OF SERVICES
PINCKNEY TRAIL CONNECTION
WBS No. N-T21010-0001-3
DESIGN PHASE**

The Pinckney Trail Connection consists of approximately 850 feet of 10' concrete multi-use trail along City of Houston right-of-way from the White Oak Bayou Greenway to the intersection of Fletcher Street and Pinckney Street. The project will provide a dedicated pedestrian and bicycle pathway from the community to the White Oak Bayou Greenway, thus safely connecting the neighborhood to the existing regional hike and bike trail network along White Oak Bayou, Buffalo Bayou, and the MKT Trail.

Currently residents and their families are using the Pinckney Street right-of-way proposed for the new hike and bike trail to gain access to the White Oak Bayou Greenway, but must traverse overgrown vegetation, broken glass, areas of illegal dumping, and other unsafe and unsanitary conditions. A condition unacceptable for small children, the elderly and the infirm. By providing an ADA compliant facility with suitable lighting, signage and other pedestrian amenities, the trail becomes an enhancement and amenity to the community. In addition, it will encourage greater use of active transportation leading to better health outcomes in the community. In terms of connectivity, it would allow much improved access to Downtown, as well as multiple retail and commercial businesses on Sawyer Street, an area close to the community, but currently cut-off by I-10 and I-45.

The project was evaluated by Lockwood, Andrews and Newnam, Inc. in 2012 with a draft set of construction documents. Gauge Engineering project team will re-evaluate the project corridor to identify site changes in the past 10-years that will impact the proposed trail design as well as updating the design according to the most current Harris County and City of Houston design criteria.

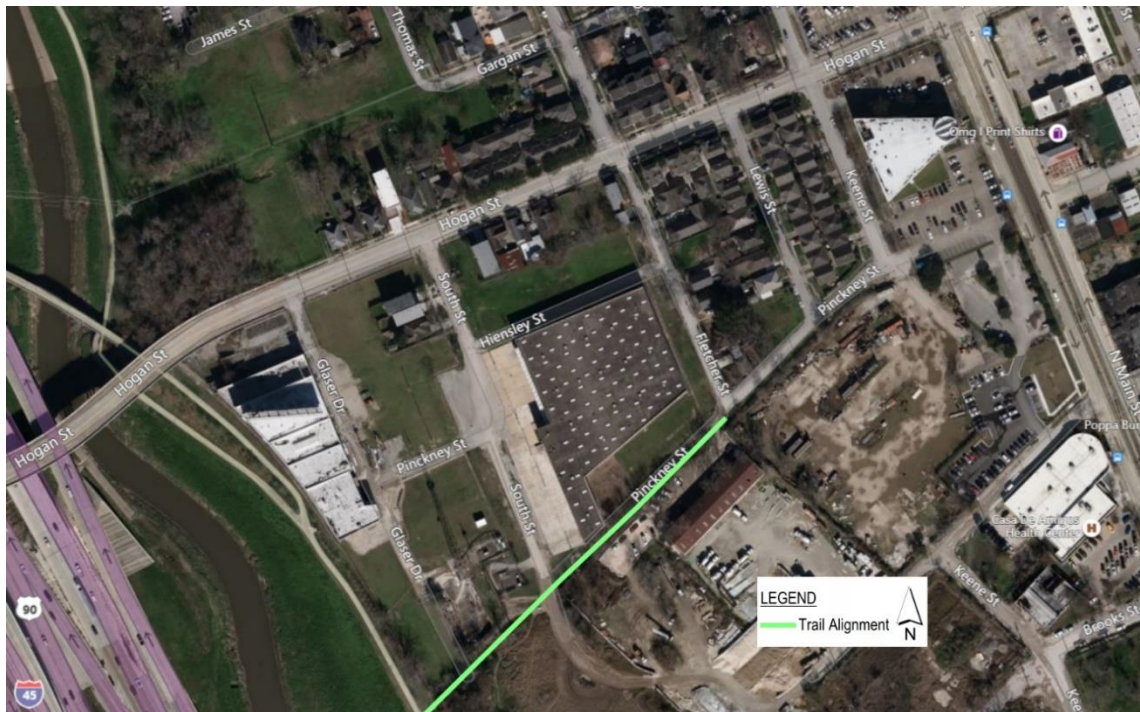


Figure 1. Approximate Project Limits

I. DESIGN PHASE (90% and Final)

A. General Plan Sheets

- a) Title Sheet (1 Sheet) – the new TIRZ border will be added.
- b) Index of Drawings (1 Sheet)
- c) Overall Project Layout Sheet (1 Sheet)
- d) General Construction Notes (2 Sheets)
- e) Private Utility Notes (1 Sheet)
- f) General Sheet (Keyed Notes-Symbols & Abbreviations) (1 Sheet)
- g) Survey Control Maps (1 Sheet)
- h) Horizontal Alignment Data
- i) Proposed Typical Sections (2 Sheets)
- j) Traffic Control Plans (2 Sheets)

B. Storm Sewer Design

Prepare the PS&E package in accordance with the applicable Harris County and City of Houston requirements, specifications, standards, and manuals. Include the following sheets and documents, as appropriate:

- Existing Overall Drainage Area Map
 - Proposed Overall Drainage Area Map
 - Project Drainage Area Maps
 - Floodplain and Conveyance Evaluation
 - Mitigation Plan and Detention Layout
 - Storm Sewer Calculations
 - Storm Sewer Plan and Profile (Included on Roadway Sheets)
 - Storm Sewer Lateral Sheets
 - Storm Sewer Details (Misc.)
 - Storm Sewer Standards
1. **Overall Drainage Area Map Existing:**
 - a. Overall drainage area map extents including off-site drainage areas contributing the project limits for existing and proposed conditions, including peak discharge rates to outfalls based on H&H study results.
 - b. Include drainage area tables that detail existing outfall conditions.
 2. **Overall Drainage Area Map Proposed:**
 - a. The proposed overall Drainage Area map will reflect any changes in drainage patterns and outfalls from the existing conditions.
 - b. Include drainage area tables for proposed inlets, and proposed outfall conditions.
 3. **Storm Sewer Calculations:**
 - a. This effort includes the creation of sheets to convey the results of the storm sewer analysis, and the conversion of the hydraulic model data to the City's standard tabular output.
 4. **Floodplain and Conveyance Calculations**
 - a. Provide map showing most current floodplain data for White Oak Bayou.
 - b. Provide calculations to meet City of Houston floodplain regulations in regard to flow conveyance for White Oak Bayou.
 5. **Mitigation Plan and Detention Layout**
 - a. City of Houston requires detention for all new construction to account for additional development and impervious areas.
 - b. Calculation mitigation requirements based on City of Houston detention requirements.
 - c. Size and locate mitigation structures along the project for each storm water outfall location.
 - d. Develop a layout of drainage detention elements and details as required.

6. Storm Sewer Plan and Profile:

- a. Storm drainage design will be incorporated on the Roadway Plan and Profile drawings, this work consists of working with the Roadway Design, and providing design recommendations and updating drainage base files and design callouts.

7. Storm Sewer Lateral Sheets:

- a. All horizontal storm sewer laterals will be shown with cross-sections to better show utilities and special grading considerations as needed.

8. Storm Sewer Details (Misc.):

- a. This effort includes the development of any non-standard details required to collect drainage along the project corridor. These designs can be special inlets, grading details, or other special features to help provide better data to the contractor for construction.

9. Storm Sewer Analysis – Rational:

- a. This effort includes the analysis of the drainage network with standard Rational Steady State analysis tools such as Geopak. The analysis will be used to properly size the drainage network to meet City standard criteria.

10. Drainage Report and Impact Analysis

- a. The drainage report will document the drainage design and evaluation process. The report will also quantify potential drainage impacts and document the measures taken to prevent impacts. Included in the drainage report will be formatted to meet requirements for the City of Houston, Harris County Engineering, and Harris County Flood Control District (HCFCD).

11. Storm Sewer Standards:

- a. This includes selecting City of Houston, Harris County and/or TxDOT drainage standards that are appropriate to support the proposed storm drainage design.
- b. Effort included in Section C.9.

12. Harris County Flood Control District Express Review Sheet:

- a. Harris County Flood Control District Review sheet will be furnished consistent with Harris County's requirements

C. Trail Design**1. Horizontal Alignment Data:**

The baseline properties will be outlined with the tangent and curve information output from Geopak.

2. Trail Plan and Profile Sheets (3 Sheets – 1 in.: 40-FT)

Detailed trail plan and profile sheets depicting existing features and the proposed improvements. Plans will show pedestrian facilities and shall be designed in accordance with the American with Disabilities Act Accessibility Guidelines (ADAAG) and the Texas Accessibility Standards (TAS). The plans will be submitted to the Texas Department of Licensing and Regulation (TDLR) or representative thereof for review, approval, and inspection. The plan view shall contain the following design elements:

- Horizontal alignment.
- Indicated pavement edges, lane, and pavement widths for all improvements.
- Direction of traffic flow arrows.
- Indicate existing and proposed ROW/Easement lines.
- Begin/end of cross slope transitions.
- Existing major utilities and structures.
- Any necessary callouts to clarify details.
- Drainage design components, such as existing and proposed storm sewers will be shown.
- Drawings horizontal scale 1-in. = 40-FT

- Removal items will be provided for the length of the project and shall include all pavement, drainage structures, traffic signals, sidewalks, signs, landscaping, bus shelters, other structures, etc. to be removed.

The profile shall contain the following design elements:

- The approximate existing profile grade
- The existing north and south ROW profiles
- Proposed profile grade.
- The location of intersections
- Drainage design components, such as storm sewer profiles and hydraulic grade lines, will be shown.
- Drawing vertical scale 1-in. = 4-FT

3. Grading Plan:

A layout and grading plan will be developed detailing the pavement and drainage design at the inlets. The layout shall include contours and how the area is draining to the inlets.

4. Horizontal Geometry Data Sheet:

Horizontal pavement geometry sheets will include stations, offsets, PCs, PTs, etc

5. Cross Section

Cross sections at 25-FT intervals will be cut and included in the plans. Drawing scale shall be H: 1" = 20'; V: 1" = 10'.

6. Earthwork (Cut and Fill) Quantities

Earthwork analysis will be conducted to determine cut and fill quantities.

7. Signing and Pavement Marking Sheets

Drawings, specifications, and details will be prepared for all regulatory signs and pavement markings on combined layout sheets. All plans shall follow City standards. A summary signs list will be provided. The proposed regulatory signs shall be illustrated and numbered on plan sheets. Permanent and temporary pavement markings and channelization devices on plan sheets shall be prepared. The following information will be shown on sign/pavement markings layouts:

- Trail layout.
- Center line with station numbering.
- ROW/Easement lines.
- Culverts and other structures that present a hazard to traffic.
- Existing signs to remain, to be removed, or to be relocated.
- Proposed regulatory signs (illustrated and numbered).
- Proposed markings (illustrated and quantified) which include pavement markings and delineation.
- Quantities of existing pavement markings to be removed.
- Proposed delineators and object markers.
- The number of lanes in each section of proposed road and the location of changes in the numbers of lanes.
- Direction of traffic flow on all roadways.

8. Pavement Markings Sheets:

See item 7.

9. Standard Pavement, Drainage and Utility Details:

All the necessary standard details will be included in the design set.

10. Storm Water Pollution Prevention Plan (SWPPP)

The following items will be prepared in accordance with City Standard Details and Standard Specifications

- Storm Water Pollution Prevention Plan Form Sheet
- Storm Water Pollution Prevention Plan drawings will show all existing and proposed streets, Project alignments, applicable notes, proposed storm water conveyance systems, overland flow arrows, and pollution prevention measures.
- Pollution Prevention Plan construction quantities.

11. Storm Water Pollution Prevention Details

See item 10

12. Water Quality Plan Documents

As per Harris County requirements, a water quality plan will have to be furnished because the project outfalls to White Oak Bayou.

13. Harris County Express Review Sheet:

Harris County Review sheet will be furnished consistent with Harris County's requirements

14. Street Lighting

Street lighting standards will be coordinated with CenterPoint and the City. Street lighting layout plans/exhibits will be developed for light pole locations, lighting ground boxes, and routing of lighting underground circuits/conduits.

D. Project Management/Specs/Agencies & Team Coordination/Quantities/Misc.**1. Overall Project Management/Team Coordination/ Project Controls**

During each phase of the project, the Project Manager (PM) will oversee all work and will be responsible for directing and coordinating activities and assigned personnel. The PM will manage the project scope, schedule, budget, and quality to ensure that the project progresses as agreed. The PM will submit monthly invoices, status reports, and schedules. The PM will conduct regular coordination meetings as needed with the City, private utilities, and others.

2. Private Utilities Assessment/Utility Conflict Table/Coordination

- The design team will coordinate with the various utility companies (AT&T and CenterPoint) to determine the location of all existing utilities. The design team will prepare exhibits showing the location of each existing utility and identify potential conflicts and recommended solutions.
- Gauge will attend either the County or City's Utility Coordination monthly meetings to coordinate the potential utility conflicts.
- Detailed Utility conflict resolution tables will be furnished.
- The design team will prepare and distribute Preliminary Utility Notification Letters identifying each potential conflict with proposed improvements. Prior to final design submittal, the design team will prepare and distribute the Final Utility Notification Letters and/or a Notice of No Conflict Letter to each private utility company within the project limits.

3. Public Agencies Coordination/meetings/approvals/signatures

- Regular coordination and monthly meetings with the relevant public agencies will be held to review the progress of the engineering effort, or to address other issues which may arise. The PM will prepare and document meeting record memorandum of decisions and action items.
- Relevant Public Agencies include:
 - Harris County Precinct 2
 - Harris County Engineering Department - HCED
 - Harris County Flood Control District - HCFCD
 - City of Houston – Public Works & Flood Plain Administrator
 - Houston Parks Board
 - TIRZ 21
 - US Army Corps (most likely not because we are not touching the channel)
- The design team will obtain required signatures or approvals from all public agencies, public utilities, and private utilities, which may impact the Project prior to final approval by City and Harris County.

4. Quantities

The design team will develop and report quantities for the different deliverables.

5. Opinion of Probable Construction Costs

The design team will submit Opinion of Probable Construction Costs for the different deliverables.

6. Project Manual & Specifications

Design team will furnish the project manual containing the necessary front-end documents and specifications in accordance with Harris County requirements. Each Standard Specification will be reviewed and supplemented as necessary to suit Project-specific requirements and to meet the design intent of the Project and if needed will prepare additional nonstandard specifications necessary for bidding and construction of the project.

7. Site Visit & Data Collection

- Field verification of existing features will be completed during the field visit. Field visit will also be performed to assist in drainage area boundary determination, and to verify the available data. The area will be reviewed to confirm features shown in the LiDAR information and identify areas where hydraulic reinforcements may be necessary to correctly show overland sheet flow paths.
- Previously completed reports and previously completed plans will be reviewed in detail. The intent is to build on the plans to the maximum degree possible.
- All available record drawings and information on the project area will be collected and reviewed.

E. Quality Assurance / Quality Control:

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

II. SUBCONTRACTED/ADDITIONAL ENGINEERING SERVICES

See individual exhibits for each sub-consultant scope and fee.

III. EXPENSES

See Level-of-Effort

IV. CONSTRUCTION ADMINISTRATION – 3-MONTH DURATION

1. Preconstruction Meeting:

Attend pre-construction meeting with selected contractor prior to construction start date.

2. Monthly Progress Meetings

Participate in monthly progress meetings.

3. Periodic Inspections Visits:

- Team will make periodic visits to the site to observe work progress and quality of executed work and to determine in general if work is proceeding in accordance to Contract Documents. In performing this service, Team will not be responsible for the techniques and sequences of construction or the safety precautions incidental thereto and will not be responsible or liable in any degree for the contractor's failure to perform the construction work in accordance with the Contract Documents, except to the extent that the Engineer fails to exercise the usual degree of care and judgment of an ordinarily prudent engineer in the same or similar circumstances and conditions.
- During visits to the construction site, and on the basis of our onsite observations as an experienced and qualified design professional, Team will keep TIRZ 21 informed of the extent of the progress of the work and advise TIRZ 21 of material and substantial defects and deficiencies in the contractor's work discovered by team or otherwise brought to our attention during construction. However, it is agreed that the contractor is solely responsible for the means and methods to be used and the safety of its employees and all other persons on the job site. Team may on behalf of TIRZ 21, exercise whatever rights they may have to disapprove work and materials as failing to conform to the construction contract documents.
- Gauge will develop monthly progress reports with pictures to share at board meetings.

4. Change Order Support

Gauge is prepared to support with the development of change orders if needed

5. Review schedules, submittals, laboratory test results, RFI's, and other data

Review schedules, submittals, laboratory test results, RFI's, and other data. This review is for the benefit of TIRZ 21 and requires only general conformance with the design concept of the Project and general compliance with the information given in the Contract Documents. It does not relieve Contractor of any responsibilities, such as dimensions to be confirmed and correlated at the job site, appropriate safety measures to protect workers and the public, or the necessity of constructing a complete and workable facility in accordance with the construction Contract Documents.

6. Assist Harris County with conducting Substantial Completion Inspection & Develop Punch list and Substantial & Final Certificate Completion:

- a. Review progress of work for Substantial Completion walk-through
- b. Generate a punch list of items for correction
- c. Substantiate items that are completed
- d. Issue both Certificate of Substantial Completion (signed/sealed from Design Engineer) & Final Acceptance or 2nd walk through

- e. Issue Final Completion & Acceptance letter to City/Harris County recommending acceptance & release of final payment
 - f. Coordinate contractors, CM/CI to provide complete record of As-Builts Drawing
 - g. Within thirty (30) days after receipt of As-Builts from the contractor to the CM, the project engineer shall provide to the City one (1) set of electronic reproducible record drawings, (PDF format) and a Microstation file (.dgn)
- 7. Finalize As-built Drawings**
Maintain record drawings and specifications, the incorporation of field changes and information from the Contractor's as-built "red-line" drawings into the Record Drawings.
- 8. Retaining Wall – Construction Phase Services**
This effort is related to SSH providing construction phase services as it relates to the retaining wall.

EXHIBIT B
 PINCKNEY TRAIL CONNECTION
 WBS No. N-T21010-0001-3
 DESIGN PHASE - LEVEL OF EFFORT



I. DESIGN PHASE (90%, Final)

DESCRIPTION OF WORK TASKS	PROJ MGR	SR PROF ENGINEER	GRAD ENGINEER	SR. DESIGN TECH	ADMIN ASST	TOTAL HOURS	LABOR COSTS
A. GENERAL PLAN SHEETS							
1 Title Sheet (1 Sheet) - New TIRZ border		0.5	2	4		6.5	\$732.50
2 Index of Drawings (1 Sheet)		0.5	1	2		3.5	\$407.50
3 Overall Project Layout Sheet (1 Sheet)		0.5	1	2		3.5	\$407.50
4 General Construction Notes (2 Sheets)		0.5	1	2		3.5	\$407.50
5 Private Utility Notes (1 Sheet)		0.5	1	2		3.5	\$407.50
6 General Sheet (Keyed Notes-Symbols & Abbreviations) (1 Sheet)		0.5	1	2		3.5	\$407.50
7 Survey Control Maps (1 Sheet)		0.5	1	2		3.5	\$407.50
8 Horizontal Alignment Data		1	2	4		7	\$815.00
9 Proposed Typical Sections (2 Sheets)		1	2	4		7	\$815.00
10 Traffic Control Plans (2 Sheets)		1	2	4		7	\$815.00
Total	0	6.5	14	28	0	48.5	\$5,622.50
B. STORM SEWER DESIGN							
1 Overall Drainage Area Map - Existing Conditions (1 Sheet - 1"=50')		2	4	8		14	\$1,630.00
2 Overall Drainage Area Map - Proposed Conditions (1 Sheet - 1"=50')		4	6	10		20	\$2,410.00
3 Storm Sewer Calculations (2 Sheets)		4	8	4		16	\$2,060.00
4 Floodplain and Conveyance Evaluation (1 Sheet)	2	6	14	8		30	\$3,960.00
5 Mitigation Plan and Detention Layout	2	4	10	16		32	\$3,930.00
6 Storm Sewer Plan & Profile (combined w/ trail P&P) - (2 Sheets)	4	8	16	24		52	\$6,560.00
7 Storm Sewer Lateral Sheets (1 Sheet)	2	4	6	12		24	\$3,030.00
8 Storm Sewer Details (Misc)		1	2	4		7	\$815.00
9 Storm Sewer Analysis - Rational (Geopak)	2	6	16	6		30	\$4,010.00
10 Drainage Report and Impact Analysis	6	16	32	12	4	70	\$9,400.00
11 HCFCD Express Review Sheet	1	4	8	6		19	\$2,470.00
Total	19	59	122	110	4	314	\$40,275.00
C. TRAIL DESIGN							
1 Horizontal Alignment Data		2	4	6		12	\$1,430.00
2 Trail Plan and Profile Shts (3 Shts - 1":40')	2	4	12	24		42	\$4,980.00
3 Grading Plan (1 Sheet)	1	4	8	14		27	\$3,270.00
4 Horizontal Geometry Data Sheet (1 Sheet)	1	2	4	8		15	\$1,840.00
5 Cross Section (3 Sheets)		6	12	20		38	\$4,490.00
6 Earthwork (Cut and Fill) Quantities		1	2	4		7	\$815.00
7 Signing Sheet (1 Sheet)		1	1	2		4	\$490.00
8 Pavement Markings Sheet (1 Sheet)		1	1	2		4	\$490.00
9 Standard Pavement and Utility Details		1	2	4		7	\$815.00
10 Storm Water Pollution Prevention Plan Sheets (1 Sheet)		2	4	8		14	\$1,630.00
11 Storm Water Pollution Prevention Details (1 Sheet)		1	1	2		4	\$490.00
12 Water Quality Plan Documents		2	8	12		22	\$2,530.00
13 Harris County Express Review Sheet (1 Sheet)	1	4	12	6		23	\$2,970.00
14 Street Lighting (2 Sheets)	1	4	12	16		33	\$3,970.00
Total	4	22	46	84	0	156	\$30,210.00
D. PROJ MGMT/SPECS/AGENCIES & TEAM COORIDINATION/QUANTITIES/MISC							
1 Overall Project Management/Team Coordination/ Project Controls	6	10	6		6	28	\$4,110.00
2 Private Utilities Assessment/Utility Conflict Table/Coordination	2	6	8	4		20	\$2,810.00
3 Public Agencies Coordination/meetings/approvals/signatures	8	16	8			32	\$5,320.00
4 Quantities	1	6	16			23	\$3,200.00
5 Opinion of Probable Construction Costs	1	4	8			13	\$1,870.00
6 Project Manual & Specifications	2	6	24			32	\$4,410.00
7 Site Visit and Data Collection		4	6			10	\$1,410.00
Total	20	52	76	4	6	158	\$23,130.00
E. QUALITY ASSURANCE/QUALITY CONTROL							
1 QA/QC up to 2 Submittal	4	4	6	12	1	27	\$3,525.00
Total	4	4	6	12	1	27	\$3,525.00
TOTAL HOURS	47	143.5	264	238	11	703.5	
Contract Labor Rate	\$210.00	\$165.00	\$125.00	\$100.00	\$75.00		
TOTAL LABOR COSTS BASIC ENGINEERING SERVICES	\$9,870.00	\$23,677.50	\$33,000.00	\$23,800.00	\$825.00		\$102,762.50

II. SUBCONTRACTED/ADDITIONAL ENGINEERING SERVICES

DESCRIPTION OF WORK TASKS	COST	SUB MGMT	TOTAL
1 Topo Survey Update (Plan & Profile) - Kuo & Associates (Ex. C-1 & C-2)	\$11,009.00	10%	\$12,109.90
2 Geotechnical Investigation Addendum - Aviles Corporation (Exhibit D)	\$1,600.00	10%	\$1,760.00
3 Structural design - Retaining Wall Design - SSH (Exhibit E)	\$10,500.00	10%	\$11,550.00
4 Tree Inventory/Protection - CN Koehl (Exhibit F)	\$2,800.00	10%	\$3,080.00
5 TDLR Inspection	\$1,000.00	10%	\$1,100.00
TOTAL SUBCONTRACTED ENGINEERING SERVICES			\$29,599.90

III. EXPENSES

DESCRIPTION OF WORK TASKS		TOTAL
1	Printing and Reproduction/Mileage/Deliveries	\$750.00
2	City of Houston Review Fee (\$106 Adm Fee Plus 42 sheets @ \$90)	\$4,600.00
TOTAL ADDITIONAL OPTIONAL SERVICES		\$5,350.00

Note, Harris County will let the project and oversee construction.

IV. CONSTRUCTION PHASE SERVICES

DESCRIPTION OF WORK TASKS	PROJ MGR	SENIOR PROF. ENGINEER	GRAD. ENGINEER	SR. DESIGN TECH	ADMIN ASST	TOTAL HOURS	LABOR COSTS
A. Construction Phase Services - 2 months							
1 Preconstruction Meeting	2	2	2			6	\$1,000.00
2 Monthly Progress Meetings		4	6			10	\$1,410.00
3 Periodic Inspection Visits - as needed	2	8	24			34	\$4,740.00
4 Change Orders Support	1	2	4			7	\$1,040.00
5 Review schedules, submittals, laboratory test results, RFI's, & other data	2	6	24			32	\$4,410.00
6 Substantial Completion Walkthrough, Punch list, Final Completion		6	6			12	\$1,740.00
7 Finalize As-built Drawings		2	4	8	2	16	\$1,780.00
8 SSH - Retaining Wall Design Support							\$3,500.00
<i>Total</i>	7	30	70	8	2	117	\$19,620.00
TOTAL HOURS	7	30	70	8	2	117	
Contract Labor Rate	\$210.00	\$165.00	\$125.00	\$100.00	\$75.00		
TOTAL LABOR COSTS BASIC ENGINEERING SERVICES	\$1,470.00	\$4,950.00	\$8,750.00	\$800.00	\$150.00		\$19,620.00

GRAND TOTAL	
I. DESIGN PHASE (90%, Final)	\$102,762.50
II. SUBCONTRACTED/ADDITIONAL ENGINEERING SERVICES	\$29,599.90
III. EXPENSES	\$5,350.00
IV. CONSTRUCTION PHASE SERVICES	\$19,620.00
PROJECT TOTAL	\$157,332.40



Exhibit C-1

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July 13, 2021

Muhammad Ali, PE
Principal
Gauge Engineering
3200 Wilcrest Dr., Suite 220
Houston, TX 77042

Re: Topographic Survey Update along Pinckney Trail Route

Dear Mr. Ali:

Kuo & Associates, Inc. is pleased to submit this proposal to perform update on topographic surveying for design of a proposed trail along the right-of-way of unimproved segment of Pinckney Street as shown in the attached exhibit. The scope of work, fee and schedule will be as follows:

SCOPE OF WORK

Topographic surveying update will be done on old survey done in 2011 along the right-of-way of unimproved segment of Pinckney Street as mentioned above. The limit of survey would be from Fletcher Street to the south to Height's bike trail. The total linear foot for surveying is estimated to be as approximately 800 linear feet. Survey shall conform to all requirements of Category 6 survey of the latest Texas Society of Professional Surveyor's Manual of Practice. In compliance under the scope of work the following tasks will be performed:

1. Survey baseline will be set with control points
2. Horizontal and vertical controls will be established and tied to the Texas State Plane Coordinate System, South Central Zone 4204, NAD 83 (1993 adj.) for coordinates and datum NAVD 88 for elevations. The survey will be tied to the nearest TSARP monument.
3. The width survey is estimated to 40 feet or the width of the right-of-way of Pinckney Street.
4. Cross sections will be surveyed along the 800 feet long street at every 50 feet spacing.
5. All surface planimetric features (including but not limited to curb, sidewalk, ramps, driveways, 4-inch and larger trees, landscapes, fences, walls, structures, signs, etc.) will be surveyed within the specified limit. Tree survey within wooded area is excluded from the scope of work.
6. All visible existing utility features (i.e., manholes, inlets, water valves, meters, vaults, fire hydrants, cleanouts, sprinklers, culverts, power poles, light poles, signal poles, etc.) will be located.
7. Texas one-call system will be notified, and pipeline companies (if any) will be contacted to mark their lines to be tied to the survey.
8. Attempt will be made to recover and verify sufficient monumentation along the existing roadway to establish the right-of-way lines for the street.
9. Plan view drawings will be prepared containing all topographic information and visible utility features in AutoCAD or compatible format depicting existing right of ways and field information.
10. A survey control map will be prepared with sketches of the swing ties to survey base (traverse) line and design baseline points as well as Temporary Benchmarks for the project. The survey control map will be signed and sealed by a responsible professional in charge of the project.
11. The design baseline will be set in the field.
12. Signed and sealed field books containing notes as well as ASCII files of point numbers.
13. If required by the TIRZ, a new City of Houston monuments will be established as per the City of Houston Ordinance and in accordance with the Design Manual Section 2.06 E. and existing City monuments (if any) will be recovered and updated to the new datum.

July 13, 2021
Proposal for Topo Survey
Pickney Trail

Page No. 2

EXCLUSION:

To our understanding the following and any items not mentioned above are **excluded** from the scope of this proposal

- Boundary level survey for determining of right of way of the street.
- Any Level A and B SUE category survey
- Surveying SUE findings (by others)
- Surveying any confined space of large manhole structure (if any)
- Surveying trees within wooded area

FEE & SCHEDULE:

The fee for the above-described work will be as follows:

Items	Fee
Fee for Items 1 to 12 will be a lump sum amount (see attached level of efforts table)	\$ 6,482.00
Fee for Item 13 (if not waived for this project) will be based on \$2,000.00 per monument for estimated 1 monument	\$ 2,000.00

We can complete the above work in 3 to 4 weeks upon your authorization to proceed. It is assumed that owner will arrange the access to the site and as well make arrangement to haul any debris or trash from the way of survey if it is in conflict.

We appreciate this opportunity to submit this proposal. If you need further information, please do not hesitate to contact me.

Regards,



Shaheen Chowdhury, P.E., R.P.L.S.

Level of Efforts for Topo Survey Update							
ITEM	Principal \$180.00	RPLS \$140.00	SIT \$105.00	CADD \$91.00	Crew \$150.00	Hrs	Cost
Setting survey control					1	1	\$150.00
Horizontal control work			0.5		1	1.5	\$202.50
Vertical control work			0.5		2	2.5	\$352.50
Tie to nearby TSARP monument					1	1	\$150.00
Field walkthru				1	2	3	\$391.00
Update Survey alignment strip (40' wide)			1		8	9	\$1,305.00
One Call coordination			1			1	\$105.00
ROW verification		2	4			6	\$700.00
Plan drawing update			1	6		7	\$651.00
Survey control map update			1	4		5	\$469.00
QA/QC		2		1		3	\$371.00
limited site clearing					5	5	\$750.00
Setting the design base line in the field			1		4	5	\$705.00
Proj. Management	1					1	\$180.00
Total Hrs	1	4	10	12	24	19	
Total Cost	\$180.00	\$560.00	\$1,050.00	\$1,092.00	\$3,600.00		\$6,482.00

Level of Efforts for **Establishing COH Monument (Each)**

Survey Tasks	sub tasks	Principal \$180.00	RPLS \$140.00	SIT \$105.00	CADD \$91.00	Crew \$150.00	Hrs	Cost	Total
Updating COH Monument	Field and CAD works		2	4	2	8	16	\$2,082.00	\$2,082.00
								say	\$2,000/Ea



HOGAN ST.

FLETCHER ST.

N. MAIN ST.

PINCKNEY ST.

HARRINGTON ST.

BROOKS ST.

GURNETT ST.

MYRTLE ST

PROPOSED BIKE PATH

HEIGHTS BIKE TRAIL





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Surveying Firm Reg. No. 10075600
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July 13, 2021

Muhammad Ali, PE
Principal
Gauge Engineering
3200 Wilcrest Dr., Suite 220
Houston, TX 77042

RE: CADD Basemap (Plan & Profile) update along Pickney Trail

Dear Mr. Ali:

Kuo & Associates, Inc. is pleased to submit this proposal to perform CAD services for updating plan and profile view for survey along the right-of-way of unimproved segment of Pinckney Street as mentioned above. The limit of work would be from Fletcher Street to the south to Height's bike trail. The total linear foot for surveying is estimated to be as approximately 800 linear feet.

SCOPE OF WORK

We will be performing the following tasks under the scope:

- Coordinate with private utility companies and City of Houston for record drawings
- Perform utility research and update delineation of underground utility lines from available record drawing and surveyed information.
- Update plan view for existing utilities based on field findings and available record information.
- Update profile for ground lines corresponding to the center line of the streets, center line of the ditch/curb lines, right-of-way lines.
- Update profile view of existing utilities based on field findings and available record information.
- Update DTM model for the surveyed data

The deliverable will be DTM and P&P drawing in AutoCAD/MicroStation format.

FEE & SCHEDULE:

The fee for the above-described work will be \$2,527.00 as shown itemized in the attached table.

We anticipate completing the work within 4 weeks upon receiving notice to proceed for topo survey.

We appreciate this opportunity to submit this proposal. If you need further information, please do not hesitate to contact me.

Regards,

A handwritten signature in blue ink that reads 'Shaheen Chowdhury'.

Shaheen Chowdhury, P.E., R.P.L.S.

Level of Efforts - Plan and Profile Update							
Tasks	sub tasks	RPLS \$140.00	SIT \$105.00	CADD \$91.00	Hrs	Cost	Total
CAD -P&P drawings	Perform utility research update		2		2	\$210.00	\$2,527.00
	Update public and private utility lines on the plan view		1	4	5	\$469.00	
	Update ground profiles			4	4	\$364.00	
	Update utility lines in the profile			4	4	\$364.00	
	DTM		8		8	\$840.00	
	QC/QA	2			2	\$280.00	
Project Management	Proj Management					\$0.00	\$0.00
Total							\$2,527.00



HOGAN ST.

FLETCHER ST.

N. MAIN ST.

PINCKNEY ST.

HARRINGTON ST.

BROOKS ST.

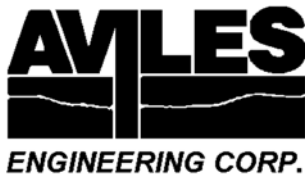
GURNETT ST.

MYRTLE ST

PROPOSED BIKE PATH

HEIGHTS BIKE TRAIL





July 16, 2021

Mr. Muhammad Ali, P.E.
Gauge Engineering
3200 Wilcrest Drive, Suite 220
Houston, Texas 77042

Re: Proposal for Storm Sewer Recommendations
TIRZ 21 Bike Path Project from White Oak Bayou Trail to Intersection of Fletcher Street and
Pickney Street
WBS No. T-2100XX-XXXX-X
AEC Proposal No. G2021-07-05

Dear Mr. Ali,

Aviles Engineering Corporation (AEC) is pleased to present this proposal for geotechnical engineering services for the Tax Increment Reinvestment Zone (TIRZ) No. 21's proposed Bike Path Project from White Oak Bayou Trail to the intersection of Fletcher Street and Pickney Street in Houston, Texas. AEC originally prepared a geotechnical report for LAN, Inc. for the project, AEC Report G101-12R2, dated October 15, 2012. Based on AEC's review of the 90 percent submittal drawings, a 24 inch diameter reinforced concrete pipe (RCP) storm sewer will be installed along portions of the bike path alignment. Recommendations for storm sewers were not included in AEC's report G101-12R2. As requested by you, AEC proposes to provide an addendum letter that will provide geotechnical engineering recommendations for design and construction of the proposed 24 inch diameter RCP storm sewer, including pipe loading, lateral earth pressure soil parameters, excavation shoring support, groundwater control, pipe bedding, and backfill.

The lump sum fee our services is **\$1,600.00**. An itemized fee estimate is included in the Attachments. We will provide the addendum letter approximately 2 weeks after notice to proceed is provided. If any of the project details described in this proposal are incorrect or the scope described or the assumptions listed need to be revised, please inform us immediately so we can revise the proposal as necessary. We appreciate the opportunity to present this proposal and look forward to working with you.

AVILES ENGINEERING CORPORATION
(TBPELS Firm Registration No. F-42)

A handwritten signature in blue ink, appearing to read "W. Wang", is positioned above the typed name of the sender.

Wilber L. Wang, P.E.
Senior Engineer

Attachments: Terms and Conditions, Itemized Fee Estimate



AGREED TO THIS _____ DAY OF _____, _____

PRINTED NAME: _____

SIGNATURE: _____

TITLE: _____

FIRM: _____

GEOTECHNICAL INVESTIGATION TERMS AND CONDITIONS

STANDARD OF CARE

The CLIENT recognizes that actual subsurface conditions can vary from those observed and/or encountered at locations where borings, surveys, or explorations are made, and that site conditions may change with time. Data interpretations and recommendations by AVILES ENGINEERING will be based solely on information available to the AVILES ENGINEERING during the investigation. AVILES ENGINEERING is responsible for those data, interpretations, and recommendations, but will not be responsible for other parties' interpretations or use of the information developed.

The CLIENT should expect AVILES ENGINEERING to perform Services under this PROPOSAL/AGREEMENT in a manner consistent with the level of care and skill ordinarily exercised by members of the engineering profession practicing contemporaneously under similar conditions in the locality of the project. No other warranty, expressed or implied, is made.

SCOPE OF SERVICES

AVILES ENGINEERING will develop a scope of services based on the project information provided by the CLIENT. AVILES ENGINEERING shall not be responsible for problems arising due to inadequate number of borings and/or depths dictated or required by others or inadequate engineering analyses, if the CLIENT reduces the scope of services and/or provides insufficient or invalid project or other relevant information to AVILES ENGINEERING. In the event the CLIENT or his representative orders work described in this PROPOSAL/AGREEMENT, that action shall constitute the CLIENT's acceptance of this PROPOSAL/AGREEMENT and its terms and conditions.

SITE ACCESS AND SITE CONDITIONS

The CLIENT will grant or obtain free access to the site for all equipment and personnel necessary for AVILES ENGINEERING to perform the services described in this PROPOSAL/AGREEMENT, as well as provide location data for all below and above ground structures, pipelines, and utilities. For such items encountered, not called to the attention of AVILES ENGINEERING, the CLIENT shall assume responsibility for any resultant damages. AVILES ENGINEERING will take reasonable precautions to minimize damage to the site, but it is understood by the CLIENT that, in the normal course of work, some damage may occur, and the correction of such damage is not part of this AGREEMENT. The CLIENT will notify AVILES ENGINEERING of any known toxic and/or hazardous materials on site and shall assume responsibility for the cost of occurrences due to unknown toxic and/or hazardous materials on site.

BILLING AND PAYMENT

The CLIENT will pay AVILES ENGINEERING the lump sum amount(s) shown in the PROPOSAL/AGREEMENT. Invoices will be submitted to the CLIENT by AVILES ENGINEERING, and will be due and payable within thirty (30) days of the invoice date. CLIENT will pay an additional charge of 1.5 percent per month on any delinquent amount and agrees to pay attorney's fees and/or other costs involved in any required collection activity.

LIMITATION OF LIABILITY / INDEMNIFICATION

If at any time, there shall be or arise any liability on the part of AVILES ENGINEERING by virtue of this Agreement or because of the relation hereby established, whether due to the negligence of AVILES ENGINEERING (including gross negligence) or otherwise, such liability is and shall be limited to a sum equal in amount to the fee charged by AVILES ENGINEERING. AVILES ENGINEERING and CLIENT agree to indemnify each other from any claims, etc., including attorney's fees and litigation costs, to the proportionate extent caused by each party's own negligence. If AVILES ENGINEERING is found to be prevalent in any third party lawsuits relating to this AGREEMENT, the CLIENT shall pay all AVILES ENGINEERING costs, including legal fees, that were incurred as a result thereof.

Geotechnical Investigation Proposal
Storm Sewer Recommendations
TIRZ 21 - Bike Path Project
AEC Proposal No. G2021-07-05
7/16/2021



ITEMIZED FEE ESTIMATE

A. ENGINEERING ANALYSIS AND REPORT					
Senior Engineer, P.E.	2	hrs.	@	\$170.00	\$340.00
Staff Engineer (EIT)	12	hrs.	@	\$105.00	\$1,260.00
Report Copies (Electronic Copies only)	0	ea	@	\$30.00	\$0.00
TOTAL ESTIMATED FEE					\$1,600.00



STANLEY SPURLING & HAMILTON, INC.

Consulting Engineering Services

July 15, 2021

Mr. Muhammed Ali
Principal
3200 Wilcrest Drive, Suite 220
Houston, Texas 77042

Re: Pickney Bike Trail
150-foot Long Sheet Pile Retaining Wall
Revised

Dear Muhammed,

We appreciate the opportunity to offer this proposal to provide Structural Engineering services on the above referenced project. Our services will include the following:

1. We will provide you with design and drawings for a 150-foot long sheet pile retaining wall with an approximate maximum eight-foot retaining height.
2. We will provide you with construction phase services, including reviewing shop drawings, answering contractors' questions, and making two site visits to review the work.

We will provide these services for the following lump sum fees:

Item 1	\$10,500.00
Item 2	<u>\$ 3,500.00</u>
Total	\$14,000.00

We will invoice monthly on a percent complete basis. All invoices are due net thirty days.

Our proposal does not include civil engineering services, MEP engineering services, or geotechnical engineering services. However, we will require a geotechnical engineering report with recommendations for design be provided to us in order for us to complete our work.

Any changes, budgetary or other reasons, to the drawings made by the owner after the drawings have been completed, will be billed hourly or at a predetermined fee as additional scope of work.

If the project is canceled or placed on hold, we will invoice for a percentage of the fee based on the stage of completion of the drawings and design.

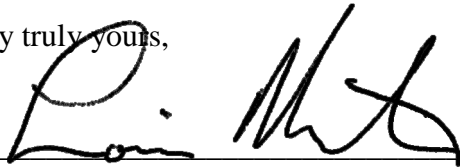
3301 Edloe Street, Suite 200 · Houston, Texas 77027
Phone: (713) 776-9433 · Fax: (713) 776-2439 · Email: info@sshinc.net
TBPE Registration No. F-175 · www.sshinc.net

Pickney Bike Trail
150-foot Long Sheet Pile Retaining Wall
Revised
July 15, 2021
Page 2

Notwithstanding any other provision of this Agreement, and to the fullest extent permitted by law, the total liability, in the aggregate, of Engineer and Engineer's officers, directors, members, partners, agents, employees, and Consultants to Client and anyone claiming by, through, or under Client for any and all claims, losses, costs, or damages whatsoever arising out of, resulting from, or in any way related to the Project or the Agreement from any cause or causes, including but not limited to the negligence, professional errors or omissions, strict liability, breach of contract, indemnity obligations, or warranty express or implied, of Engineer or Engineer's officers, directors, members, partners, agents, employees, or Consultants (hereafter "Client's Claims"), shall not exceed the total amount of \$50,000.00 or the total compensation received by Engineer under this agreement whichever is greater.

If this proposal meets your approval, please sign and return one copy. If you have any questions, please call.

Very truly yours,



Louis A. Hamilton, P.E., SECB

Accepted: _____

Date: _____

July 14, 2021

Mr. Muhammad Ali, P.E.
 Gauge Engineering
 3200 Wilcrest Drive, Suite 220
 Houston, TX 77042

Re: Proposal for Urban Forestry Consulting Services on the TIRZ 21 – Hardy Near Northside Bike Trail, White Oak Trail to Fletcher Street Project.

Dear Mr. Ali,

As per your request, C.N. Koehl Urban Forestry, Inc. proposes to provide Urban Forestry Consulting services for design phase of the TIRZ 21 – Hardy Near Northside Bike Trail, White Oak Trail to Fletcher Street Project . Approximately 750 l.f. of project right of way will be evaluated for proposed bike path construction. Tree Protection Drawing prepared by C.N. Koehl Urban Forestry, Inc., in 2012 will be updated with current site conditions and Chapter 33 requirements. Based on your request for proposal, and our most recent experience on past projects working with consulting civil engineers and the City of Houston’s Street Tree Ordinance and Urban Forestry department, we propose to provide the following Urban Forestry services:

Phase II – Services for Project Design
Field Evaluation/Site Visit

We will walk the project site with the 2012 TPP drawings and update for trees that may have been removed or planted since 2012. We will also update tree diameters and conditions.

Fee for Field Evaluation/Site Visit
 4.0 hours @ \$125.00/hour.....\$500.00

Arboriculturally Significant Trees

Per City of Houston Urban Forestry requirement, Arboriculturally Significant Trees will be identified and added to the Tree Protection Plan. A separate table will be included on Tree Protection Plan Detail sheet that list each Arboriculturally Significant Tree by Tree Number, Location, and Tree Description.

Fee for Arboriculturally Significant Tree List
 2.0 hours @ \$125.00/hour..... \$250.00

Construction Feasibility Site Walkthrough

Per requirements of past several sidewalk and bike trail projects, we will attend a site construction feasibility walkthrough with City of Houston Forestry, Gauge, and City of Houston PWE design & construction to review proposed design construction impacts on adjacent trees and review all Ordinance trees scheduled to be removed. Arboriculturally Significant trees identified in Tree Protection Plans will also need to be confirmed by City of Houston Forestry in Walkthrough.

Fee for Construction Feasibility Site Walkthrough
6.0 hours @ \$125.00/hour..... \$750.00

Tree Protection Plan for Final submittal/Construction Phase Drawings

Degreed Urban Forester will markup necessary changes to plan portion of Tree Protection Plan, update tree treatment schedule and tree removal and replacement table for inclusion into the updated tree protection plan. Changes necessary to the tree protection plan will be completed in the DWG drawings and submitted to engineer for submittal. Quantity/Cost estimates will be updated and forwarded to engineer. We will email a signed PDF file of the Tree Protection Plans for final submittal/construction. We will need 7-10 business days to schedule and complete the final Tree Protection Plan.

Fee for Final/Construction Phase Tree Protection Plan
8.0 hours @ \$125.00/hour..... \$1,000.00

Drafting AutoCAD (DWG) files of Tree Preservation Plan

We will need the electronic files of proposed construction in DWG format (saved down from Civil 3D). We will use the new CAD files to update existing TPP with current conditions and ordinance requirements.

Drafting Services Fee for DWG files of the Tree Preservation Plan
5.0 hours @ \$60.00/hour..... \$300.00

Total Phase II Fees..... \$2,800.00

We have utilized the services contained in this proposal on similar projects for The City of West University Place Infrastructure Replacement Program, City of Houston Neighborhood Street Reconstruction Program, City of Houston Surface Water Transmission Program, Houston Storm Water Management Program, City of Missouri City Street Reconstruction, City of Friendswood Street Reconstruction, City of Piney Point Street Reconstruction, City of Sugarland Street Reconstruction, City of Texas City Street Reconstruction, and numerous City of Houston waterline, sewer and sidewalk/bikeway projects in the past. It is our goal to provide you the most effective, efficient, and value added services we can provide. We are willing to provide services in whatever capacity you deem appropriate.

If this proposal meets with your approval and you would like to retain our services, please forward your standard agreement or a notice to proceed, and we will schedule the work as soon as we receive the plan sheets. We greatly appreciate the opportunity to present this proposal and look forward to working with you on this project. If you have any questions or would like to make any changes, please do not hesitate to call me at 281-391-0022.

Respectfully submitted,



Craig N. Koehl
Urban Forestry Consultant

TAB

EIGHT



MASTER SERVICE AGREEMENT

This Master Services Agreement (the “Agreement” or “Master Services Agreement”) is entered into as of _____ (the “Effective Date”) by and between **Squidz Ink Design, Inc.**, a Texas corporation (“SID”), and **Hardy/Near Northside Redevelopment Authority**, a local government corporation created and organized under the provisions of Chapter 431 of the Texas Transportation Code (the “Client”). SID and the Client are each a “Party” and together are “Parties” to this Agreement.

RECITALS

1. Client desires to engage SID in one or more projects involving marketing and/or other professional services for Client.
2. The Parties desire that certain terms of each specific project shall be set forth in a separate written statement of work which is signed by both Parties (“SOW”).
3. The Parties desire that the remainder of the contractual terms for any project by SID for Client be governed by this Master Services Agreement.

NOW, THEREFORE, in consideration of the premises, mutual covenants and agreements contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, SID and the Client hereby mutually agree as follows:

AGREEMENTS

Article I. Scope of Services/Incorporation of SOWs.

1. The Parties agree that the terms set forth in each SOW executed by both Client and SID shall be incorporated into this Master Services Agreement as if set forth herein, regardless whether the SOW references this Master Services Agreement. The services provided by SID to Client, referenced in each SOW, are referred to herein as “Services.”
2. The Services shall be limited to the specific services, core objectives and key components set forth in each SOW. Any change to any SOW must be agreed to in writing by both Parties.
3. To the extent that there are any conflicts in terms between this Master Services Agreement and any SOW, then the terms of the SOW shall control.
4. All Services shall be of good quality and shall be performed by SID in a professional manner (“Standard of Care”). The Standard of Care for all services performed or furnished by SID under this Agreement will be the care and skill ordinarily provided by competent professionals practicing under similar circumstances; and as expeditiously as is prudent. SID will be responsible for all damages sustained by Client as a result of a failure to abide by its Standard of Care.



Article II. Compensation.

1. Consulting Fee. Client shall pay SID the amounts set forth in each SOW. All such payments shall be payable within forty-five (45) days of receipt of an invoice from SID. Client shall not pay for any Services not rendered.
2. Expenses. SID shall document and invoice on a monthly basis all reasonable business and administrative expenses incident to proper completion of Services hereunder, payable by the Client within forty-five (45) business days of the receipt of such invoice by the Client. Individual expenses of more than \$200.00 shall “receive prior written approval from an authorized representative of the Client. Online/web services and communications will be considered an expense and billed as incurred.
3. Late Payments. In the event that Client fails to deliver payment within the time frames set forth above, Client agrees to pay interest on late payments in accordance with the Prompt Pay Act.

Article III. Covenants.

1. Confidentiality; Trade Secrets.

- a. SID recognizes, acknowledges and agrees that it will be provided with and have access to trade secrets, information not generally available to the public and other confidential information of the Client (hereinafter “Confidential Information”) and that all information provided by the Client to SID is proprietary to the Client. Except as otherwise provided in Section 1(d) of this Article III, SID will not, during or after the term of this Agreement, make any use of or divulge, communicate or otherwise disclose any of such Confidential Information to any person or firm, corporation, association, or other entity for any reason or purpose whatsoever. SID shall require any consultant providing Services to the Client hereunder to enter into a confidentiality agreement with respect to the Confidential Information. Such confidentiality agreement shall be consistent with the terms of this Agreement.
- b. SID agrees not to make improper or unauthorized use of or to divulge, communicate or otherwise disclose any Confidential Information, including trade secrets, information not generally available to the public and other Confidential Information, of current or former clients or any other third party, other than the Client and those persons designated in Section 1(c) of this Article III, in carrying out SID’s duties for the Client. SID agrees to treat all such third party information as the Confidential Information and proprietary property of said current or former clients or third parties.
- c. The Client and SID agree that, for the purposes of this Agreement, (i) third parties whose duties for the Client require access to the Confidential Information, (ii) subcontractors for SID who, in performing SID’s duties under this Agreement, require access to the Confidential Information, provided that: (A) such third parties, subcontractors and persons



or entities (the “Recipients”) have agreed in writing with either the Client or SID, as applicable, in terms no less protective than the confidentiality obligations of this Agreement, to keep confidential the Confidential Information; (B) the Recipients have agreed in writing with either the Client or SID, as applicable, not to use the Confidential Information for their own benefit or the benefit of any party or entity other than the Client or SID; and (C) the Recipients have agreed in writing not to make improper or unauthorized use of or disclose any Confidential Information.

- d. Confidential Information shall not include information which: (i) was known to SID prior to the time of disclosure by the Client; (ii) is or becomes generally available to the public through no breach of any agreement or other wrongful act by SID; (iii) was lawfully received by SID from a third party without any obligation of confidentiality; (iv) is required to be disclosed by law or order of a court of competent jurisdiction or regulatory authority or (v) is developed by SID personnel who did not have access to the Confidential Information.
- e. All such Confidential Information shall remain the property of the Client. SID shall return such information to the Client, if requested by the Client. The nondisclosure obligations undertaken herein by SID shall survive and continue after the termination of this Agreement.

2. Non-Competition.

- a. During the Term of this Agreement, SID shall not, without the Client’s prior written consent, provide services to any of its other clients who engage in any business that is in competition with the “Business” of the Client in such a manner as would be contrary to the interests of the Client.
- b. “Business” shall mean those portions of the Client’s business to or for which SID is currently providing Services under this Agreement.
- c. Nothing contained in this Agreement shall be deemed (i) to preclude SID from advising or providing services to its other clients who engage in the Business in a manner consistent with the interests of the Client as known to SID at that time; (ii) to preclude SID from advising or providing services to its other clients who engage in the Business on matters unrelated to the interests of the Client.
- d. SID acknowledges that it will derive significant value from the Client’s agreement to provide SID with access to Confidential Information to enable SID to optimize the performance of SID’s duties for the Client. SID further acknowledges and agrees that its fulfillment of the obligations contained in this Agreement, including, but not limited to, SID’s obligation neither to disclose nor to use Confidential Information other than for the Client’s exclusive benefit and SID’s obligation not to compete contained in Section 2(a) of this Article III, is no more than necessary to protect the Client’s Confidential



Information and, consequently, to preserve the Client's value and goodwill. SID also acknowledges and agrees that the time and geographical limitations of SID's obligations under Section 2(a) of this Article III are reasonable, especially in light of the Client's desire to protect its Confidential Information, and that SID will not be precluded from advising or providing services to its other current or future clients so long as SID is not in violation of this Article III, Section 2 during the period and in the geographical area as described above.

3. **Files and Records.** All files, records, databases, written materials, correspondence, accounting data, forms, documents, drawings, prospect lists and similar items developed by SID for the Client in relation to this Agreement shall remain the exclusive property of the Client. All materials and information that are the property of Client and all copies or duplications thereof shall be delivered to Client by SID, if requested by Client, upon completion of Services. SID may retain one (1) complete set of reproducible copies of all of its instruments of service.
4. **Modification.** If a final judgment of a court or tribunal of competent jurisdiction determines that any term or provision contained in Sections 1, 2 and 3 of this Article III is invalid or unenforceable, then the parties agree that the court or tribunal will have the power to reduce the scope, duration or geographic area of the term or provision, to delete specific words or phrases or to replace any invalid or unenforceable term or provision with a term or provision that is valid and enforceable and that comes closest to expressing the intention of the invalid or unenforceable term or provision.

Article IV. Term, Renewals and Extensions; Termination.

1. **Term, Renewal and Extensions.** The Agreement shall be in effect for an initial period of twelve (12) months commencing on the Effective Date. Unless the Parties agree otherwise or unless either Party provides written notice at least ten (10) days prior to the end of the initial period or, if applicable, the then-current renewal period, then the Agreement shall automatically extend on the same terms for additional, successive twelve (12) month renewal periods. Each such renewal period will be considered part of the "Term".

2. **Termination.**

- a. The Parties may terminate this Agreement at any time by mutual written consent.
- b. If either Party is in default of performance of any obligation under this Agreement, or in the payment of any fees due and owing under this Agreement, the Party that is not in default may give written notice of the default to the other Party, and if the Party notified fails to correct the default within thirty (30) days or within such period fails to satisfy the Party giving notice that the default does not exist, the Party giving notice may terminate this Agreement upon expiration of the thirty (30)-day period.

Article V. General Provisions.



1. Publicity. Neither Party will use the name(s), trademark(s) or trade name(s) of the other Party without such Party's prior written consent.
2. Independent Contractor. It is understood and agreed by the Parties that SID is an independent contractor and nothing herein contained shall be deemed to create an agency, employment, joint venture, partnership or franchise relationship between the Parties. SID will not be entitled to participate in any employee benefits or benefit plans of the Client. Except as otherwise provided herein or in writing by the Client, SID will have no power or right to enter into contracts or commitments on behalf of the Client. SID will be solely responsible for the withholding or payment of all applicable federal, state, and local income taxes, social security taxes, unemployment and sickness or disability insurance and other payroll taxes with respect to SID and its employees or consultants in connection with the Services performed under this Agreement. The Parties hereby acknowledge and agree that the Client shall have no right to control the manner, means or method by which SID performs the Services. Rather, the Client shall be entitled to direct SID with respect to the elements of the Services and the results desired by the Client, to inform SID as to where and by when the Services shall be performed, and to review and assess the performance of the Services by SID for the limited purposes of assuring that the Services have been performed and confirming that such results were satisfactory.
3. Compliance with Applicable Laws and Regulations. In performing this Agreement, SID and any of its employees, officers, directors, subconsultants or agents shall comply with all applicable laws, rules, regulations and policies of the United States of America and any state, local or foreign jurisdiction where Services are to be performed.
4. Notices. Any notices to be given hereunder may be effective and will be deemed received by the other party if delivered either by personal delivery in writing, or by mail, registered or certified, postage pre-paid with return receipt requested. Mailed notices shall be addressed to the Parties at the addresses appearing below and shall be considered received by the other party within three days of mailing. Each Party may change its address by written notice of such fact.

SID: Cole Schweikhardt
President, Squidz Ink Design, Inc.
1005 E 27th Street
Houston, TX 77009

Client: Hardy/Near Northside Redevelopment Authority
c/o Bracewell LLP
Attention: Clark Lord
711 Louisiana Street, Suite 2300
Houston, Texas 77002-2770

5. Indemnification. **SID AGREES THAT IT SHALL INDEMNIFY, DEFEND AND HOLD HARMLESS THE CLIENT FROM AND AGAINST ANY AND ALL LOSSES,**



CLAIMS, DEMANDS, DAMAGES, COSTS AND EXPENSES, INCLUDING, WITHOUT LIMITATION, REASONABLE ATTORNEYS' FEES AND EXPENSES CLIENT MAY SUSTAIN OR INCUR AS A RESULT OF THE (A) BREACH OR VIOLATION OF THIS AGREEMENT BY SID, OR (B) WRONGFUL INTENTIONAL ACTS OR OMISSIONS BY SID, OR (C) ACTS OF TRADEMARK OR COPYRIGHT INFRINGEMENT BY SID, AND FOR WHICH RECOVERY IS SOUGHT BY A THIRD PARTY AGAINST THE CLIENT, UNLESS THE MATERIAL THAT IS THE SUBJECT OF THE THIRD PARTY CLAIM WAS PROVIDED TO SID BY THE CLIENT. THE LIMIT OF LIABILITY UNDER SECTION 6 OF THIS ARTICLE V DOES NOT APPLY TO THIS INDEMNIFICATION.

6. Limitation of Liability. Except with respect to the indemnity provided in Section 5 of this Article V, and as otherwise specifically stated in this Agreement: (a) neither Party to this Agreement shall be liable to the other Party for any indirect, incidental, exemplary, punitive, special, loss of use or consequential damages, however caused, whether as a consequence of the negligence of the other Party or otherwise; regardless of whether the possibility of such damages has been disclosed to the other Party in advance or could have been reasonably foreseen by the Party, and regardless of whether an action is based on contract, warranty, strict liability, tort (including, without limitation, negligence) or otherwise; or (b) in no event whatsoever shall SID's total liability arising out of this Agreement exceed in the aggregate the amount of funds received by SID as compensation under this Agreement pursuant to Article II, Section 1. No liability shall attain in favor of either Party to this Agreement as against any officer, director, member, agent or employee of SID or the Client, but the Parties will look solely to the assets of the Client or SID, as applicable and liable, for satisfaction of claims relating to this Agreement. The exclusion of consequential and related damage, including but not limited to, loss of profits, special, incidental, indirect damage, does not apply to the indemnification under Section 5 of this Article V.
7. Entire Agreement. This Agreement contains the entire agreement between the Parties with respect to the subject matter hereof and supersedes any prior and contemporaneous arrangement or understanding with respect to that subject matter. There are no oral agreements between the Parties hereto. SID shall remain primarily responsible and liable for all work and obligations under this Agreement. In addition, SID shall verify that any SID consultants performing work pursuant to this Agreement shall comply with the terms of this Agreement. SID shall be responsible for the acts and omissions of its subcontractors, consultants and those of whom SID has control.
8. Amendments; Waivers. No provision of this Agreement may be amended, waived, changed, or modified except by an agreement in writing, signed by each of the Parties hereto. No waiver of any default with respect to any provision, condition or requirement of this Agreement shall be deemed to be a continuing waiver in the future or a waiver of any other provision, condition or requirement hereof, nor shall any delay or omission of either party hereto to exercise any right hereunder in any manner impair the exercise of any such right accruing to it thereafter.



9. Governing Law and Jurisdiction. This Agreement shall be governed by and construed in accordance with the laws of the State of Texas without regard to conflicts of law principles. The Parties hereby agree that any controversy or claim arising out of or relating to this Agreement, or the breach thereof, shall be, adjudicated by the relevant federal or state courts located in Houston, Harris County, Texas. Each Party hereby consents to the jurisdiction of such state and federal courts located in Houston, Harris County, Texas, in any such action and expressly waives any and all objections it may have as to venue in any of such courts. The losing Party in any litigation or other formal dispute resolution procedure shall pay the attorneys' fees and court costs of the prevailing Party, as well as any other relief granted pursuant to Texas Local Government Code Section 271.153.
10. Assignment. A portion of the Services as described in Article I of this Agreement may be assigned and performed by consultants to SID incident to proper completion of such Services and with the prior written consent of the Client. SID shall be responsible for the acts and omissions of its subcontractors, consultants and those of whom SID has control.
11. Severability. The Parties recognize the uncertainty of the law with respect to certain provisions of this Agreement and expressly stipulate that this Agreement shall be construed in a manner that renders its provisions valid and enforceable to the maximum extent possible under applicable law. In the event that any provision of this Agreement becomes or is declared by a court of competent jurisdiction to be illegal, unenforceable or void, this Agreement shall continue in full force and effect without said provision; provided that no such severability shall be effective if it materially changes the economic benefit of this Agreement to either Party.
12. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be enforceable, and all of which together shall constitute one instrument.
13. Headings. The headings herein are for convenience only, do not constitute a part of this Agreement and shall not be deemed to limit or affect any of the provisions hereof.
14. Joint Preparation. This Agreement shall be deemed to have been jointly prepared by each Party hereto, and no ambiguity herein shall be construed for or against either Party based upon the identity of the author of this Agreement or any portion hereof.
15. Domain Ownership. Client shall own all website domains created pursuant to this Agreement.
16. Anti-Terrorism Verification. SID hereby represents and warrants that, for purposes of compliance with Section 2252.152 of the Texas Government Code, at the time of this Agreement neither SID, nor any wholly owned subsidiary, majority-owned subsidiary, parent company or affiliate of SID, is a company listed by the Texas Comptroller of Public Accounts under Sections 2252.153 or 2270.0201 of the Texas Government Code.
17. Chapter 2271 Verification. By signing and entering into the Agreement, SID verifies, pursuant to Chapter 2271 of the Texas Government Code, it does not boycott Israel and will not boycott



Israel during the term of the Agreement. For purposes of this verification, “boycott Israel” means refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations specifically with Israel, or with a person or entity doing business in Israel or in an Israeli-controlled territory, but does not include an action made for ordinary business purposes.

18. Disclosure of Interested Parties (Form 1295). SID will provide a completed and notarized Form 1295 generated by the Texas Ethic Commission (the “TEC”) electronic filing application in accordance with the provisions of Section 2252.908 of the Texas Government Code and the rules promulgated by the TEC (a “Form 1295”), in connection with entry into this Agreement. Upon receipt of SID’s Form 1295, the Client agrees to acknowledge SID’s Form 1295 through its electronic filing application. SID and the Client understand and agree that, with the exception of information identifying the Client and the contract identification number, neither the Client nor its consultants are responsible for the information contained in SID’s Form 1295 and neither the Client nor its consultants have verified such information.
19. Cyber Liability Insurance. SID shall maintain during the Term of this Agreement cyber liability insurance with limits of not less than \$500,000 for each claim/annual aggregate. SID’s cyber liability insurance policy shall (i) include coverage for, at a minimum, regulatory violations and copyright infringement, (ii) name the Client as an additional insured (iii) contain a waiver of subrogation in favor of the Client, and (iv) be endorsed to provide that the coverage is primary, non-contributing.

IN WITNESS WHEREOF, the Parties have executed this Agreement.

Squidz Ink Design Incorporated

Hardy/Near Northside Redevelopment Authority

 Cole Schweikhardt
 President
 Date:

 Chairman, Board of Directors
 Hardy/Near Northside Redevelopment
 Authority
 Date:

APPROVED:
 City of Houston, Texas

 Andrew F. Icken
 Chief Development Officer
 Date:

**Statement of Work - Hardy/Near Northside Redevelopment Authority
Revised September 3, 2021**

Squidz Ink Design will provide services to Hardy/Near Northside Redevelopment Authority related to the creation of a website that will present appropriate public information during the service period defined. The website will leverage the WordPress content management system, open source and premium (paid) plugins, themes and widgets geared to provide appropriate website functionality.

The website scope is being revised based discussions had regarding goals for the website. The scope has expanded from the original proposal based on those discussions and review of a reference website – Memorial Heights Redevelopment Authority TIRZ5 (<https://memorialheightstirz5.com/>).

A logo design is also desired for the organization.

Proposed Website Scope Description:

Hardy/Near Northside Redevelopment Authority desires a website that both presents general information about Hardy/Near Northside, communicating the character and nature of the area as well as presentation of required public information related to TIRZ activity. In addition, other desired functional features include an Event Calendar and a News section leveraging Wordpress Post/Blog methodology.

The site's design will include a consumer friendly interface, visual elements (photography, graphics, color scheme, logo) geared to communicate the qualities of Hardy/Near Northside. The process to design the site will include one mockup design of key pages, two rounds of revision are offered prior to design approval and movement to site development.

Proposed Logo Design Scope Description:

If desired as part of this project, a logo design will be provided. The logo design process entails, discussion of goals and desires of the organization, three initial design concepts, two possible rounds of revision to the desired concept of the initial three, production of a logo file library that will include 15-20 end user files for varying purposes along with associated source files which can be provide to printers and other graphic vendors.

Services include but are not limited to the following:

- Creation of a website design mockup, in PDF format, sampling at least three key page layouts, followed by up to two rounds of design revision
- Production and integration of final design into a WordPress content management system based website
- Deployment of webserver development space accessible only to the LHRA and other appropriate parties
- Integration of the initial content required for site launch
- Website hosting and system maintenance (see description chart below)
- Website content management training and support
- Website content and media source file processing and handling
- Purchase of an appropriate website domain such as "hardynearnorthside.com" or other.
- Migration of completed website to live, public website server using the domain
- Post launch website testing
- Creation of a Hardy/Near Northside Logo via three initial concepts, two rounds of revision to the desired concept and production of a core file asset library.

Services may include:

- Consulting regarding desired website function and certain media file presentation options
- Identification of WordPress plugins that may facilitate certain website functionality
- Purchase of plugin licensing on behalf of Hardy/Near Northside Redevelopment Authority
- Consulting regarding out of scope development, media file production, multimedia/interactive content creation and integration.

Services that may require scope expansion:

- Animation/multimedia creation
- Custom programming and development for yet to be defined features and functionality
- Additional graphic design beyond the scope of the website and logo

Fee Structure

Category	Hourly Rate
Web Developer	\$125.00
Graphic/Web Designer	\$100.00

ESTIMATED COSTS:

Website design and development:

- Design mockup, revisions, production: **\$3,500**
- Development, design integration, feature development/plugin licensing, testing, server provisioning, migration to live: **\$6,250**

Domain Registration and DNS Management: \$25/yr

Website hosting with Squidz Ink Design, system maintenance support \$1,188.00/year

Logo design, deliverable file asset library \$1000

Additional design and/or development after logo approval and site launch that is beyond hosting and maintenance will be charged at the hosting plan's stated discounted hourly rates and will require a SOW.

HOSTING PLAN

SERVICE	START UP PLAN \$99/MO (\$1,188/yr)
Core Wordpress Updates	√
Plugin Updates	√
Backup Management	√
Security	Basic site security/scanning/monitoring
Labor Retainer - hours per month***	1 hour included + \$85/hour for add'l hours
General Support	Site Admin usability, content management assistance, troubleshooting. Graphic production, new design and new development is beyond General Support and will be charged hourly.

TAB

NINE

THIRD AMENDMENT TO DEVELOPMENT AGREEMENT

This Third Amendment to Development Agreement (this “Third Amendment”) dated effective as of _____, 2021 (the “Effective Date”), is entered into by and between REINVESTMENT ZONE NUMBER TWENTY-ONE, CITY OF HOUSTON, TEXAS (the “Zone”), a tax increment reinvestment zone created by the City of Houston, Texas (the “City”) pursuant to Chapter 311 of the Texas Tax Code, as amended, acting by and through its governing body, the Board of Directors (the “Zone Board”), HARDY/NEAR NORTHSIDE REDEVELOPMENT AUTHORITY, a public non-profit local government corporation created pursuant to Chapter 431, Texas Transportation Code (“Authority”) acting by and through its governing body, the Board of Directors (the “Authority Board”), and CR V HARDY YARDS, L.P., a Delaware limited partnership (hereinafter the “Owner”) (collectively, the “Parties”).

RECITALS

All capitalized terms used in these recitals shall have the meaning ascribed to them in Article I herein.

The Zone, the Authority, and the Owner are parties to that certain Development Agreement dated as of March 4, 2010 (the “Original Development Agreement”), a First Amendment to Development Agreement dated as of May 14, 2012, as restated by an Amended and Restated First Amendment to Development Agreement dated as of October 11, 2013 (the “First Amendment”), and a Second Amendment to Development Agreement dated as of December 8, 2014 (the “Second Amendment”) (the Original Development Agreement, as amended by the First Amendment and the Second Amendment, the “Development Agreement”).

The Authority, the Zone, and the Owner now wish to enter into this Third Amendment for the purposes of further amending the Development Agreement.

In consideration of the mutual benefits described herein and in the Development Agreement, and other good and valuable consideration, the Parties agree as follows:

ARTICLE 1 DEFINITIONS

1.1 Definitions.

(A) Capitalized terms not otherwise defined in this Third Amendment shall have the meanings ascribed to them in the Development Agreement.

(B) Effective January 1, 2025, the term “Available Tax Increment” as it appears in Section 1.1 of the Development Agreement shall be amended and restated to read as follows:

“Available Tax Increment” with respect to the Reimbursement for Improvements means sixty-six and two-thirds percent (66^{2/3}%) of the Tax Increments deposited into the Revenue Fund after December 31, 2024, that are attributable to the Hardy Yards Site described in Exhibit A

attached hereto and any and all improvements thereon, minus Tax Increments required to pay Zone Administrative Costs (which Zone Administrative Costs shall in no event exceed five percent (5%) of the Tax Increments that are attributable to the Hardy Yards Site) and minus an amount equal to any funds paid to Owner by the Authority for such Improvements from any other source.

1.2 Amount Available for Reimbursement for Improvements. As of the Effective Date, the total remaining amount available for Reimbursement for Improvements attributable to the Hardy Yards Site is \$5,980,894.15.

1.3 Covenant. In accordance with Article IV.E. of the Hardy Yard Agreement, notwithstanding any provision of the Development Agreement to the contrary, the Parties acknowledge and agree that, to the extent the Authority or the Zone may legally do so, neither the Authority nor the Zone shall take any action (or permit any action to be taken) that would reduce the Available Tax Increment due to Owner in connection with the Development Agreement or otherwise adversely affect the manner and/or timing of the payment of such Available Tax Increment to Owner as contemplated in Section 6.1 of the Development Agreement.

1.4 Singular and Plural. Words used herein in the singular, where the context so permits, also include the plural and vice versa. The definitions of words in the singular herein also apply to such words when used in the plural where the context so permits and vice versa.

ARTICLE 2 REPRESENTATIONS

2.1 Representations of Authority. The Authority hereby represents to the Owner that:

(A) The Authority has the power, authority and legal right to enter into and perform this Third Amendment and the execution, delivery and performance hereof (i) have been duly authorized, (ii) will not, to the best of its knowledge, violate any applicable judgment, order, law or regulation, and (iii) do not constitute a default under, or result in the creation of, any lien, charge, encumbrance or security interest upon any assets of the Authority under any agreement or instrument to which the Authority is a party or by which the Authority or its assets may be bound or affected.

(B) This Third Amendment has been duly authorized, executed and delivered by the Authority and, constitutes a legal, valid and binding obligation of the Authority, enforceable in accordance with its terms.

(C) The execution, delivery and performance of this Third Amendment by the Authority do not require the consent or approval of any person which has not been obtained.

(D) Subject to Section 5.1 of the Development Agreement, this Third Amendment is consistent with the Project and Financing Plan.

(E) As of the Effective Date, the Authority has no knowledge of the occurrence or existence of an Event of Default (or any condition which, with the passage of time or giving of notice, or both, would become an Event of Default) of the Owner, as defined in Section 8.1 of the Development Agreement.

2.2 Representations of the Zone. The Zone hereby represents to the Authority and the Owner that:

(A) The Zone has the power, authority and legal right to enter into and perform this Third Amendment, and the execution, delivery and performance hereof (i) have been duly authorized, (ii) will not, to the best of its knowledge, violate any applicable judgment, order, law or regulation, and (iii) do not constitute a default under, or result in the creation of, any lien, charge, encumbrance or security interest upon any assets of the Zone under any agreement or instrument to which the Zone is a party or by which the Zone or its assets may be bound or affected.

(B) This Third Amendment has been duly authorized, executed and delivered by the Zone and, constitutes a legal, valid and binding obligation of the Zone, enforceable in accordance with its terms.

(C) The execution, delivery and performance of this Third Amendment by the Zone does not require the consent or approval of any person which has not been obtained.

(D) Subject to Section 5.1 of the Development Agreement, this Third Amendment is consistent with the Project and Financing Plan.

(E) As of the Effective Date, the Zone has no knowledge of the occurrence or existence of an Event of Default (or any condition which, with the passage of time or giving of notice, or both, would become an Event of Default) of the Owner, as defined in Section 8.1 of the Development Agreement.

2.3 Representations of the Owner. The Owner hereby represents to the Authority and the Zone that:

(A) The Owner has the power, authority and legal right to enter into and perform the specific obligations set forth in this Third Amendment, and the execution, delivery and performance hereof with respect to such matters, (i) have been duly authorized, (ii) will not, to the best of its knowledge, violate any judgment, order, law or regulation applicable to the Owner or any provisions of its formation documents, and (iii) do not constitute a default under or result in the creation of, any lien, charge, encumbrance or security interest upon any assets of the Owner under any agreement or instrument to which the Owner is a party or by which the Owner or its assets may be bound or affected.

(B) Prior to Commencement of the Improvements, the Owner shall have obtained sufficient commitments to fund Completion of the Improvements, from equity, debt financing, or other available funding.

(C) This Third Amendment has been duly authorized, executed and delivered and constitutes a legal, valid and binding obligation of the Owner, enforceable against the Owner in accordance with its terms.

ARTICLE 3
REIMBURSEMENT

3.1 Authority Obligations. Section 6.2(A) of the Development Agreement is hereby amended and restated to read as follows:

(A) In the event there is not sufficient Available Tax Increment to pay the Reimbursement when due, the Authority shall use its best efforts to seek all necessary approvals and to issue Authority Obligations, the first of which shall be issued no later than ninety (90) days after the taxable value of the Hardy Yards Site is certified by the Harris County Appraisal District to be at least fifty million dollars (\$50,000,000) to provide funds to make the Reimbursement to the Owner. The Authority shall use its best efforts to issue additional Authority Obligations as there is additional taxable value from the Hardy Yards Site, subject to compliance with any additional bonds tests or similar restrictions on additional obligations. The issuance of Authority Obligations pursuant to this Agreement is subject to approvals required under the Hardy Yard Agreement for the issuance of bonds. Additionally, any Authority Obligations must be issued on commercially reasonable terms including such reserve requirements, coverage requirements, credit enhancement features, interest rates and other features consistent with bonds or other obligations issued by similar entities of like quality and credit worthiness. The Authority agrees to proceed with diligence and use its best efforts to issue such Authority Obligations at the earliest possible time consistent with the requirements of this Section.

3.2 Owner Advance. Section 6.3 of the Development Agreement is hereby amended as follows:

(A) Section 6.3(G) of the Development Agreement is hereby amended by deleting the last sentence thereof in its entirety.

(B) Section 6.3(H) of the Development Agreement is hereby amended and restated to read as follows:

(H) The Authority may not enter into any Development Agreement (as that term is defined in the Hardy Yard Agreement) payable from and secured by Tax Increment attributable to the Hardy Yards Site.

ARTICLE 4
GENERAL

4.1 Estoppel. Section 9.7(C)(v) of the Development Agreement is hereby amended and restated to read as follows:

(v) From and after the date upon which the City Parties receive a notice from the Owner or a Lender which identifies the particular Lender, the City Parties shall not amend or modify this Agreement in any material respect without the prior written consent of the Lender covered by such notice. The City Parties and the Owner (each, a “Requesting Party”) may, at any time and from time to time, deliver written notice to the other Party requesting that the other Party (each, an “Issuing Party”) execute an estoppel certificate certifying that to the best knowledge of the Issuing Party: (1) neither the Requesting Party nor the Issuing Party is in default in the performance of its obligations under the Development Agreement, or, if a default is alleged, specifically describing the nature of the default and, if applicable, the payment amount associated therewith; (2) confirming that the Development Agreement is in full force and effect and, except for those amendments specifically identified in the estoppel certificate, has not been amended; (3) whether the Issuing Party’s interest in the Development Agreement has been assigned; (4) whether the Issuing Party has given a notice of default or termination to the Requesting Party; (5) whether, to the knowledge of the Issuing Party, any conditions exist which, with the passage of time and/or giving of notice, or both, will become an Event of Default by the Requesting Party pursuant to Section 8.1 of the Development Agreement; and (6) confirmation of the total remaining amount available for Reimbursement for Improvements attributable to the Hardy Yards Site as of the date of such estoppel certificate. The Requesting Party may provide a copy of such estoppel certificate to the Issuing Party together with such written notice, and the Issuing Party shall provide to the Requesting Party the executed estoppel within thirty (30) days after receipt of the written notice/request. In the event the Issuing Party fails to provide the requested estoppel to the Requesting Party prior to the date that is thirty (30) days after the receipt of the written notice/request, the Issuing Party shall be deemed to have approved and certified for all purposes (without the requirement of any executed estoppel certificate or other instrument or documentation) that, as of the date of expiration of such thirty (30)-day period: (1) neither the Requesting Party nor the Issuing Party is in default in the performance of its obligations under the Development Agreement, (2) the Development Agreement is in full force and effect and, except for those amendments specifically identified in the requested estoppel certificate, has not been amended, (3) the Issuing Party’s interest in the Development Agreement has not been assigned, (3) the Issuing Party has not given a notice of default or termination to the Requesting Party, (5) to the knowledge of Issuing Party, no conditions exist which, with the passage of time and/or

giving of notice, or both, will become an Event of Default by the Requesting Party pursuant to Section 8.1 of the Development Agreement, and (6) the total remaining amount available for Reimbursement for Improvements attributable to the Hardy Yards Site is as set forth in the requested estoppel certificate submitted by the Requesting Party. The City Parties and the Owner acknowledge that such certificates (or deemed approval and certification as set forth herein) may be relied upon by the City Parties, the Owner, a Lender, their respective transferees, mortgagees, successors, assigns and any other party included within the certification of any certificate.

4.2 Amendments and Waivers. Any provision of this Third Amendment may be amended or waived if such amendment or waiver is in writing and is signed by the Zone, the Authority and the Owner. No course of dealing on the part of the Owner, nor any failure or delay by the Owner with respect to exercising any right, power or privilege of the Owner under this Third Amendment shall operate as a waiver thereof, except as otherwise provided in this section.

4.3 Invalidity; Ratification. In the event that any of the provisions contained in this Third Amendment shall be held unenforceable in any respect, such unenforceability shall not affect any other provision of this Third Amendment. The Development Agreement, as amended by this Third Amendment, is hereby ratified and confirmed and is in full force and effect, and except as expressly set forth herein, nothing contained in this Third Amendment shall be deemed to waive or modify any rights or obligations (or otherwise be deemed in any manner to cure a breach or default) of any of the Parties set forth in the Development Agreement.

4.4 Successors and Assigns. All covenants and agreements contained by or on behalf of the Authority and the Zone in this Third Amendment shall bind their successors and assigns and shall inure to the benefit of the Owner and its successors and assigns. The Authority, the Zone, and the Owner may assign its rights and obligations under this Third Amendment only in accordance with the Development Agreement. The City is a beneficiary of the obligations of the other Parties under this Third Amendment and the Development Agreement.

4.5 Exhibits; Titles of Articles, Sections and Subsections.

(A) Exhibit A to the Development Agreement is hereby amended and replaced by Exhibit A attached to this Third Amendment.

(B) Exhibit A attached to this Third Amendment is incorporated herein and shall be considered a part of this Third Amendment for the purposes stated herein, except that in the event of any conflict between any of the provisions of such Exhibit A and the provisions of this Third Amendment, the provisions of this Third Amendment shall prevail.

(C) All titles or headings are only for the convenience of the parties and shall not be construed to have any effect or meaning as to the agreement between the parties hereto. Any reference herein to a section or subsection shall be considered a reference to such section or subsection of this Third Amendment unless otherwise stated.

4.6 Construction.

(A) This Third Amendment is a contract made under and shall be construed in accordance with and governed by the laws of the United States of America and the State of Texas, as such laws are now in effect.

(B) In the event of a conflict between the provisions of the Development Agreement and this Third Amendment, the provisions of this Third Amendment shall prevail.

4.7 Entire Agreement. THIS WRITTEN AGREEMENT REPRESENTS THE FINAL AGREEMENT BETWEEN THE PARTIES AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS, OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES. THERE ARE NO UNWRITTEN ORAL AGREEMENTS BETWEEN THE PARTIES.

4.8 Recitals. All recitals to this Third Amendment are hereby found to be true and correct by the Parties, and are incorporated as a part of this Third Amendment.

4.9 No Recordation. The Parties agree that neither this Third Amendment nor any memorandum or notice hereof shall be recorded without the consent of all Parties.

4.10 Waiver of Jury Trial. The Parties covenant and agree not to elect a trial by jury with respect to any issue arising under this Third Amendment triable by a jury and waive any right to trial by jury to the extent that any such right shall not or hereafter exist.

4.11 Effective Date. Notwithstanding any provision to the contrary, the effectiveness of this Third Amendment shall be conditioned upon the Owner and the City having executed that certain letter agreement related to Development Assurances for the Hardy Yards Site.

[signatures on separate pages]

IN WITNESS WHEREOF, the Zone, the Authority, and the Owner have made and executed this Third Amendment in multiple copies, each of which is an original to become effective as of the Effective Date.

REINVESTMENT ZONE NUMBER
TWENTY-ONE, CITY OF HOUSTON, TEXAS

ATTEST:

By: _____
Name: _____
Chairman

By: _____
Name: _____
Title: _____

HARDY/NEAR NORTHSIDE
REDEVELOPMENT AUTHORITY

ATTEST:

By: _____
Name: _____
Chairman

By: _____
Name: _____
Title: _____

CR V HARDY YARDS, L.P.,
a Delaware limited partnership

By: CR V Hardy Yards GP, L.L.C.,
Its General Partner

By: _____
Name: _____
Title: _____

**CITY OF HOUSTON
APPROVAL**

APPROVED:

**CHIEF DEVELOPMENT OFFICER,
CITY OF HOUSTON, TEXAS**

By: _____

Name: _____

Title: _____

Exhibit A

Hardy Yards Site

Hardy Yards
Development Agreement Tract Description
37.05 Acres (4 Tracts)

John Austin Survey
Abstract No. 1

Tract 1- 33.35 ACRES

STATE OF TEXAS §

COUNTY OF HARRIS §

A **METES AND BOUNDS** description of a certain 33.35 acre tract of land situated in the John Austin Survey, Abstract No. 1, Harris County, Texas; being a portion of a called 41.933 acre tract of land conveyed to CR V Hardy Yards L.P. in Special Warranty Deed recorded in Clerk's file number Y922883 of the Harris County official public Records of real property and all of a tract of land called to be 1.2155 acres conveyed to CR V Hardy Yards L.P. in Special Warranty Deed recorded in Clerk's File No. Y922886 of the Harris County Official Public Records Of Real Property, said 33.35 acre tract being more particularly described as follows with all bearings being based on the Texas Coordinate System, South Central Zone (NAD 83);

BEGINNING at a found "X" cut in concrete at the southwest intersection of Burnett Street (60 feet wide right-of-way, as shown on plat of S.F. Nobles Addition as recorded in Volume 5, Page 69 of the Harris County Deed Records) and Hardy Street, said "X" being the northwest corner of the said 1.2155 acre tract of land;

THENCE, South 02°17'16" East, along the west line of Hardy Street, being the east line of the said 1.2155 acre tract of land at 151.43 feet passing a found 5/8-inch iron rod with cap (not legible), continuing along an east line of the aforementioned 41.933 acre tract, in all a total distance of 360.00 feet to a point for corner in the south line of Leona Street (60 feet wide right-of-way, as shown on plat of S.F. Nobles Addition as recorded in Volume 5, Page 69 of the Harris County Deed Records);

THENCE, North 87°42'44" East, along the south line of Leona Street being common with a north line of the said 41.933 acre tract, at 0.30 feet passing a found 5/8-inch iron rod, at 260.00 feet passing a found 5/8-inch iron rod (0.32 feet left) in the west line of Elysian Street (60 feet right-of-way, as shown on plat of S.F. Nobles Addition as recorded in Volume 5, Page 69 of the Harris County Deed Records), continuing at 319.69 feet passing a found 5/8-inch iron rod (with cap stamped "Clark"), continuing in all a total distance of 482.11 feet to a point for corner, from said point a found 5/8-inch iron rod bears South 34°32' East 0.24 feet;

THENCE, along the south line of the said 41.933 acre tract, being the north line of a railroad right-of-way, the following (10) courses and distances:

1. South $61^{\circ}25'15''$ West, at 180.77 feet passing a found 5/8-inch iron rod (with cap stamped "Miller") in the east line of said Elysian Street, at 247.74 feet passing the west line of Elysian Street, continuing in all a distance of 740.68 feet to a point for corner;
2. South $62^{\circ}07'37''$ West, 148.69 feet to a point for corner;
3. South $50^{\circ}35'56''$ West, 23.20 feet to a point for corner;
4. South $62^{\circ}07'37''$ West, 200.00 feet to a found 5/8-inch iron rod (with cap stamped "Miller") for corner;
5. South $73^{\circ}39'17''$ West, 23.20 feet to a found 5/8-inch iron rod (with cap stamped "EIC") for corner;
6. South $62^{\circ}07'37''$ West, 71.69 feet to a found 5/8-inch iron rod (with cap stamped "GS") the beginning of a curve to the right;
7. Along the arc of said curve to the right having a radius of 750.00 feet, a central angle of $22^{\circ}54'42''$, an arc length of 299.91 feet, and a long chord bearing South $73^{\circ}34'57''$ West, 297.92 feet to a found 5/8-inch iron rod (with cap stamped "Miller") at the beginning of a reverse curve to the left;
8. With the arc of said reverse curve to the left having a radius of 6137.05 feet, a central angle of $02^{\circ}36'48''$, an arc length of 279.91 feet, and a long chord bearing South $83^{\circ}43'54''$ West, 279.89 feet to a found 5/8-inch iron rod (with cap stamped "Miller") at the beginning of a reverse curve to the right;
9. With a the arc of said reverse curve right having a radius of 2260.00 feet, a central angle of $03^{\circ}23'36''$, an arc length of 133.85 feet, and a long chord bearing South $84^{\circ}07'18''$ West, 133.83 feet to a point for corner;
10. South $85^{\circ}48'58''$ West, 96.56 feet to a found 5/8-inch iron rod (with cap stamped "Earth Data") for corner;

THENCE, along the east line of a called 9.7987 acre tract (Parcel 16) described in Cause No. 894926, the following four (4) courses and distances:

1. North $04^{\circ}10'54''$ West, 106.82 feet to a point for corner;
2. South $87^{\circ}36'05''$ West, 122.58 feet to a point for corner;
3. North $79^{\circ}12'04''$ West, 216.63 feet to a point for corner;
4. North $24^{\circ}27'49''$ West, 446.94 feet to a point in the south line of Burnett Street (60 feet wide right of way as shown on plat of S.F. Nobles Addition as recorded in Volume 5, Page 69 of the Harris County Deed Records) for corner;

Hardy Yards
Development Agreement Tract Description
37.05 Acres (4 Tracts)

John Austin Survey
Abstract No. 1

THENCE, along the south line of said Burnett Street, being the north line of the aforementioned 41.933 acre tract, the following three (3) courses and distances:

1. North 65°32'11" East, 935.30 feet to a point for corner;
2. North 72°32'28" East, 269.39 feet to a found 5/8-inch iron rod (with cap stamped "Clark") for corner;
3. North 87°42'44" East, at 430.50 feet passing a found 5/8-inch iron rod (with cap stamped "Clark") continuing in all a distance of 780.00 feet to the **POINT OF BEGINNING, CONTAINING 33.35 acres** of land in Harris County, Texas as shown on drawing number 7064 (S) in the offices of Cotton Surveying in Houston Texas.

Tract 2- 1.377 ACRES

Block 77 of S.F. Nobles Addition as recorded in Volume 5, Page 69 of the Harris County Deed Records. Called 1.377 acres (Tract 2) to CR V HARDY YARDS, L.P. recorded in Clerk's file number Y922883 of the Harris County Official Public Records Of Real Property.

Tract 3- 1.377 ACRES

Block 63 of S.F. Nobles Addition as recorded in Volume 5, Page 69 of the Harris County Deed Records. Called 1.377 acres (Tract 6) to CR V HARDY YARDS, L.P. recorded in Clerk's file number Y922892 of the Harris County Official Public Records Of Real Property.

Tract 4- 0.9474 ACRES

A portion of Block 62 of S.F. Nobles Addition as recorded in Volume 5, Page 69 of the Harris County Deed Records. Called 0.9474 acres (Tract 3) to CR V HARDY YARDS, L.P. recorded in Clerk's file number Y922883 of the Harris County Official Public Records Of Real Property.



METES & BOUNDS DESCRIPTION
5.6662 ACRES OF LAND
JOHN AUSTIN SURVEY, ABSTRACT NO. 1

A TRACT OR PARCEL OF LAND CONTAINING 5.6662 ACRES (246,818 SQUARE FEET) OF LAND SITUATED IN THE JOHN AUSTIN SURVEY, ABSTRACT NO. 1, HARRIS COUNTY, TEXAS, BEING OUT OF UNRESTRICTED RESERVE "B" OF BURNETT PLAZA SEC 1 AS RECORDED IN FILM CODE NO. 642034 OF THE HARRIS COUNTY MAP RECORDS, BEING OUT OF A CALLED 9.7987 ACRE TRACT DESCRIBED IN CAUSE NO. 894926 OF THE HARRIS COUNTY CIVIL COURT AT LAW NO. 3 AS RECORDED UNDER HARRIS COUNTY CLERKS FILM CODE NO. 745-89-4520, BEING OUT OF A CALLED 8.229 ACRE TRACT DESCRIBED IN DEED TO CR V HARDY YARDS, L.P. AS RECORDED UNDER HARRIS COUNTY CLERKS FILE NO. Y922888, BEING OUT OF A CALLED 41.933 ACRE TRACT OF LAND DESCRIBED IN DEED TO CR V HARDY YARDS, L.P. AS RECORDED UNDER HARRIS COUNTY CLERKS FILE NOS. Y922882 AND Y922883, WITH SAID 5.6662 ACRE TRACT BEING DESCRIBED AS FOLLOWS, WITH ALL BEARINGS BASED ON THE TEXAS STATE PLANE COORDINATE SYSTEM, SOUTH CENTRAL ZONE, NAD 83, WITH SURFACE COORDINATES SHOWN HEREIN, WHICH MAY BE CONVERTED TO GRID BY MULTIPLYING A COMBINED SCALE FACTOR OF 0.999893351;

BEGINNING AT A CAPPED 5/8 INCH IRON ROD STAMPED "WINDROSE LAND SERVICES" SET ON THE SOUTHEASTERLY RIGHT-OF-WAY LINE OF BURNETT STREET (60' WIDTH) MARKING THE WESTERLY CORNER OF THE HEREIN DESCRIBED TRACT, HAVING SURFACE COORDINATES OF X: 3,123,747.53 AND Y: 13,847,955.61, FROM WHICH METRO CONTROL POINT NO. 124 BEARS NORTH 52 DEG. 39 MIN. 00 SEC. WEST - 58.78 FEET, FROM WHICH A 3/4 INCH IRON ROD FOUND MARKING THE COMMON NORTHWESTERLY CORNER OF SAID UNRESTRICTED RESERVE "B" AND RESTRICTED RESERVE "A" OF SAID BURNETT PLAZA SEC 1 BEARS SOUTH 65 DEG. 32 MIN. 49 SEC. WEST - 205.90 FEET;

THENCE NORTH 65 DEG. 32 MIN. 49 SEC. EAST ALONG SAID NORTHEASTERLY RIGHT-OF-WAY LINE OF BURNETT STREET, A DISTANCE OF 514.93 FEET TO A 3/4 INCH IRON ROD FOUND MARKING THE NORTHERLY CORNER OF SAID UNRESTRICTED RESERVE "B", SAID 9.7987 ACRE AND THE HEREIN DESCRIBED TRACT;

THENCE ALONG THE EASTERLY LINE OF SAID UNRESTRICTED RESERVE "B" THE FOLLOWING 4 COURSES AND DISTANCES:

SOUTH 24 DEG. 27 MIN. 15 SEC. EAST, A DISTANCE OF 446.98 FEET TO A 3/4 INCH IRON ROD FOUND MARKING AN ANGLE POINT;

SOUTH 79 DEG. 11 MIN. 30 SEC. EAST, A DISTANCE OF 216.63 FEET TO A 3/4 INCH IRON ROD FOUND MARKING AN ANGLE POINT;

NORTH 87 DEG. 36 MIN. 39 SEC. EAST, A DISTANCE OF 122.58 FEET TO A 3/4 INCH IRON ROD FOUND MARKING AN ANGLE POINT;

SOUTH 04 DEG. 10 MIN. 20 SEC. EAST, A DISTANCE OF 106.74 FEET TO A 3/4 INCH IRON ROD FOUND MARKING THE SOUTHEASTERLY CORNER OF SAID UNRESTRICTED RESERVE "B";

THENCE ALONG THE SOUTHERLY LINE OF SAID UNRESTRICTED RESERVE "B" THE FOLLOWING 4 COURSES AND DISTANCES:

SOUTH 85 DEG. 49 MIN. 33 SEC. WEST, A DISTANCE OF 479.83 FEET TO A 3/4 INCH IRON ROD FOUND MARKING AN ANGLE POINT;

NORTH 25 DEG. 48 MIN. 38 SEC. WEST, A DISTANCE OF 49.35 FEET TO A 3/4 INCH IRON ROD FOUND MARKING AN INTERIOR CORNER;

SOUTH 64 DEG. 29 MIN. 21 SEC. WEST, A DISTANCE OF 117.93 FEET TO A 3/4 INCH IRON ROD FOUND MARKING AN ANGLE POINT;

SOUTH 68 DEG. 23 MIN. 15 SEC. WEST, A DISTANCE OF 22.78 FEET TO A CAPPED 5/8 INCH IRON ROD STAMPED "WINDROSE LAND SERVICES" SET MARKING A SOUTHERLY CORNER OF THE HEREIN DESCRIBED TRACT, FROM WHICH A 3/4 INCH IRON ROD FOUND MARKING A POINT OF CURVATURE OF SAID UNRESTRICTED RESERVE "B" BEARS SOUTH 68 DEG. 23 MIN. 15 SEC, WEST – 5.90 FEET;

THENCE NORTH 24 DEG. 27 MIN. 11 SEC. WEST, A DISTANCE OF 340.57 FEET TO A CAPPED 5/8 INCH IRON ROD STAMPED "WINDROSE LAND SERVICES" SET FOR AN ANGLE POINT;

THENCE NORTH 69 DEG. 27 MIN. 11 SEC. WEST, A DISTANCE OF 56.57 FEET TO A CAPPED 5/8 INCH IRON ROD STAMPED "WINDROSE LAND SERVICES" SET FOR AN ANGLE POINT;

THENCE SOUTH 65 DEG. 32 MIN. 49 SEC. WEST, A DISTANCE OF 136.51 FEET TO A CAPPED 5/8 INCH IRON ROD STAMPED "WINDROSE LAND SERVICES" SET FOR CORNER;

THENCE NORTH 24 DEG. 27 MIN. 11 SEC. WEST, A DISTANCE OF 123.05 FEET TO THE POINT OF BEGINNING CONTAINING 5.6662 ACRES (246,818 SQUARE FEET) OF LAND.

THIS DESCRIPTION WAS PREPARED IN CONJUNCTION WITH A LAND TITLE SURVEY, WINDROSE LAND SERVICES JOB NO. 48493WC AND IS BASED ON AN ON-THE-GROUND SURVEY COMPLETED ON 01-04-2012.

A MAP OF EVEN DATE ACCOMPANIES THIS PROPERTY DESCRIPTION.

GLEN H. FREELAND
R.P.L.S. NO. 5758
DATE: 01-11-2012