

HARDY/NEAR NORTHSIDE REDEVELOPMENT AUTHORITY

JOINT MEETING OF THE BOARDS OF DIRECTORS

MARCH 28, 2022

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 **March 28, 2022**, 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.
5. Conduct annual review of Investment Policy and adopt Resolution Regarding Annual Review of Investment Policy and List of Qualified Broker/Dealers with whom the Authority may engage in investment transactions.
6. Accept disclosure statement for bookkeeper and Investment Officer.
7. Development Agreement MP White Oak Apartments, LLC.
8. Development Agreement MP White Oak Commercial, LLC.
9. 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. Draft Fiscal Year 2023 Budget – Administrator.
 - b. Infrastructure Committee Report – Director Bustamante & Gauge Engineering,
 - c. Parks Committee Report – Director Ortiz and SWA Group,
 - d. MTRP Amendment – Director Large,
10. 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.
11. Reconvene in Open Session and authorize appropriate action regarding economic development negotiations.
12. Discuss meeting schedule including date and time of next meeting for **May 23, 2022, at 9:00 a.m.**
13. Adjourn.



Ralph De Leon
Administrator for the Zone

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

TAB

THREE

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

January 24, 2022

The Board of Directors (the “Board”) of Hardy/Near Northside Redevelopment Authority (the “Authority”) convened in regular session, open to the public, on the 24th day of January 2021, at 9:00 a.m., at 218 Joyce Street, Houston, Texas 77009, and the roll was called of the duly constituted officers and members of the Board, to-wit:

Edward Reyes	Chair/Investment Officer
Jorge Bustamante	Vice Chair
Sylvia Cavazos	Secretary/
Elia Quiles	Assistant Secretary
Daniel Ortiz	Treasurer
Fernando Zamarripa	Director
Monte Large	Director

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

Also present were Ralph De Leon of TIFWorks LLC; Clark Lord of Bracewell LLP; Muhammad Ali of Gauge Engineering; Michael Robinson of the SWA Group and Carlos Sanchez of the Near Northside Management District. There were no members of the public present.

- 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 9:10 a.m.
- 2. Public Comments.** There were no public comments.
- 3. Approve Minutes from last meeting.** The Board considered approval of the minutes of October 25, 2021. Following discussion, upon a motion made by Director Zamarripa, and seconded by Director Bustamante, the Minutes were approved by unanimous vote.
- 4. Financial and bookkeeping matters, Financial Report and payment of bills.** Mr. De Leon reviewed current invoices. After review and discussion Director Quiles motioned to approve payment of current invoices, which was seconded by Director Zamarripa, and which passed by unanimous vote.
- 5. Texas Capital Bank Governmental, Not-For-Profit & Institutional Account.** Mr. De Leon and Mr. Lord informed the Board that BBVA Bank, the Authority’s bank, was purchased by PNC Bank. Subsequently, Mr. De Leon and Mr. Lord provided an overview of Chapter 2256 of the Texas Government Code, the Public Funds Investment Act, and the need for the Authority to identify a banking institution familiar with the criteria of the Act

and which specializes in financial services required of governmental entities such as redevelopment authorities. Through research, Mr. De Leon identified Texas Capital Bank as a preferred candidate and Mr. Lord concurred. After review and discussion Director Quiles motioned to close the Authority's accounts at PNC Bank and move all Authority funds, less deposits held at Texas Class, to Texas Capital Bank, which was seconded by Director Zamarripa and passed by unanimous vote.

- 6. Joint Participation Agreement by and between Harris County, Texas and Hardy/Near Northside Redevelopment Authority, related to Partnership Project Matching Grant for Pinckney Street Trail Connection Project.** Director Bustamante and Mr. De Leon provided an overview of the Harris County Precinct Two Matching Grant Program and the Authority's success at being selected as a grant recipient. Additionally, Director Bustamante reported on subsequent due diligence, the Pinckney Trail Project, and the need for the Authority to enter into a joint participation agreement with Harris County to finalize the transaction. After review and discussion Director Bustamante motioned to approve the Joint Participation Agreement with Harris County, which was seconded by Director Zamarripa and passed by unanimous vote.
- 7. Resolution Regarding Required Development Agreement Provisions.** Mr. De Leon provided an overview of the City's Developer Participation Program ("DPC"), which provides an incentive for developers to seek reimbursement directly from the City for certain public sanitary and water systems constructed by the developer and conveyed to the City upon completion. Additionally, Mr. De Leon reported that DPC reimbursements from the City to developers do not conflict with reimbursements provided to developers by the Authority, and inclusion of standardized DPC requirement language in future public infrastructure agreements entered into by the Authority would benefit the Authority by requiring developers to seek the additional reimbursement from the City, thus lowering the amount of the Authority's reimbursement on any given developer project that qualifies for a DPC. After review and discussion Director Zamarripa motioned to adopt the DPC Resolution, which was seconded by Director Quiles and which passed by unanimous vote.
- 8. Term Sheet – MP White Oak Apartments, LLC Agreement:**

 - a. Letter to Developer MP White Oak Apartments, LLC.** Mr. De Leon reported that he and Director Ortiz have worked with Chris Yuko of Marquette Company on mutually agreeable terms and conditions needed for a requested developer reimbursement agreement between the Authority and Marquette related to a mixed-use development and adjacent multi-family development to be constructed on Keene Street near the intersection of Fulton Street and Main Street. Mr. De Leon reported that the original draft document had been submitted to Mr. Lord and Ms. Buzak at Bracewell for final review and drafting, and that the developer had also requested a letter of intent from the Authority for presentation to its lender. Mr. Lord then provided an overview of the term sheet and letter to the Developer. After review and discussion, Director Zamarripa motioned to approve the term Sheet and letter to Developer MP White Oak Apartments, authorize Mr. De Leon to distribute both documents to Marquette, authorize Bracewell to draft the developer reimbursement

agreement and negotiate final provisions as/if needed with Marquette, and to bring back the final document to the Board for approval upon its completion. The motion was seconded by Director Bustamante and passed unanimously.

9. **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 & Gauge Engineering.** Mr. Ali reported the Main Street Ped/Bike Improvement Report had been presented to the Infrastructure Committee, finalized, signed and sealed. Additionally, Mr, Ali reported the drainage analysis and drainage design for the Pinckney Trail Project had been completed. No further action was taken.
 - b. **Parks Committee Report – Director Ortiz and SWA Group.** Mr. Robinson reported the first community engagement events had occurred on November 3, 2021, and November 13, 2021, and the public comments and information gained had been incorporated into the report provided to the Board. Additionally, Mr. Robinson informed the Board the second Board workshop related to mobility, connectivity, streetscape enhancements and greenspace opportunities in the Zone would occur immediately after the Board meeting.
 - c. **Major Thoroughfare Amendment Application – Director Large & Administrator.** Mr. De Leon and Director Large provided a brief overview of the proposed Fulton Street-San Jacinto Street connector project included in the Major Thoroughfare Plan and detailed the irreparable damage the project would do to the community, including the displacement of residents. After review and discussion the Board agreed to seek an amendment to the Major Thoroughfare Plan seeking removal of the overpass from the Plan.
 - d. **Hybrid Board Meeting, Avenue Community Development Corporation & Greater Near Northside Management District Conference Rooms – Chairman.** Director Reyes suggested broadening the options of how Board meetings were held to include optional hybrid virtual and in-person meetings. Mr. Lord provided an overview of the statutory requirements associated with hybrid meetings. Additionally, Mr. Lord clarified that consultants and members of the public were allowed to participate virtually, but Board members must be present in person to count towards the quorum and to vote. No action was taken.
 - e. **DBA – General Counsel.** Per discussion which occurred at the September 2021 Board meeting, Board members submitted proposed revised names for the Authority. Director Reyes suggested removing the word “Hardy” and keeping Near Northside as the name of the Authority. After review and discussion Director Bustamante motioned to change the name of the Authority to the Near Northside Redevelopment Authority and authorized the Attorney to conduct all activity needed to complete the task, which was seconded by Director Quiles and which passed by unanimous vote.

- 10. Discuss meeting schedule including date and time of next meeting for March 28, 2022, at 9:00 a.m.** Director Reyes reported February is a recess month and the Board will next meet on March 28, 2022.
- 11. Convene in Executive Session pursuant to Section 551.087, Texas Government Code, to discuss economic development matters of the Zone.** No action was taken.
- 12. Reconvene in Open Session and authorize appropriate action regarding economic development negotiations.** There was no Executive Session.
- 13. Adjourn.** After discussion, Director Bustamante moved to adjourn the meeting at 10:14 a.m., which was seconded by Director Large 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
March Board Meeting
Monday, March 28, 2022**

At the beginning of November, the Hardy Near Northside Redevelopment Authority (TIRZ #21) beginning Operating Fund Balance was \$626,797. TIRZ #21 received a total of \$67, mainly from bank interest. During the period, TIRZ #21 processed \$180,782 in disbursements during the period. 74% of the disbursements related to disbursements to Gauge Engineering for engineering consulting and CIP projects (\$108,176) and to SWA Group for consulting (\$26,000). The ending balance as of month end February 28, 2022 was \$446,083.

The invoices pending approval total \$23,390. See attached "Unpaid Bills Detail" Report on page 3. A transfer of \$-0- 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 February 28, 2022**

General Operating Fund

BEGINNING BALANCE \$ 626,796.92

REVENUE

BBVA Compass	0.16	Monthly Interest
BBVA Compass	1.30	Monthly Interest
BBVA Compass	1.11	Monthly Interest
BBVA Compass	0.77	Monthly Interest
TexPool Investment	18.94	Monthly Interest
TexPool Investment	14.52	Monthly Interest
TexPool Investment	13.12	Monthly Interest
TexPool Investment	17.27	Monthly Interest

Total Revenue 67.19

DISBURSEMENTS

EFT	BBVA Compass	36.00	Bank Service Charge
1117	Bracewell LLP	2,766.00	Legal Services
1122	SWA Group	4,000.00	Consultants
5000	Gauge Engineering	38,819.00	Reimbursement
1120	TIFWorks LLC	4,000.00	Admin Consultants
1119	McCall Gibson Swedlund	1,750.00	Audit
1121	The Morton Accounting Services	6,206.48	CPA Services
1120	TIFWorks LLC	4,000.00	Admin Consultants
5001	Bracewell LLP	2,300.00	Legal Services
5002	Squidz Ink Design	6,113.00	Website Design
5003	SWA Group	19,000.00	Consultants
5005	Gauge Engineering	69,356.83	Reimbursement
5011	TIFWorks LLC	4,000.00	Admin Consultants
5006	Bracewell LLP	2,700.00	Legal Services
5010	The Morton Accounting Services	2,410.00	CPA Services
5011	TIFWorks LLC	4,000.00	Admin Consultants
5017	Bracewell LLP	5,075.70	Legal Services
5009	Texas Municipal League	1,248.52	Insurance
5008	SWA Group	3,000.00	Consultants

Total Disbursements 180,781.53

ENDING BALANCE \$ 446,082.58

February 28, 2022

Balance

LOCATION OF ASSETS		
BBVA Compass	\$	89,588.05
TexPool Investment		356,494.53
Total Account Balance	\$	<u><u>446,082.58</u></u>

HARDY/NEAR NORTHSIDE TIRZ # 21

03/23/22

Unpaid Bills Detail

As of March 23, 2022

Type	Date	Num	Memo	Open Balance
Bracewell LLP				
Bill	02/28/2022	21929002	General Legal through February 28, 2022	4,390.00
Total Bracewell LLP				4,390.00
SWA Group				
Bill	02/14/2022	188867	Task 4 & 5 -Board workshop & Area plans \$100,000	10,000.00
Bill	02/28/2022	189306	Task 5 & 6 - Area plans & Area Guidelines \$100,000 - Feb 2022	5,000.00
Total SWA Group				15,000.00
TIFWorks, LLC				
Bill	03/18/2022	59	General Consulting Services February 19 through March 18, 2022	4,000.00
Total TIFWorks, LLC				4,000.00
TOTAL				23,390.00

HARDY/NEAR NORTHSIDE TIRZ # 21

Capital Improvement Plan

November 2021 through February 2022

Type	Date	Num	Adj	Name	Memo	Debit	Credit	Balance
Capital Improvement Plan								
T-2105 Pickney St Hike & Bike								
Bill	11/15/2021	1662		Gauge Engineering LLC	Pickney Trail Connection through 11.12...	6,261.00		6,261.00
Bill	01/17/2022	1725		Gauge Engineering LLC	Pickney Trail Connection through 1.14.22	63,295.53		69,556.53
Total T-2105 Pickney St Hike & Bike						69,556.53	0.00	69,556.53
T-2104 2600-3500 Block Main St								
Bill	11/15/2021	1661		Gauge Engineering LLC	Main Street Ped/Bike Improvements thr...	4,170.00		4,170.00
Bill	01/17/2022	1724		Gauge Engineering LLC	Main Street Ped/Bike Improvements thr...	825.00		4,995.00
Total T-2104 2600-3500 Block Main St						4,995.00	0.00	4,995.00
Total Capital Improvement Plan						74,551.53	0.00	74,551.53
TOTAL						74,551.53	0.00	74,551.53

HARDY/NEAR NORTHSIDE TIRZ # 21
Profit & Loss Budget vs. Actual
 July 2021 through February 2022

	Jul '21 - Feb 22	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
Interest Income	127.41	1,620.00	-1,492.59	7.9%
Interest on TIRZ revenue	0.00	170.00	-170.00	0.0%
Tax increments	0.00	631,313.00	-631,313.00	0.0%
Total Income	127.41	633,103.00	-632,975.59	0.0%
Cost of Goods Sold				
Capital Improvement Plan				
T-2105 Pickney St Hike & Bike	69,556.53	605,000.00	-535,443.47	11.5%
T-2103 METRO Parcel Acquisition	0.00	59,000.00	-59,000.00	0.0%
T-2104 2600-3500 Block Main St	4,995.00	27,500.00	-22,505.00	18.2%
T-2199 Concrete Panel Replaceme	0.00	25,000.00	-25,000.00	0.0%
Total Capital Improvement Plan	74,551.53	716,500.00	-641,948.47	10.4%
Total COGS	74,551.53	716,500.00	-641,948.47	10.4%
Gross Profit	-74,424.12	-83,397.00	8,972.88	89.2%
Expense				
Developer Reimbursement				
Hardy Yards/Cypress - Offsite	300,736.00	315,381.00	-14,645.00	95.4%
Hardy Yards/Cypress - Onsite	116,953.00	122,648.00	-5,695.00	95.4%
Total Developer Reimbursement	417,689.00	438,029.00	-20,340.00	95.4%
Program and Project Consultants				
Planning Consultants	30,725.00	100,000.00	-69,275.00	30.7%
Engineering Consultation	33,624.30	225,000.00	-191,375.70	14.9%
Legal Consultants	25,030.75	20,000.00	5,030.75	125.2%
Total Program and Project Consultants	89,380.05	345,000.00	-255,619.95	25.9%
TIRZ Administration Overhead				
Tax Consultants	12,528.00	2,000.00	10,528.00	626.4%
Accounting Services	14,078.89	12,000.00	2,078.89	117.3%
Administrative Services	28,063.95	50,000.00	-21,936.05	56.1%
Audit Services	9,250.00	10,000.00	-750.00	92.5%
Bank Charges	134.95	0.00	134.95	100.0%
Insurance - Liability	1,248.52	1,000.00	248.52	124.9%
Office Expense	6,113.00	4,000.00	2,113.00	152.8%
Total TIRZ Administration Overhead	71,417.31	79,000.00	-7,582.69	90.4%
Total Expense	578,486.36	862,029.00	-283,542.64	67.1%
Net Ordinary Income	-652,910.48	-945,426.00	292,515.52	69.1%
Net Income	-652,910.48	-945,426.00	292,515.52	69.1%

HARDY/NEAR NORTHSIDE TIRZ # 21
Balance Sheet Prev Year Comparison
As of February 28, 2022

Accrual Basis

	Feb 28, 22	Feb 28, 21	\$ Change	% Change
ASSETS				
Current Assets				
Checking/Savings				
PNC Bank	89,588.05	40,669.59	48,918.46	120.3%
Tex Pool AC 7932300001	356,494.53	616,363.52	-259,868.99	-42.2%
Total Checking/Savings	<u>446,082.58</u>	<u>657,033.11</u>	<u>-210,950.53</u>	<u>-32.1%</u>
Total Current Assets	<u>446,082.58</u>	<u>657,033.11</u>	<u>-210,950.53</u>	<u>-32.1%</u>
TOTAL ASSETS	<u>446,082.58</u>	<u>657,033.11</u>	<u>-210,950.53</u>	<u>-32.1%</u>
LIABILITIES & EQUITY				
Liabilities				
Current Liabilities				
Accounts Payable				
*Accounts Payable	19,390.00	4,233.25	15,156.75	358.0%
Total Accounts Payable	<u>19,390.00</u>	<u>4,233.25</u>	<u>15,156.75</u>	<u>358.0%</u>
Total Current Liabilities	<u>19,390.00</u>	<u>4,233.25</u>	<u>15,156.75</u>	<u>358.0%</u>
Total Liabilities	<u>19,390.00</u>	<u>4,233.25</u>	<u>15,156.75</u>	<u>358.0%</u>
Equity				
*Fund Balance	1,080,486.15	1,216,618.56	-136,132.41	-11.2%
Net Income	-653,793.57	-563,818.70	-89,974.87	-16.0%
Total Equity	<u>426,692.58</u>	<u>652,799.86</u>	<u>-226,107.28</u>	<u>-34.6%</u>
TOTAL LIABILITIES & EQUITY	<u>446,082.58</u>	<u>657,033.11</u>	<u>-210,950.53</u>	<u>-32.1%</u>

Profit & Loss Detail

July 2021 through February 2022

Type	Date	Num	Adj	Name	Memo	Amount
Ordinary Income/Expense						
Income						
Interest Income						
Deposit	07/01/2021			Interest		1.24
Deposit	07/31/2021			Interest		5.73
Deposit	08/01/2021			Interest		4.04
Deposit	08/31/2021			Interest		6.73
Deposit	09/01/2021			Interest		6.17
Deposit	09/30/2021			Interest		11.70
Deposit	10/01/2021			Interest		6.39
Deposit	10/31/2021			Interest		18.22
Deposit	11/01/2021			Interest		0.16
Deposit	11/30/2021			Interest		18.94
Deposit	12/01/2021			Interest		1.30
Deposit	12/31/2021			Interest		14.52
Deposit	01/01/2022			Interest		1.11
Deposit	01/31/2022			Interest		13.12
Deposit	02/01/2022			Interest		0.77
Deposit	02/28/2022			Interest		17.27
Total Interest Income						127.41
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						127.41
Cost of Goods Sold						
Capital Improvement Plan						
T-2105 Pickney St Hike & Bike						
Bill	11/15/2021	1662		Gauge Engineering LLC	Pickney Trail Connection through 11.12.21	6,261.00
Bill	01/17/2022	1725		Gauge Engineering LLC	Pickney Trail Connection through 1.14.22	63,295.53
Total T-2105 Pickney St Hike & Bike						69,556.53
T-2104 2600-3500 Block Main St						
Bill	11/15/2021	1661		Gauge Engineering LLC	Main Street Ped/Bike Improvements through 11.12.21	4,170.00
Bill	01/17/2022	1724		Gauge Engineering LLC	Main Street Ped/Bike Improvements through 1.14.22	825.00
Total T-2104 2600-3500 Block Main St						4,995.00
Total Capital Improvement Plan						74,551.53
Total COGS						74,551.53
Gross Profit						-74,424.12
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						
Planning Consultants						
Bill	09/30/2021	187088		SWA Group	Task 3: Community Event 1 \$100,000	3,000.00
Bill	10/31/2021	187539		SWA Group	Task 3: Community Event 1 \$100,000	4,000.00
Bill	12/01/2021	186998		SWA Group	Task 1 & 2: Board workshop and Research \$100,000	15,000.00
Bill	12/14/2021	187976		SWA Group	Task 3: Community Event 1 \$100,000	4,000.00
Bill	12/31/2021	188389		SWA Group	Task 4 & 5 -Board workshop & Area plans \$100,000	3,000.00
Bill	02/14/2022	188867		SWA Group	Task 4 & 5 -Board workshop & Area plans \$100,000	10,000.00
Bill	02/28/2022	189306		SWA Group	Task 5 & 6 - Area plans & Area Guidelines \$100,000 - Feb 2022	5,000.00
Total Planning Consultants						44,000.00

HARDY/NEAR NORTHSIDE TIRZ # 21

Profit & Loss Detail

July 2021 through February 2022

Type	Date	Num	Adj	Name	Memo	Amount
Engineering Consultation						
Bill	11/15/2021	1659		Gauge Engineering LLC	On Call Engineering Services through 11.12.21	1,182.50
Bill	11/15/2021	1660		Gauge Engineering LLC	Capital Improvement Plan Development through 11.12.21	26,460.00
Bill	11/15/2021	1663		Gauge Engineering LLC	Urban Design Guideline Suppor through 11.12.21	745.50
Bill	01/17/2022	1727		Gauge Engineering LLC	Capital Improvement Plan Development through 1.14.22	2,940.00
Bill	01/17/2022	1726		Gauge Engineering LLC	Urban Design Guideline Suppor through 1.14.22	2,296.30
Total Engineering Consultation						33,624.30
Legal Consultants						
Bill	07/31/2021	21913...		Bracewell LLP	General Legal through July 31, 2021	315.25
Bill	09/30/2021	21918...		Bracewell LLP	General Legal through September 30, 2021	3,646.50
Bill	10/31/2021	21920...		Bracewell LLP	General Legal through October 31, 2021	2,100.00
Bill	11/30/2021	21923...		Bracewell LLP	General Legal through November 30, 2021	2,300.00
Bill	12/31/2021	21924...		Bracewell LLP	General Legal through December 31, 2021	2,700.00
Bill	01/31/2022	21927...		Bracewell LLP	General Legal through January 31, 2022	4,500.00
Bill	02/28/2022	21929...		Bracewell LLP	General Legal through February 28, 2022	4,390.00
Total Legal Consultants						19,951.75
Total Program and Project Consultants						97,576.05
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
Accounting Services						
Bill	10/31/2021	2258		The Morton Accounting Services	CPA Services and Invest. Officer July, Aug, Sept and Oct 2021	6,206.48
Bill	12/31/2021	2280		The Morton Accounting Services	CPA Services and Invest. Officer Nov and Dec 2021	2,410.00
Total Accounting Services						8,616.48
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
Bill	09/13/2021	24		TIFWorks, LLC	General Consulting Services July 28 through September 13, 2021	2,512.50
Bill	09/30/2021	21918...		Bracewell LLP	Meeting services through September 30, 2021	1,248.75
Bill	10/18/2021	54		TIFWorks, LLC	General Consulting Services September 13 through October 18, ...	3,375.00
Bill	10/31/2021	21920...		Bracewell LLP	Meeting services through October 31, 2021	666.00
Bill	11/18/2021	55		TIFWorks, LLC	General Consulting Services October 19 through November 18, ...	4,000.00
Bill	12/29/2021	56		TIFWorks, LLC	General Consulting Services November 18 through December 1...	4,000.00
Bill	01/19/2022	57		TIFWorks, LLC	General Consulting Services December 19 through January 19, ...	4,000.00
Bill	01/31/2022	21927...		Bracewell LLP	Meeting services through January 31, 2022	575.70
Bill	02/18/2022	58		TIFWorks, LLC	General Consulting Services January 19 through February 18, 2...	4,000.00
Total Administrative Services						26,213.45
Audit Services						
Bill	08/24/2021	2021 ...		McCall Gibson Swedlund Barfo...	FYE 06.30.21 Audit - Interim billing	7,500.00
Bill	11/01/2021	2021 ...		McCall Gibson Swedlund Barfo...	FYE 06.30.21 Audit - Final billing	1,750.00
Total Audit Services						9,250.00
Bank Charges						
Check	07/15/2021				Service Charge	69.55
Check	08/15/2021				Service Charge	14.80
Check	09/15/2021				Service Charge	14.60
Check	12/15/2021				Service Charge	36.00
Total Bank Charges						134.95
Insurance - Liability						
Bill	12/01/2021	6754-...		Texas Municipal League Intergo...	General Liability Insurance FY20-21	1,248.52
Total Insurance - Liability						1,248.52
Office Expense						
Bill	12/07/2021	62848		Squidz Ink Design	Website Design/Hosting and Logo Design	6,113.00
Total Office Expense						6,113.00
Total TIRZ Administration Overhead						64,104.40
Total Expense						579,369.45
Net Ordinary Income						-653,793.57
Net Income						-653,793.57

HARDY/NEAR NORTHSIDE REDEVELOPMENT AUTHORITY
QUARTERLY INVESTMENT REPORT
1st QUARTER FISCAL YEAR 2022
July 1, 2021 to
September 30, 2021

Transaction Date	TexasClass Deposits or Withdrawals	Book Value	Market Value	Activity
7/1/2021	Texpool	\$ 356,388.30	\$ 356,388.30	Beginning Balance
7/31/2021	5.73	356,394.03	356,394.03	Interest 0.0197%
8/31/2021	6.73	356,400.76	356,400.76	Interest 0.0248%
9/15/2021	600,000.00	956,400.76	956,400.76	Transfer from Checking Account
9/16/2021	(350,000.00)	606,400.76	606,400.76	Transfer to Checking Account
9/30/2021	11.70	606,412.46	606,412.46	Interest 0.0374%
9/30/2021		606,412.46	606,412.46	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: 

HARDY/NEAR NORTHSIDE REDEVELOPMENT AUTHORITY
QUARTERLY INVESTMENT REPORT
2nd QUARTER FISCAL YEAR 2022
October 1, 2021 to
December 31, 2021

Transaction Date	TexasClass Deposits or Withdrawals	Book Value	Market Value	Activity
10/1/2021	Texpool	\$ 606,412.46	\$ 606,412.46	Beginning Balance
10/31/2021	18.22	606,430.68	606,430.68	Interest 0.0354%
11/30/2021	18.94	606,449.62	606,449.62	Interest 0.0381%
12/31/2021	(150,000.00)	456,449.62	456,449.62	Transfer to Checking Account
12/31/2021	14.52	456,464.14	456,464.14	Interest 0.0376%
12/31/2021		456,464.14	456,464.14	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: 

4:59 PM

02/21/22

HARDY/NEAR NORTHSIDE TIRZ # 21

Unpaid Bills Detail

As of February 21, 2022

<u>Type</u>	<u>Date</u>	<u>Num</u>	<u>Memo</u>	<u>Open Balance</u>
Bracewell LLP				
Bill	01/31/2022	21927088	Meeting services through January 31, 2022	575.70
Bill	01/31/2022	21927089	General Legal through January 31, 2022	4,500.00
Total Bracewell LLP				5,075.70
TIFWorks, LLC				
Bill	02/18/2022	58	General Consulting Services January 19 through February 18, 2022	4,000.00
Total TIFWorks, LLC				4,000.00
TOTAL				9,075.70

BRACEWELL

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

February 04, 2022
Invoice: 21927088
BA: 04674 Clark Stockton Lord

Our Matter: 0037619.000003 Meeting Services
For Services Through January 31, 2022

<u>Date</u>	<u>Description</u>	<u>Timekeeper</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
01/06/22	Attention to Houston Chronicle public information requests; Review and analyze previously provided information per current request includes additional materials from previous years requests; Conference call with attorney regarding the same.	Tiffany M. Ehmke	0.65	338.00	219.70
01/11/22	Receive and review correspondence. Update Authority's official records.	Brenda Presser	0.50	356.00	178.00
01/20/22	Receive and respond to Authority correspondence.	Brenda Presser	0.50	356.00	178.00
Total Fees					\$ 575.70

Summary of Fees

<u>Timekeeper</u>	<u>Title</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
Tiffany M. Ehmke	Paralegal	0.65	338.00	219.70
Brenda Presser	Paralegal	1.00	356.00	356.00
Total Summary of Fees		1.65		\$ 575.70

Total Fees, Expenses and Charges on This Invoice **\$ 575.70**

BRACEWELL

REMITTANCE PAGE

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

Invoice: 21927088

Matter No: 0037619.000003

Total Fees	\$ 575.70
Total Expenses	\$ 0.00
Total Fees, Expenses and Charges for this Invoice	\$ 575.70
Total Current Billing on this Invoice	\$ 575.70
Balance Forward	\$ 0.00
Please Remit Total Balance Due on this Invoice	\$ 575.70

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:**21927088**

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

February 04, 2022
Invoice: 21927089
BA: 04674 Clark Stockton Lord

Our Matter: 0037619.000001 General Counsel
For Services Through January 31, 2022

<u>Date</u>	<u>Description</u>	<u>Timekeeper</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
01/04/22	Revise Pinckney Trail ILA; draft email to R De Leon re: same; draft term sheet for White Oak Apartments; draft email to R De Leon re: same	Mary Buzak	2.00	400.00	800.00
01/05/22	Draft developer letter for White Oak Apartments project; email correspondence with R De Leon re: same	Mary Buzak	1.00	400.00	400.00
01/06/22	Revise developer letter for White Oak Apartments project	Mary Buzak	0.75	400.00	300.00
01/11/22	Review and revise response to TPIA request from Houston Chronicle	Mary Buzak	0.50	400.00	200.00
01/18/22	Prepare for and attend meeting with City staff and attorneys re: affordable housing agreement; discussion with C Lord re: same	Mary Buzak	1.25	400.00	500.00
01/19/22	Teleconference R De Leon regarding affordable housing and county participation issues	Clark Stockton Lord	1.00	400.00	400.00
01/20/22	Prepare for and attend meeting with R De Leon and City and County staff and attorneys re: county participation in TIRZ; revise interlocal agreement for Pinckney Trail improvements	Mary Buzak	1.75	400.00	700.00
01/24/22	Prepare for and attend board meeting,	Clark Stockton Lord	2.50	400.00	1,000.00
01/28/22	Revise interlocal agreement for Pinckney Trail improvements; draft email to A Le re: same	Mary Buzak	0.50	400.00	200.00

Total Fees

\$ 4,500.00

BRACEWELL

Client: Hardy/Near Northside Redevelopment Authority

Invoice: 21927089

Summary of Fees

<u>Timekeeper</u>	<u>Title</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
Mary Buzak	Counsel	7.75	400.00	3,100.00
Clark Stockton Lord	Partner	3.50	400.00	1,400.00
Total Summary of Fees		11.25		\$ 4,500.00

Total Fees, Expenses and Charges on This Invoice

\$ 4,500.00

BRACEWELL

REMITTANCE PAGE

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

Invoice: 21927089

Matter No: 0037619.000001

Total Fees	\$ 4,500.00
Total Expenses	\$ 0.00
Total Fees, Expenses and Charges for this Invoice	\$ 4,500.00
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Balance Forward	\$ 0.00
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Irving, TX 75063

Credit Card Information

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

INVOICE

Date: 2/18/2022
 Invoice # Number 58

TIFWorks, LLC
 P.O. Box 10330
 Houston, Texas 77206
 (832)-978-5910
 ralph@tifworks.com

To
 Ed Reyes
 Chairman of the Board
 Hardy/Near Northside Redevelopment Authority
 Tax Increment Investment Zone Number
 Twenty-One, City of Houston

<i>Salesperson</i>	<i>Job</i>	<i>Payment Terms</i>	
Ralph De Leon	Hardy/Near Northside Redevelopment Authority 1/19/2022 thru 2/18/2022	Due Upon Receipt	
<i>Qty</i>	<i>Description</i>	<i>Unit Price</i>	<i>Line Total</i>
	BASIC SERVICES		\$4,000.00
Total			\$4,000.00

Make all checks payable to TIFWorks, LLC
Thank you for your business!

SINGLE SHEET OF PLAIN
COLORED PAPER

BRACEWELL

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

February 04, 2022
Invoice: 21927089
BA: 04674 Clark Stockton Lord

Our Matter: 0037619.000001 General Counsel
For Services Through January 31, 2022

<u>Date</u>	<u>Description</u>	<u>Timekeeper</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
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Total Fees **\$ 4,500.00**

BRACEWELL

Client: Hardy/Near Northside Redevelopment Authority

Invoice: 21927089

Summary of Fees

<u>Timekeeper</u>	<u>Title</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
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Total Fees, Expenses and Charges on This Invoice

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BRACEWELL

REMITTANCE PAGE

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

Invoice: 21927089

Matter No: 0037619.000001

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Total Expenses	\$ 0.00
Total Fees, Expenses and Charges for this Invoice	\$ 4,500.00
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Dallas, TX 75320-7486

Tax ID 74-1024827

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Irving, TX 75063

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BRACEWELL

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

February 04, 2022
Invoice: 21927088
BA: 04674 Clark Stockton Lord

Our Matter: 0037619.000003 Meeting Services
For Services Through January 31, 2022

<u>Date</u>	<u>Description</u>	<u>Timekeeper</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
01/06/22	Attention to Houston Chronicle public information requests; Review and analyze previously provided information per current request includes additional materials from previous years requests; Conference call with attorney regarding the same.	Tiffany M. Ehmke	0.65	338.00	219.70
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01/20/22	Receive and respond to Authority correspondence.	Brenda Presser	0.50	356.00	178.00
Total Fees					\$ 575.70

Summary of Fees

<u>Timekeeper</u>	<u>Title</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
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Brenda Presser	Paralegal	1.00	356.00	356.00
Total Summary of Fees		1.65		\$ 575.70

Total Fees, Expenses and Charges on This Invoice **\$ 575.70**

BRACEWELL

REMITTANCE PAGE

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

Invoice: 21927088

Matter No: 0037619.000003

Total Fees	\$ 575.70
Total Expenses	\$ 0.00
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P.O. Box 207486

2975 Regent Blvd

Irving, TX 75063

Credit Card Information

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INVOICE

Date: 2/18/2022
 Invoice # Number 58

TIFWorks, LLC
 P.O. Box 10330
 Houston, Texas 77206
 (832)-978-5910
 ralph@tifworks.com

To
 Ed Reyes
 Chairman of the Board
 Hardy/Near Northside Redevelopment Authority
 Tax Increment Investment Zone Number
 Twenty-One, City of Houston

<i>Salesperson</i>	<i>Job</i>	<i>Payment Terms</i>	
Ralph De Leon	Hardy/Near Northside Redevelopment Authority 1/19/2022 thru 2/18/2022	Due Upon Receipt	
<i>Qty</i>	<i>Description</i>	<i>Unit Price</i>	<i>Line Total</i>
	BASIC SERVICES		\$4,000.00
Total			\$4,000.00

Make all checks payable to TIFWorks, LLC
Thank you for your business!

TAB

FIVE

CERTIFICATE FOR RESOLUTION

THE STATE OF TEXAS §
 §
COUNTY OF HARRIS §

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

The Board convened in regular session on the 28th day of March, 2022, and the roll was called of the duly constituted officers and members of the Board, to-wit:

Edward Reyes	Chair/Investment Officer
Jorge Bustamante	Vice Chair
Sylvia Cavazos	Secretary/
Elia Quiles	Assistant Secretary
Daniel Ortiz	Treasurer
Fernando Zamarripa	Director
Monte Large	Director

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

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

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

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

SIGNED AND SEALED this 28th day of March 2022.

Secretary

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

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

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

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

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

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

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

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

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

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

PASSED AND APPROVED THIS 28th day of March 2022.

Chair

ATTEST:

Secretary

EXHIBIT A

LIST OF AUTHORIZED BROKER/DEALERS

ABC Bank	Plains Capital Bank
Allegiance Bank Texas, N.A.	Plains State Bank
Amegy Bank, N.A.	Post Oak Bank
BB & T	Preferred Bank
Bank of America N.A.	Prosperity Bank
Bank of New York – Mellon	R Bank
Bank of Texas, N.A.	Regions Bank
Business Bank of Texas	SouthStar Bank
Cadence Bank	Southwest Securities
Capital Bank of Texas	Sovereign Bank
Capital Markets Group	Spirit of Texas Bank
Capital One	State Bank of Texas
Central Bank	State Street Bank & Trust Co.
Chasewood Bank	Stifel Nicolaus
Citibank N.A.	Tex Star Investment Pool
Comerica Bank	Texan Bank
Comerica Securities	Texas Capital Bank
Commercial State Bank	Texas Class
Community Bank of Texas	Texas Citizens Bank
Community Trust Bank	Texas Exchange Bank
Coastal Securities	Texas First Bank
First Bank of Texas	Texas Gulf Bank
First Citizens Bank	Texas Regional Bank
First Financial Bank, N.A.	The Independent Bankers Bank
First National Bank of Texas	Texas Savings Bank
First State Bank of Central Texas	Texpool/Texpool Prime
First Texas Bank	The Bank of River Oaks
Frontier Bank of Texas	The Right Bank for Texas
Frost National Bank	Third Coast Bank
Herring Bank	Trustmark National Bank
Hometown Bank, N.A.	United Bank of El Paso Del Norte
Icon Bank	United Texas Bank
Independent Bank	Unity National Bank
Integrity Bank	U.S. Bank
International Bank of Commerce	Veritex Bank
Inter National Bank	Wells Fargo Bank, N.A.
JP Morgan Chase	Wallis Fargo Brokerges Services, LLC
Legacy Texas Bank	West Fargo Trust
Lone Star Bank	Westbound Bank
Lone Star Investment Pool	West Star Bank
Metro Bank, N.A.	Whitney Bank
Moody National Bank	Woodforest National Bank
New First National Bank	
North Star Bank of Texas	
Omni Bank N.A.	
Pioneer Bank	

TAB

SIX

TAB

SEVEN

DEVELOPMENT AGREEMENT

Between

HARDY/NEAR NORTHSIDE REDEVELOPMENT AUTHORITY

and

MP WHITE OAK APARTMENTS LLC

DEVELOPMENT AGREEMENT

This Development Agreement (“Agreement”), effective _____, 2022 (“Effective Date”), is made by and between HARDY/NEAR NORTHSIDE REDEVELOPMENT AUTHORITY (“Authority”), a local government corporation created and organized under the provisions of the Texas Transportation Corporation Act, Chapter 431, Transportation Code, acting by and through its governing body, the Board of Directors (“Authority Board”) and acting on behalf of REINVESTMENT ZONE NUMBER TWENTY-ONE, CITY OF HOUSTON, TEXAS (“Zone”), a tax increment reinvestment zone created by the City of Houston, Texas (“City”), pursuant to Chapter 311 of the Texas Tax Code, as amended (“Act”), acting by and through its governing body, the Board of Directors (“Zone Board”), and MP WHITE OAK APARTMENTS LLC, a Delaware limited liability company (“Developer”).

RECITALS

Pursuant to the Act, by Ordinance No. 2003-1258, passed and adopted by the City Council of the City (“City Council”) on December 17, 2003, the City created the Zone.

The City approved the original project plan and reinvestment zone financing plan for the Zone (“Original Project and Financing Plan”) by Ordinance No. 2008-1212, passed and adopted by City Council on December 30, 2008, and approved amendments to the Original Project and Financing Plan by Ordinance No. 2009-1272, passed and adopted by City Council on December 9, 2009, Ordinance No. 2012-710, passed and adopted by City Council on August 15, 2012, and Ordinance No. 2019-994, passed and adopted by City Council on December 4, 2019 (the Original Project and Financing Plan, together with all amendments thereto, “Project and Financing Plan”).

By Resolution No. 2009-32, passed and adopted by City Council on November 10, 2009, the City authorized the creation of the Authority to aid, assist and act on behalf of the City in the performance of the City’s governmental and proprietary functions with respect to the common good and general welfare of the area included in the Zone and neighboring areas.

The Act provides that the Zone Board may enter into agreements as the Zone Board considers necessary or convenient to implement the Project and Financing Plan and achieve its purposes.

The City, the Zone and the Authority have entered into that certain agreement approved by Ordinance No. 2009-1271, passed and adopted by City Council on December 9, 2009 (“Hardy/Near Northside Agreement”), pursuant to which the City and the Zone contracted with the Authority to administer the Zone including, but not limited to, the power to engage in activities relating to the acquisition and development of land, to construct and improve infrastructure in the Zone, to enter into development agreements with developers/builders in the Zone, and to issue, sell or deliver its bonds, notes or other obligations, in accordance with, and subject to the limitations set forth in, the Hardy/Near Northside Agreement.

Developer desires to proceed with the development of a project within the Zone consisting of 6 stories of residential units and a 4-level parking structure, comprised of approximately 356 residential units and related amenities (“Project”), and in connection with the Project, Developer plans to construct and install the Public Works and Improvements (as hereinafter defined).

The Authority Board has determined that it is in the best interest of the Zone and the Authority to contract with the Developer to enter into this Agreement to utilize the Available Tax Increment (as hereinafter defined) generated by the Project to reimburse certain costs of the Public Works and Improvements in order to provide for the efficient and effective implementation of certain aspects of the Project and Financing Plan.

AGREEMENT

For and in consideration of the mutual promises, covenants, obligations, and benefits of this Agreement, the Authority and Developer contract and agree as follows:

ARTICLE 1 GENERAL TERMS

1.1 Definitions. The terms “Act,” “Agreement,” “Authority,” “Authority Board,” “City,” “City Council,” “Developer,” “Hardy/Near Northside Agreement,” “Project,” “Project and Financing Plan,” “Zone,” and “Zone Board” have the above meanings, and the following terms have the following meanings:

“Administrative Costs” shall mean all costs incurred by the Authority for the administration of the Zone and the Authority, including legal, bookkeeping, auditing, and other professional service costs, as approved in the Authority’s annual budget during the term of this Agreement.

“Authority Representative” shall mean any person or persons designated by the Authority to act on behalf of the Authority.

“Authority Contribution” shall mean the actual costs of the Project Costs, as defined herein, which shall be determined by the actual cost of the design and construction of the Public Works and Improvements; provided however, the Authority Contribution shall not exceed the lesser of (i) \$3,063,663, (ii) the amount of the Project Costs minus any amount paid for from a DPC (as further provided in Section 6.4 of this Agreement), and (iii) the Available Tax Increment through the Outside Contribution Date.

“Available Tax Increment” shall mean 80 percent of the tax increment derived from the Project Site above the Base Year Value and deposited into the Revenue Fund that are attributable to the Property; provided, however, that the pledges of any amounts deemed to be Available Tax Increments are subordinate and subject to: (i) the rights of any holder of bonds, notes or other obligations of the Authority that are secured in whole or part by Contract Tax Increments, (ii) reductions in the Contract Tax Increments received annually by the Authority for funds dedicated to the development of affordable housing in the City; and (iii) reductions by the City in Contract Tax Increments paid annually to the Authority for any administrative expenses and municipal service fees.

“Base Year Value” shall mean the value of the Project Site on January 1, 2022, as established and certified by the Harris County Appraisal District.

“City,” as defined in the preamble, is further defined as a municipal corporation and home-rule city of the State of Texas principally situated in Harris County, acting by and through its governing body, the City Council.

“Commence Construction” or “Commencement of Construction” shall mean (i) with respect to the Public Works and Improvements, that the Plans and Specifications have been approved by the Authority and that Developer has (a) obtained all permits, licenses, land uses, approvals and entitlements from the City and other governmental authorities necessary to commence preparation of the Construction Site; and (b) actually commenced mobilization, site groundbreaking or site grading work or demolitions, as needed, underground site work and foundation work for the Public Works and Improvements, and (ii) with respect to the Project, that the Developer has (a) obtained all permits, licenses, land uses, approvals and entitlements from the City and other governmental authorities necessary to commence preparation of the Project Site and (b) actually commenced mobilization, site groundbreaking or site grading work or demolitions, as needed, underground site work and foundation work for the Project.

“Complete”, “Completed” or “Completion” shall mean (i) with respect to the Public Works and Improvements, the final completion of construction of the Public Works and Improvements substantially in accordance with the Plans and Specifications so that the Public Works and Improvements can be used and maintained for their intended purposes, as approved by the Authority and certified by the architect and engineer engaged by Developer to make such certification, and (ii) with respect to the Project, the final completion of Developer’s work with respect to the Project, as evidenced by a final certificate of occupancy issued by the City for the Project.

“Construction Contract(s)” shall mean that certain construction contract entered into by Developer and General Contractor(s) pursuant to Section 4.2.

“Construction Site” shall mean those portions of the Project Site which are impacted by the construction of the Public Works and Improvements in accordance with the Plans and Specifications and this Agreement.

“Contract Tax Increments” shall mean the amount of funds paid to the City in each year for the Zone and required to be deposited by the City into the Revenue Fund pursuant to the Act and payable to and actually received by the Authority from the City pursuant to the Hardy/Near Northside Agreement.

“Developer Advances” shall mean any funds advanced by or on behalf of Developer for Project Costs pursuant to Section 6.1 of this Agreement.

“DPC” shall mean a developer participation agreement or other reimbursement agreement with the City relating to any portion of the Public Works and Improvements.

“Event of Default” shall mean with respect to Developer those events described in Section 8.1, and with respect to the Authority those events described in Section 8.3.

“Final Plans and Specifications” shall mean the Plans and Specifications prepared on behalf of Developer and approved by the Authority, the HPW Director and all other regulatory authorities

having jurisdiction thereover for the construction and installation of the Public Works and Improvements, as further described in Section 4.2 of this Agreement.

“General Contractor(s)” shall mean the entity(ies) with whom the Developer enters into the Construction Contract(s) for construction of the Public Works and Improvements.

“HPW Director” shall mean the City’s Director of Houston Public Works or his or her designee.

“Maintenance Agreement” shall have the meaning set forth in Section 4.10 of this Agreement.

“Outside Contribution Date” shall have the meaning set forth in Section 6.3 of this Agreement.

“Plans and Specifications” shall mean the designs, plans and specifications for the Public Works and Improvements prepared by or on behalf of Developer.

“Project Costs” shall mean eligible “Project Costs” as defined in Section 311.002 of the Act relating to the costs of the Public Works and Improvements, including all capital costs and other costs paid and incurred by Developer, including financing, planning, managing, designing, acquiring, constructing, and installing the Public Works and Improvements and obtaining reimbursement therefor, whether before or after the date of this Agreement, including, but not limited to, costs of all items described in Exhibit B hereto, including engineering, planning, accounting, architectural, legal fees and expenses, survey, testing, laboratory costs, any impact or capital recovery fees, land clearing and grading costs, advertising and other bidding costs, amounts due under construction contracts, and costs of labor and material, relating to the Public Works and Improvements, provided, however, that the term “Project Costs” expressly excludes Developer’s administrative and operational costs and the interest on Developer Advances.

“Project Site” shall mean those certain tracts of land more particularly depicted and described in Exhibit A attached hereto.

“Public Works and Improvements” shall mean the public works and improvements described in Exhibit B attached hereto.

“Revenue Fund” shall mean the special fund established by the Authority and funded with payments made by the City pursuant to the Hardy/Near Northside Agreement (which payments are attributable to incremental ad valorem property taxes paid from the Project Site).

1.2 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 Developer that as of the date hereof:

A. The Authority is duly authorized, created and existing in good standing under the laws of the State of Texas and is duly qualified and authorized to carry on the governmental functions and operations as contemplated by this Agreement.

B. The Authority has the power, authority and legal right to enter into and perform this Agreement and the execution, delivery and performance hereof (i) have been duly authorized, (ii) to the best of its knowledge, will not 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 or is a party or by which the Authority or its assets may be bound or affected.

C. The Public Works and Improvements and the Project Costs are components of or are consistent with the Project and Financing Plan.

D. This Agreement 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.

E. The execution, delivery and performance of this Agreement by the Authority do not require the consent or approval of any person which has not been obtained.

2.2 Representations of Developer. Developer hereby represents to the Authority that as of the date hereof:

A. Developer is duly authorized, created and existing in good standing under the laws of the State of Delaware, and is qualified to do business in the State of Texas.

B. Developer has the power, authority and legal right to enter into and perform its obligations set forth in this Agreement, and the execution, delivery and performance hereof (i) have been duly authorized, (ii) will not, to the best of its knowledge, violate any judgment, order, law or regulation applicable to Developer or any provisions of Developer's 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 Developer under any agreement or instrument to which Developer is a party or by which Developer or its assets may be bound or affected.

C. Developer will have sufficient capital to perform its obligations under this Agreement at the time it needs to have sufficient capital.

D. This Agreement has been duly authorized, executed and delivered and constitutes a legal, valid and binding obligation of Developer, enforceable in accordance with its terms.

ARTICLE 3 THE PROJECT

3.1 The Project. The Project shall be and include the design, construction, assembly, installation and implementation of a multi-unit residential rental development to be constructed by Developer on the Project Site.

3.2 Public Works and Improvements. The Project will be developed simultaneously with the Public Works and Improvements pursuant to the timing requirements agreed upon and set forth in Section 3.4 below. The estimated total amount of Authority Contribution associated with the Public Works and Improvements and the estimated costs of the line items comprising the Public Works and Improvements are set forth in Exhibit B.

3.3 Additional Projects. This Agreement does not apply to any projects except the Project specifically defined herein unless this Agreement is amended to provide for the design and construction of additional projects.

3.4 Right to Terminate. Notwithstanding any other provision of this Agreement, the Authority, in its sole and absolute discretion, shall have the right, upon thirty (30) days' prior written notice to Developer, to terminate this Agreement if: (a) Developer does not Commence Construction of the Project and Commence Construction of the Public Works and Improvements on or before two (2) years following the Effective Date. Upon the Authority's termination of this Agreement pursuant to this Section, all rights and obligations of the parties shall terminate and be of no further force or effect, except for the provisions of this Agreement that specifically survive termination of this Agreement.

ARTICLE 4 DUTIES AND RESPONSIBILITIES OF DEVELOPER

4.1 Design of the Public Works and Improvements. Developer shall prepare or cause to be prepared the Plans and Specifications for the Public Works and Improvements and shall submit the same to the Authority Representative for approval. The Authority Representative shall approve or reject the proposed Plans and Specifications within ten (10) business days of submission. In the event of the rejection of the Plans and Specifications, the Authority Representative shall include specific reasons for such rejection in writing. The Authority and Developer each agree to exercise commercially reasonable efforts to promptly resolve any objections to the proposed Plans and Specifications. On approval of the Plans and Specifications by the Authority, the HPW Director and all other regulatory authorities having jurisdiction thereover, the same shall constitute the Final Plans and Specifications. Any modifications (other than corrective changes) to the Final Plans and Specifications shall be submitted to the Authority Representative for approval. References in this Agreement to the Final Plans and Specifications shall mean and include any modifications approved by the Authority. For purposes hereof, "corrective changes" mean any necessary and reasonable changes required to correct defects or deficiencies in construction as originally contemplated by the Plans and Specifications, or as may be necessary to obtain all required governmental permits, inspections or approvals.

4.2 Construction of Public Works and Improvements.

A. Developer shall enter into a Construction Contract with the General Contractor providing for the construction and installation of the Public Works and Improvements in accordance in all material respects with the Final Plans and Specifications and causing the General Contractor to provide and furnish all materials and services as and when required in connection with the construction of the Public Works and Improvements and cause the General Contractor to perform all elements of this Agreement applicable to the construction of the Public Works and

Improvements. Developer shall submit the proposed final form of the Construction Contract to the Authority for review and approval prior to execution of the same. Upon full execution of the approved form of Construction Contract, Developer shall promptly provide the Authority with a fully executed copy.

B. Developer will obtain all necessary permits, authorizations and approvals from the City and all other governmental officials and agencies having jurisdiction over the Public Works and Improvements (including the approvals required under the Hardy/Near Northside Agreement), will provide supervision of all phases of construction of the Public Works and Improvements, and will provide periodic reports of such construction to the Authority Board, with a copy to the Authority Representative and the HPW Director.

C. Developer shall perform its duties, responsibilities and obligations under this Agreement and shall cause the General Contractor to perform its duties, responsibilities and obligations in a diligent and careful manner with the quality of services, skill, diligence, prudence and foresight at least equal to those performed and practiced by other developers nationally recognized as developers of projects of similar type, size and complexity to the Public Works and Improvements.

4.3 Compliance with Applicable Laws. Developer agrees to and shall comply with and cause its General Contractor to comply with, all applicable laws and requirements in connection with performing its duties, responsibilities and obligations under this Agreement, including the planning, engineering, development and construction of the Public Works and Improvements.

4.4 Performance Bonds. Developer shall provide to the Authority prior to the Commencement of Construction of the Public Works and Improvements the following: (1) statutory payment bond pursuant to Chapter 2253 of the Texas Government Code; (2) statutory performance bond pursuant to Chapter 2253 of the Texas Government Code; and (3) one-year maintenance bond. Each of the foregoing bonds must name the Authority and the City as dual obliges and shall be: (a) issued by a surety acceptable to the Authority; (b) in a form acceptable to the Authority; and (c) in an amount equal to the full cost of Developer's Construction Contract with the General Contractor.

4.5 Participation of Minority Business Enterprises and Women Business Enterprises. As to the construction of the Public Works and Improvements:

A. Developer will make a good faith effort to comply with the City's policy regarding the participation of Minority Business Enterprises and Women Business Enterprises (as those terms are defined in Chapter 15 of the City's Code of Ordinances).

B. The Authority, upon written request, shall provide to Developer a list of those business enterprises certified by the City as eligible Minority Business Enterprises and Women Business Enterprises.

C. Developer shall maintain records showing (i) its subcontracts, supply agreements and support with and to Minority Business Enterprises and Women Business Enterprises, and (ii) specific efforts to identify and award subcontracts, supply agreements, and support with and to Minority Business Enterprises and Women Business Enterprises. Developer shall, upon

request, provide records of its efforts under this Section to the Authority in such form and manner as the Authority may reasonably prescribe.

4.6 Monitoring. The Authority shall have the right, but not a duty, to monitor the progress of the construction and installation of the Public Works and Improvements. The Developer shall accommodate and cause the General Contractor to accommodate the Authority Representative, after reasonable notice to Developer, in conducting such site visits as may be necessary to verify that work on the Public Works and Improvements is being carried out in accordance with the Final Plans and Specifications.

4.7 Construction and Implementation of the Public Works and Improvements. Developer shall be responsible for causing the inspection and supervision of the construction and implementation of the Public Works and Improvements in accordance with relevant City ordinances and City procedures. The Authority shall receive copies of all change orders and pay estimates. Upon completion of the Construction Contract, Developer shall provide the Authority with a final cost summary of all costs associated with such contract, a certificate of completion and evidence that all amounts owing to contractors and subcontractors have been paid in full evidenced by customary affidavits executed by such contractors.

4.8 Maintenance of the Public Works and Improvements. Unless or until such time as the Public Works and Improvements (or any component thereof) are dedicated or conveyed to and accepted by the City or other public entity for maintenance thereof, Developer shall maintain or cause to be maintained the said Public Works and Improvements, including, but not limited to, maintenance of the landscaping including any existing trees, the payment of charges for water for irrigation purposes, if any, and shall maintain the associated irrigation and electrical systems. Developer shall take all reasonable action required to protect trees from damage due to construction activities.

4.9 Ad Valorem Taxes. Developer shall pay, prior to delinquency, all taxes, assessments, and governmental charges of any kind whatsoever that may at any time be lawfully levied, assessed, charged or imposed against the Project Site. Developer may not contest, or otherwise seek to obtain a reduction, in the assessed valuation of the Project Site from the Harris County Appraisal District for the purpose of reducing ad valorem taxes and assessments levied and assessed against the Project Site. If Developer does not comply with the requirements of this Section, the Authority, at its sole discretion, may suspend performance by the Authority hereunder and begin procedures to terminate this Agreement for default, and the Developer shall repay to the Authority all portions of the Authority Contribution paid to the Developer hereunder.

4.10 Additional Construction and Post-Construction Obligations.

A. Developer shall grant the City and the Authority at no cost all required temporary construction and access easements necessary to install and maintain the Public Works and Improvements. The Authority shall grant Developer at no cost, and shall use its best efforts to obtain for Developer from the City at no cost, all required temporary construction and access easements necessary to install and maintain the Public Works and Improvements.

B. Developer shall be responsible for maintaining records of all costs incurred and payments made for the Project and the Public Works and Improvements and records evidencing compliance with this Article 4 and shall provide the Authority with all such records for review and approval prior to payment of the Authority Contribution.

C. Upon Completion of the Public Works and Improvements, as a condition of payment from the Authority Contribution, Developer shall be responsible for all aspects of the management, operation and maintenance of all components of Public Works and Improvements that are not dedicated or conveyed to and accepted by the City or other public entity for maintenance, including, without limitation: (i) all maintenance, repairs and replacements of the infrastructure, improvements, equipment, landscaping and related irrigation and electrical systems which constitute the Public Works and Improvements; and (ii) the payment of all associated utilities including water for irrigation purposes and charges for electric utilities, all in accordance with a maintenance agreement substantially in the form of Exhibit C attached hereto (“Maintenance Agreement”). Developer shall execute the Maintenance Agreement and deliver it to the Authority for execution and recording in the Official Public Records of Real Property of Harris County, Texas, within thirty (30) days of Completion of the Public Works and Improvements. Except for the Authority Contribution, neither the Authority nor the City shall be responsible for managing, operating, maintaining, repairing or replacing any of Public Works and Improvements or paying any recurring costs in connection with the same. The provisions of this Section and the covenants and agreements contained in the Maintenance Agreement shall survive the expiration or termination of the Agreement.

4.11 Payment of Fees. Developer agrees to pay all monthly rates and charges for water and sewer services and shall pay all applicable City building permit fees for the Project and the Public Works and Improvements, it being understood that such fees shall be consistent with the charges and fees being charged to other similar developments in the City.

4.12 Cooperation. Developer agrees that it will cooperate with the Authority and will provide all necessary information to the Authority and its consultants in order to assist the Authority in complying with the Hardy/Near Northside Agreement, including without limitation the completion of the audit and construction audit required therein.

ARTICLE 5 DUTIES AND RESPONSIBILITIES OF THE AUTHORITY

5.1 Authority Contribution. The Authority shall pay to Developer the Authority Contribution, as more particularly described in and as provided by Article 6. The Authority Contribution shall be financed and funded in accordance with Article 6 hereof.

5.2 Ineligible Project Costs. In the event all or a portion of the Project Costs is determined to be ineligible under the Act or is inconsistent with the Project and Financing Plan, and in the event that the Developer does not execute and deliver the Maintenance Agreement, the Authority Contribution shall be reduced by the amount attributable to the ineligible component(s). If the Authority has already repaid the Developer for such ineligible Project Costs in accordance with this Agreement, the parties hereby agree that (i) the amount repaid by the Authority for such ineligible Project Costs shall be offset against future repayments by the Authority, or (ii) in the

event there are not future repayments to be made by the Authority, or such amounts are insufficient, the Developer shall reimburse the Authority for such amount owed within thirty (30) days of receipt of an invoice from the Authority.

ARTICLE 6 FINANCING AND FUNDING OF PUBLIC WORKS AND IMPROVEMENTS

6.1 Developer Advances. Developer shall advance, or cause to be advanced, sufficient funds as such become due for all Project Costs arising in connection with the Public Works and Improvements, including, without limitation, all costs of design, engineering, materials, labor, construction, and inspection thereof (each, a “Developer Advance”). Each Developer Advance shall be evidenced by a certificate in a form acceptable to Developer and the Authority Board and shall be approved by the Authority Board. A copy of an agreed upon procedures report prepared by Authority’s auditor following the Completion of the Public Works and Improvements verifying the costs of and payment for such Public Works and Improvements will comply with this Section.

6.2 Reimbursement Request. Upon Completion of the Project and the Public Works and Improvements, Developer may submit a request to the Authority for payment of the Authority Contribution. With such payment request, Developer shall deliver to the Authority the following items:

- A. A copy of the Developer’s DPC with the City, executed by both Developer and the City;
- B. A copy of the executed and recorded Maintenance Agreement;
- C. Evidence of Completion of the Project and evidence of Completion of the Public Works and Improvements;
- D. A written request for payment;
- E. A summary of all Project Costs incurred to-date;
- F. A summary of Developer advances as of the date of the request for payment;
- G. A summary of all costs reimbursed to the Developer by the City pursuant to the DPC;
- H. Evidence that all contractors, subcontractors, laborers, materialmen, architects, engineers and all other parties who have performed work on or furnished materials to-date have been paid in full, together with executed and delivered releases of lien or customary affidavits executed by such contractors;
- I. A certificate executed by an officer or other party authorized to bind Developer certifying that all contractors, subcontractors, laborers, materialmen, architects, engineers and all other parties who have performed work on or furnished materials to-date have been paid in full; and

J. Evidence of efforts relating to participation of Minority Business Enterprises and Women Business Enterprises as set forth in Section 4.5.

6.3 Reimbursement. Upon Completion of the Project and Completion of the Public Works and Improvements and execution and recordation of the Maintenance Agreement, Developer shall submit a final certificate of Developer Advances certifying the amount of the actual Project Costs, and showing the schedule for payment of the Authority Contribution from the Available Tax Increment over a period expiring on December 31, 2040 (the “Outside Contribution Date”). On or before September 30 of each year beginning with the year in which the first installment of the Authority Contribution is to be paid, in the event that all conditions described in Section 6.2 have been met, the Authority shall pay Developer annual installments from the Available Tax Increment subject to the limitations in the following sentence, beginning November 1 in the year such Available Tax Increment is paid to the Authority following Completion of the Project and the Public Works Improvements and on November 1 of each year during the term of this Agreement (as defined in Section 9.13). The Authority Contribution shall not exceed the lesser of (i) \$3,063,663; (ii) the actual Project Costs minus any amount paid for from a DPC (as further provided in Section 6.4 of this Agreement); and (iii) the Available Tax Increment for the Project through and including the Outside Contribution Date. If the Authority Contribution has not been paid in full on or before the Outside Contribution Date, the Authority shall pay Developer the final annual installment from the Available Tax Increment for tax year 2040 on November 1 in the year such Available Tax Increment for tax year 2040 is paid to the Authority. Developer acknowledges that (i) the Available Tax Increment for the Project through and including the Outside Contribution Date may be less than the actual Project Costs incurred by Developer; (ii) the Authority owes no obligation to pay the full amount of the Available Tax Increment pledged to the Developer under this Agreement, if the Available Tax Increment has not been collected; and (iii) Developer may not look to any other source of funds other than the Available Tax Increment for reimbursement for its payment of the Project Costs under this Agreement.

6.4 Offsets. Developer agrees that it will seek reimbursement from the City for Project Costs eligible for payment by the City under the City’s DPC program to the maximum extent allowed by the City thereunder. Costs reimbursable to Developer under this Agreement shall be reduced to the extent that those Project Costs are reimbursed to Developer under a DPC or similar agreement, or are contracted to be reimbursed thereunder. Developer agrees to provide the Authority with a copy of each DPC executed by the Developer covering otherwise eligible Project Costs and the obligations of the Authority to reimburse Developer will be decreased by the amount of the City’s payments thereunder.

6.5 Sale or Assignment.

A. Following Completion of the Project and Completion of the Public Works and Improvements, provided that no Event of Default then exists, Developer shall have the right, without the Authority’s consent, to transfer or sell the entirety of the Project, subject to the conditions set forth herein. Developer shall give the Authority written notice of any such sale or transfer within thirty (30) days of the occurrence of the same along with copies of the documents described in the following sentence. In connection with any such sale or transfer, Developer shall assign this Agreement and the Maintenance Agreement to a purchaser or transferee of the Project; provided, however, no assignment of this Agreement and/or the Maintenance Agreement shall be

binding upon the Authority (and the transferor shall not be released from Developer's obligations under this Agreement and/or the Maintenance Agreement, as applicable) unless and until the Authority has received all of the following items: (a) a copy of the fully-executed assignment (which assignment shall include an assumption by the purchaser or transferee of all obligations of Developer under this Agreement and/or Maintenance Agreement, as applicable, to the extent accruing from and after the date of such assignment), (b) a copy of the assignment and assumption of the Maintenance Agreement recorded in the Official Public Records of Harris County, Texas, and (c) a copy of the executed and recorded deed conveying the Project to the purchaser or transferee along with current contact information for the purchaser or transferee. Developer shall not be released from its obligations under this Agreement and the Maintenance Agreement accruing prior to the date of any such sale or transfer or after the date of any such sale or transfer if the foregoing conditions are not fully satisfied.

B. Notwithstanding the foregoing, Developer shall be entitled to collaterally assign its rights and responsibilities under this Agreement to a commercial bank or lender which provides financing for the construction of the Project (each, a "Lender"), provided that Developer provides to the Authority a fully executed copy of any such collateral assignment and the name and contact information of the Lender. With regard to a collateral assignment to a Lender for which the Authority has received notice from Developer as described in the immediately preceding sentence, the following provisions shall apply:

(i) The Authority shall give to the Lender, at the address of such Lender set forth in a notice from such Lender or from the Developer and otherwise in the manner required under Section 9.4 hereof, a copy of each notice given by the Authority to the Developer hereunder (including any and all Event of Default notices) at the same time as and whenever any such notice shall thereafter be given by the Authority to the Developer, and no such notice by the Authority shall be deemed to have been duly given to the Developer (and no cure period shall be deemed to have commenced) unless and until a copy thereof shall have been given to each such Lender. Each Lender (a) shall have a period of an additional thirty (30) days in the case of any Event of Default, after the applicable period afforded the Developer hereunder for remedying the Event of Default has expired, to cure such Event of Default and (b) shall, within such period and otherwise as herein provided, have the right (but not the obligation) to remedy such Event of Default or cause the same to be remedied. The Authority shall accept performance by or on behalf of a Lender of any covenant, condition or agreement on the Developer's part to be performed hereunder with the same force and effect as though performed by the Developer, so long as such performance is made in accordance with the terms and provisions of this Agreement.

(ii) With respect to any Event of Default, so long as a Lender shall be diligently exercising its cure rights under this Section 6.5(B) with respect thereto within the applicable cure periods set forth above, the Authority shall not (a) serve a termination notice hereunder, or (b) bring a proceeding on account of such Event of Default to terminate this Agreement or the rights of Developer hereunder. Nothing in this Section 6.5(B) or in any other provision of this Agreement shall, however, be construed to require any such Lender to cure any Event of Default by the Developer under this Agreement.

(iii) The exercise of any rights or remedies of a Lender under its financing agreement with Developer, including the consummation of any foreclosure or deed in lieu of foreclosure, shall not constitute a default under this Agreement.

(iv) In the event any Lender acquires title to the Property through foreclosure of a mortgage, deed in lieu of foreclosure or otherwise, such Lender shall be deemed to be an assignee of the Developer under this Agreement provided that such Lender assumes in writing the obligations of the Developer hereunder. No Lender shall become liable under the provisions of this Agreement unless and until such time as it agrees in writing to assume the obligations of the Developer hereunder.

(v) From and after the date upon which the Authority receive a notice from the Developer or a Lender which identifies the particular Lender, the Authority shall not amend or modify this Agreement in any material respect without the prior written consent of the Lender covered by such notice.

(vi) The Authority shall, upon written request of the Developer or any Lender, execute and deliver any estoppel certificate reasonably requested by any such party pursuant to which the Authority shall certify as to any information with respect to this Agreement and the parties' obligations hereunder as reasonably requested by the Developer or a Lender (including, without limitation, that no party is in default hereunder, that no default or termination notice has been delivered, and that there are no modifications or amendments to this Agreement).

**ARTICLE 7
INSURANCE, INDEMNIFICATION AND RELEASE**

7.1 Insurance. With no intent to limit any contractor's liability or obligation for indemnification, Developer shall require that each contractor providing work or service on the Public Works and Improvements provide and maintain certain insurance in full force and effect at all times during the construction of the Public Works and Improvements and shall require that the City, the Authority, and the Zone are named as additional insureds under such contractor's insurance policies.

The insurance, at a minimum, must include the following coverages and limits of liability:

<u>Coverage</u>	<u>Limit of Liability</u>
Worker's Compensation	Statutory for Workers Compensation
Employer's Liability (each accident) (policy limit) (each employee)	Bodily Injury by Disease \$500,000 Bodily Injury by Accident \$100,000 Bodily Injury by Disease \$100,000
Comprehensive General Liability:	Each Occurrence Limit of \$1,000,000

	Personal and Advertising Limit of \$1,000,000 General Aggregate Limit of \$2,000,000 Products - Completed Operations Aggregate Limit of \$2,000,000
Automobile Liability Insurance (for automobiles used by the contractor in the course of its performance under this Agreement including employer's non-owned and hired auto coverage)	\$1,000,000 combined single limit per occurrence
Professional Liability Coverage (for professional service contract only)	\$500,000 per occurrence \$1,000,000 aggregate

If the amount of any contract awarded by Developer to construct Public Works and Improvements shall exceed \$1,000,000, Developer shall contract with the contractor to maintain Commercial General Liability coverage for at least twice the combined minimum limits specified above.

A. Form of Policies. The Authority Board may approve the form of the insurance policies, but nothing the Authority Board does or fails to do relieves Developer of its obligation to provide the required coverage under this Agreement. The Authority Board's actions or inactions do not waive the Zone's or Authority's rights under this Agreement.

B. Issuers of Policies. The issuer of each policy shall be a carrier that is authorized or eligible to do business in the State of Texas by the Texas Department of Insurance or a legally established self-insurance pool in the State of Texas. As applicable, carriers must have a certificate of authority to transact insurance business in Texas or a Best's rating of at least B+ and a Best's Financial Size Category of Class VI or better, according to the most current edition Best Key Rating Guide, Property-Casualty United States.

C. Insured Parties. Each policy, except those for Workers' Compensation, Employer's Liability, and Professional Liability, must name the Authority (and its officers, agents, and employees) as additional insured parties on the original policy and all renewals or replacements.

D. Deductibles. Developer shall be responsible for and bear (or shall contract with each applicable contractor to bear and assume) any claims or losses to the extent of any deductible amounts and waives (and shall contract with each contractor to waive) any claim it may have for the same against the Authority or Zone, its officers, agents, or employees.

E. Cancellation. Each policy must state that it may not be canceled, materially modified, or nonrenewed unless the insurance company gives the Authority 30 days' advance written notice. Developer shall (and shall contract with each contractor to) give written notice to the Authority within five days of the date on which total claims by any party against such person reduce the aggregate amount of coverage below the amounts required by this Agreement. In the alternative, the policy may contain an endorsement establishing a policy aggregate for the particular project or location subject to this Agreement.

F. Subrogation. Each policy must contain an endorsement to the effect that the issuer waives any claim or right of subrogation to recover against the Authority, its officers, agents, or employees.

G. Primary Insurance Endorsement. Each policy, except Workers' Compensation and Professional Liability (if any), must contain an endorsement that the policy is primary to any other insurance available to the additional insured with respect to claims arising under this Agreement.

H. Liability for Premium. Developer shall pay (or shall contract with contractors to pay) all insurance premiums for coverage required by this Section, and the Authority or Zone shall not be obligated to pay any premiums.

I. Subcontractors. Notwithstanding the other provisions of this Section, the amount of coverage contracted to be provided by subcontractors shall be commensurate with the amount of the subcontract, but in no case less than \$500,000 per occurrence. Developer shall provide (or shall contract with contractors to provide) copies of insurance certificates to the Authority.

J. Proof of Insurance. Promptly after the execution of this Agreement and from time to time during the term of this Agreement at the request of the Authority, Developer shall furnish the Authority with certificates of insurance maintained by Developer in accordance with this Section along with an affidavit from Developer confirming that the certificates accurately reflect the insurance coverage maintained. If requested in writing by the Authority, Developer shall furnish the Authority Representative with certified copies of Developer's actual insurance policies. If Developer does not comply with the requirements of this Section, the Authority, at its sole discretion, may (1) suspend performance by the Authority and the hereunder and begin procedures to terminate this Agreement for default or (2) purchase the required insurance with Authority or Zone funds and deduct the cost of the premiums from amounts due to Developer under this Agreement. The Authority shall never waive or be estopped to assert its right to terminate this Agreement because of its acts or omissions regarding its review of insurance documents.

K. Other Insurance. If requested by the Authority, Developer shall furnish adequate evidence of Social Security and Unemployment Compensation Insurance, to the extent applicable to Developer's operations under this Agreement.

7.2 Indemnification and Release.

DEVELOPER SHALL DEFEND, INDEMNIFY, AND HOLD THE CITY, THE AUTHORITY AND THE ZONE, THEIR AGENTS, EMPLOYEES, OFFICERS, AND LEGAL REPRESENTATIVES (COLLECTIVELY, THE "INDEMNIFIED PERSONS") HARMLESS FOR ALL CLAIM, CAUSES OF ACTION, LIABILITIES, FINES, AND EXPENSES (INCLUDING, WITHOUT LIMITATION, ATTORNEYS' FEES, COURT COSTS, AND ALL OTHER DEFENSE COSTS AND INTEREST) FOR INJURY, DEATH, DAMAGE, OR LOSS TO PERSONS OR PROPERTY SUSTAINED IN CONNECTION WITH OR INCIDENTAL TO PERFORMANCE UNDER THIS AGREEMENT, INCLUDING, WITHOUT LIMITATION, THOSE CAUSED BY:

A. DEVELOPER AND/OR ITS AGENTS', EMPLOYEES, OR OFFICERS' DIRECTORS', CONTRACTORS' OR SUBCONTRACTORS' (COLLECTIVELY "DEVELOPER'S) ACTUAL OR ALLEGED NEGLIGENCE OR INTENTIONAL ACTS OR OMISSIONS;

B. THE INDEMNIFIED PERSONS' AND DEVELOPER'S ACTUAL OR ALLEGED CONCURRENT NEGLIGENCE, WHETHER DEVELOPER IS IMMUNE FROM LIABILITY OR NOT; AND

C. THE INDEMNIFIED PERSONS' AND DEVELOPER'S ACTUAL OR ALLEGED STRICT PRODUCTS LIABILITY OR STRICT STATUTORY LIABILITY, WHETHER DEVELOPER IS IMMUNE FROM LIABILITY OR NOT.

DEVELOPER SHALL DEFEND, INDEMNIFY, AND HOLD THE INDEMNIFIED PERSONS HARMLESS DURING THE TERM OF THIS AGREEMENT AND FOR FOUR YEARS AFTER THIS AGREEMENT TERMINATES.

Notwithstanding any other provision of this Section 7.2 or other provisions of this Agreement, (1) Developer's indemnification of all Indemnified Persons other than Zone directors is limited to \$1,000,000 per occurrence; and (2) Developer shall not be obligated to indemnify any Indemnified Person for the Indemnified Person's sole negligence; and (3) Developer shall not be obligated to indemnify any Indemnified Persons to the extent that any claims which might otherwise be subject to indemnification hereunder resulted, in whole or in part, from the gross negligence, recklessness or intentional act or omission of any Indemnified Person or Persons.

If an Indemnified Person or Developer receives notice of any claim or circumstance which could give rise to an indemnified loss, the receiving party shall give written notice to the other party within 10 days. The notice must include a description of the indemnification event in reasonable detail, the basis on which indemnification may be due, and the anticipated amount of the indemnified loss. This notice shall not estop or prevent an Indemnified Person from later asserting a different basis for indemnification or a different amount of indemnified loss than that indicated in the initial notice. If an Indemnified Person does not provide this notice within the 10 day period, it does not waive any right to indemnification except to the extent that Developer is prejudiced, suffers loss, or incurs expense because of the delay.

Developer shall assume the defense of the claim at its own expense with counsel chosen by it that is reasonably satisfactory to the Indemnified Person. Developer shall then control the defense and any negotiations to settle the claim. Within 10 days after receiving written notice of the indemnification request, Developer shall advise the Indemnified Person as to whether or not it will defend the claim. If Developer does not assume the defense, the Indemnified Person shall assume and control the defense, and all defense expenses incurred by it shall constitute an indemnification loss.

If Developer elects to defend a claim, the Indemnified Person may retain separate counsel at the sole cost and expense of such Indemnified Person to participate in (but not control) the defense and to participate in (but not control) any settlement negotiations. Developer may settle the claim without the consent or agreement of the Indemnified Person, unless the settlement (i) would result

in injunctive relief or other equitable remedies or otherwise require the Indemnified Person to comply with restrictions or limitations that adversely affect the Indemnified Person, (ii) would require the Indemnified Person to pay amounts that Developer does not fund in full, or (iii) would not result in the Indemnified Person's full and complete release from all liability to the plaintiffs or claimants who are parties to or otherwise bound by the settlement.

DEVELOPER RELEASES EACH INDEMNIFIED PERSON FROM ALL LIABILITY FOR INJURY, DEATH, DAMAGE, OR LOSS TO PERSONS OR PROPERTY SUSTAINED IN CONNECTION WITH OR INCIDENTAL TO PERFORMANCE UNDER THIS AGREEMENT, EVEN IF THE INJURY, DEATH, DAMAGE, OR LOSS IS CAUSED BY THE INDEMNIFIED PERSON'S CONCURRENT NEGLIGENCE AND/OR THE INDEMNIFIED PERSON'S STRICT PRODUCTS LIABILITY OR STRICT STATUTORY LIABILITY, BUT NOT SUCH INDEMNIFIED PERSON'S SOLE NEGLIGENCE OR FROM ANY DAMAGE OR LOSS TO THE EXTENT RESULTING FROM THE GROSS NEGLIGENCE, RECKLESSNESS OR INTENTIONAL ACT OR OMISSION OF THE INDEMNIFIED PERSON.

DEVELOPER SHALL REQUIRE ALL CONTRACTORS ENGAGED BY IT TO CONSTRUCT PUBLIC WORKS AND IMPROVEMENTS (AND THEIR SUBCONTRACTORS) TO RELEASE AND INDEMNIFY THE INDEMNIFIED PERSONS TO THE SAME EXTENT AND IN SUBSTANTIALLY THE SAME FORM AS ITS RELEASE OF AND INDEMNITY TO THE INDEMNIFIED PERSONS HEREUNDER.

7.3 RELEASE. DEVELOPER SHALL ALSO REQUIRE THAT ALL GENERAL CONTRACTORS INDEMNIFY THE CITY, THE AUTHORITY, AND THE ZONE AND THEIR RESPECTIVE OFFICIALS AND EMPLOYEES FROM AND AGAINST ANY AND ALL CLAIMS, LOSSES, DAMAGES, CAUSES OF ACTION, SUITS AND LIABILITIES ARISING OUT OF SUCH CONTRACTOR'S WORK AND ACTIVITY RELATED TO THE PUBLIC WORKS AND IMPROVEMENTS.

ARTICLE 8 DEFAULT AND REMEDIES

8.1 Default by Developer. Each of the following events shall constitute an "Event of Default" of the Developer under this Agreement:

A. The failure of Developer to Commence Construction of the Project or Commence Construction of the Public Works and Improvements pursuant to the terms hereof;

B. The failure of Developer to perform any of its obligations hereunder in compliance with this Agreement, including but not limited to its obligations contained in Article 4 and Article 6 of this Agreement, within thirty (30) days after notice of such failure by the Authority to Developer; or

C. Developer filing a petition under any section of the Federal Bankruptcy Code, or any similar state or federal law, making an assignment for the benefit of creditors, or being adjusted bankrupt or insolvent.

8.2 Remedies Upon Default by Developer. Upon the occurrence and during the continuance of an Event of Default of the Developer, the Authority shall have the right, upon written notice to the Developer, to terminate this Agreement in its entirety and shall have no further obligations hereunder, including to provide any reimbursement from the Authority Contribution pursuant to Section 6.3, unless Developer has caused the Event of Default to be cured before the Authority delivers written termination of this Agreement to Developer.

8.3 Default by the Authority. The Authority shall be in default hereunder (each an “Event of Default”) if the Authority fails to perform its obligations hereunder within thirty (30) days after notice of such failure by the Developer to the Authority.

8.4 Remedies Upon Default by the Authority. Upon the occurrence of an Event of Default by the Authority and while such remains uncured, Developer may, upon thirty (30) days additional written notice to the Authority, terminate this Agreement, or pursue any and all remedies available to it at law or in equity including, without limitation, damages (but excluding the remedy of specific performance, which is hereby expressly waived).

8.5 Cumulative Remedies. Except as otherwise provided in this Agreement, each right or remedy of the parties provided for in this Agreement shall be cumulative of and shall be in addition to every other right or remedy of the parties provided for in this Agreement, and, except as otherwise provided in this Agreement, the exercise or the beginning of the exercise by any party of any one or more of the rights or remedies provided for in this Agreement shall not preclude the simultaneous or later exercise by any party of any or all other rights or remedies provided for in this Agreement.

8.6 No Waiver. No failure or delay of either party in any one or more instances (a) in exercising any power, right or remedy under this Agreement, or (b) in insisting upon the strict performance by the other party of such other party’s covenants, obligations or agreements under this Agreement shall operate as a waiver, discharge or invalidation thereof, nor shall any single or partial exercise of any such right, power or remedy or insistence on strict performance, or any abandonment or discontinuance of steps to enforce such a right, power or remedy or to enforce strict performance, preclude any other or future exercise thereof or insistence thereupon or the exercise of any other right, power or remedy. The covenants, obligations, and agreements of a defaulting and the rights and remedies of the other party upon a default shall continue and remain in full force and effect with respect to any subsequent breach, act or omission.

8.7 Damages. References in this Agreement to “damages” mean and refer to actual, direct damages and not consequential, punitive or exemplary damages, and each party agrees not to assert or pursue any claim for consequential, punitive or exemplary damages against the other party.

ARTICLE 9 GENERAL

9.1 Inspections, Audits. Developer agrees to keep such operating records relating to the Public Works and Improvements as may be reasonably required by the Authority, or by state and federal law or regulation. Developer shall allow the Authority reasonable access to documents and records

in Developer's possession, custody or control that the Authority deems necessary to assist the Authority in determining Developer's compliance with this Agreement.

9.2 Developer Operations and Employees. All personnel supplied or used by Developer in the performance of this Agreement shall be deemed employees or subcontractors of Developer and will not be considered employees, agents or subcontractors of the Authority or the City for any purpose whatsoever. Developer shall be solely responsible for the compensation of all such personnel, for withholding of income, social security and other payroll taxes and for the coverage of all worker's compensation benefits.

9.3 Personal Liability of Public Officials. To the extent permitted by State law, no director, officer, employee or agent of the Zone or the Authority, and no officer, employee or agent of the City, shall be personally responsible for any liability arising under or growing out of the Agreement.

9.4 Notices. Any notice sent under this Agreement (except as otherwise expressly required) shall be written and mailed, or sent by electronic transmission confirmed by mailing written confirmation at substantially the same time as such electronic transmission, or personally delivered to an officer of the receiving party at the following addresses:

Authority:

Hardy/Near Northside Redevelopment Authority
c/o Bracewell LLP
711 Louisiana Street, Suite 2300
Houston, Texas 77002-2770
Attn: Clark Lord
clark.lord@bracewell.com

Developer:

MP White Oak Apartments LLC
135 Water Street, Fourth Floor
Naperville, Illinois 60540
Attn: Chris Yuko
cyuko@marquettecompanies.com

with copy to:

Wilson Cribbs + Goren
2500 Fannin Street
Houston, Texas 77002
Attn: Reid Wilson
rwilson@wcglaw.com

Each party may change its address by written notice in accordance with this Section. Any communication addressed and mailed in accordance with this Section shall be deemed to be given when so mailed, any notice so sent by electronic or facsimile transmission shall be deemed to be given when receipt of such transmission is acknowledged, and any communication so delivered in

person shall be deemed to be given when receipted for by, or actually received by, the Authority or Developer, as the case may be.

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

9.6 Invalidity. In the event that any of the provisions contained in this Agreement shall be held unenforceable in any respect, such unenforceability shall not affect any other provision of this Agreement.

9.7 Successors and Assigns. All covenants and agreements by or on behalf of the Parties to this Agreement shall bind and inure to the benefit of their respective successors and assigns. Except as otherwise provided in Section 6.5 of this Agreement, neither party may sell, assign, hypothecate, pledge, encumber or otherwise transfer its rights and obligations under this Agreement or any interest herein or any interest of the assigning party (whether by change of control, merger, reorganization, transfer of substantially all assets or otherwise) unless approved in writing by the non-assigning party. Nothing in this Agreement shall be construed to give any person (other than the parties, the City and their respective permitted successors and assigns) any legal or equitable right, remedy or claim under or in respect of this Agreement or any covenants, conditions or provisions contained herein or any standing or authority to enforce the terms and provisions hereof. No person shall be a third-party beneficiary of this Agreement or have the right to enforce this Agreement or any provision hereof.

9.8 Exhibits, Titles of Articles, Sections and Subsections. The exhibits attached to this Agreement are incorporated herein and shall be considered a part of this Agreement for the purposes stated herein, except in the event of any conflict between any of the provisions of such exhibits and the provisions of this Agreement, the provisions of this Agreement shall prevail. 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 Agreement unless otherwise stated. Any reference to any exhibit shall be considered a reference to the applicable exhibit attached hereto unless otherwise stated.

9.9 Construction. This Agreement 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.

9.10 Venue. Any suit, action or proceeding, which is permitted to be brought by a party against the other party arising out of or relating to this Agreement or any transaction contemplated hereby or any judgment entered by any court in respect thereof shall be brought in a federal or state court of appropriate jurisdiction in Harris County, Texas.

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

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

9.13 Term. Subject to earlier termination as provided herein, this Agreement shall be in force and effect from the Effective Date for a term expiring on the earlier of (i) the date that the Authority Contribution has been paid in full or (ii) the Outside Contribution Date (the “Term”). Notwithstanding the expiration of the term or earlier termination of this Agreement, provisions of this Agreement and the Maintenance Agreement that contemplate performance after the expiration or termination of this Agreement and the obligations of the parties not fully performed at the expiration or termination of this Agreement (including, if applicable, the Authority’s payment to Developer of the final annual installment from the Available Tax Increment for tax year 2040, as provided in Section 6.3) shall not be deemed to be waived or merged into any documents executed prior to or on the expiration or termination of this Agreement, but shall survive the expiration or termination of this Agreement.

9.14 Approval by the Parties. Whenever this Agreement requires or permits approval or consent to be hereafter given by any of the parties, the parties agree that such approval or consent shall not be unreasonable withheld or delayed.

9.15 State Law Requirements.

A. The Developer will provide a completed and notarized Form 1295 generated by the Texas Ethics Commission’s electronic filing application in accordance with the provisions of Section 2252.908, Texas Government Code, as amended, and the rules promulgated by the Texas Ethics Commission (“Form 1295”), in connection with entry into this Agreement. Upon receipt of the Developer’s Form 1295, the Authority agrees to acknowledge the Developer’s Form 1295 through its electronic filing application. The Authority and the Developer understand and agree that, with the exception of information identifying the Developer and the contract identification number, the Authority is not responsible for the information contained in the Developer’s Form 1295 and the Authority has not verified such information.

B. The Developer represents that neither it nor any of its parent company, wholly- or majority-owned subsidiaries, and other affiliates is a company identified on a list prepared and maintained by the Texas Comptroller of Public Accounts under Section 2252.153 or Section 2270.0201, Texas Government Code, and posted on any of the following pages of such officer’s internet website:

<https://comptroller.texas.gov/purchasing/docs/sudan-list.pdf>,
<https://comptroller.texas.gov/purchasing/docs/iran-list.pdf>, or
<https://comptroller.texas.gov/purchasing/docs/fto-list.pdf>.

The foregoing representation is made solely to enable the Developer to comply with Section 2252.152, Texas Government Code, and to the extent such Section does not contravene applicable Federal or Texas law and excludes the Developer and each of its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, that the United States government has affirmatively declared to be excluded from its federal sanctions regime relating to Sudan or Iran or any federal sanctions regime relating to a foreign terrorist organization.

9.16 Counterparts. This Agreement may be executed in as many counterparts as may be convenient or required. All counterparts shall collectively constitute a single instrument. Any signature page to any counterpart may be detached from such counterpart without impairing the legal effect of the signatures thereon and thereafter attached to another counterpart identical thereto except having attached to it additional signature pages. Any facsimile or electronic copies hereof or signatures hereon shall, for all purposes, be deemed originals.

9.17 Additional Actions. The Parties agree to take such actions, including the execution and delivery of such documents, instruments, petitions and certifications as may be necessary or appropriate, from time to time, to carry out the terms, provisions and intent of this Agreement and to aid and assist each other in carrying out said terms, provisions and intent.

9.18 Time of Essence. Time is of the essence in the performance of this Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be duly executed as of the Effective Date.

HARDY/NEAR NORTHSIDE
REDEVELOPMENT AUTHORITY

By: _____

Edward Reyes, Board Chair

Date: _____

ATTEST:

By: _____

Sylvia Cavazos, Board Secretary

Date: _____

MP WHITE OAK APARTMENTS LLC, a
Delaware limited liability company

By: _____

Name: _____

Title: _____

Date: _____

APPROVED BY CITY:

CHIEF DEVELOPMENT OFFICER

By: _____

Name: _____

Title: _____

EXHIBIT A

Project Site

[legal description/survey of Project Site to be inserted]

EXHIBIT B

Public Works and Improvements

Category	Project Costs (Estimated)
<u>White Oak Apartments - ROW Improvements to Boundary Street & Keene Street</u> Mobilization, Site Preparation, Excavation, SWPPP Items, Bonds, Pavement, Curb and Gutter, Striping, Signal and Hardware Improvements, ROW Dedication, Signage, Bonding, Surveying, Materials, Carry + Financing Cost, Testing, Traffic Control, Permit Fees, etc.	\$1,167,093
<u>White Oak Apartments + Offsite Waste Water + Utility Expansion Across N. Main Street</u> Mobilization, Water Items, Drainage Items, Clearing and Grubbing, Site Preparation (Including But Not Limited To: Duct Bank, Conduits, Electrical Cables, Manholes, Overhead Poles, etc.), SWPPP Items, Excavation, Easement Purchase, Impact Fees, Sanitary Sewer Items, Storm Sewer Items, Roadway Items, Paving, Landscaping Street Lighting, Materials Testing, Landscaping, Bonds, Traffic Control, Permit Fees, Meter Fees, and Tap Fees	\$576,195
<u>Public Access Easements, Parking, Wayfinding, Site Safety</u> Site Preparation, Material Items, Roadway Items, Borings, Permit Fees, Meter fees, Landscaping Items, Site Preparation Items, Bonding, Materials Testing, Traffic Control Items, Hard Costs, F&E	\$375,000
<u>Engineering, Construction Management, Legal, Title</u>	\$945,375
Total Improvements	\$3,063,663

Exhibit C

Form of Maintenance Agreement

MAINTENANCE COVENANTS

These MAINTENANCE COVENANTS (“Covenants”) are made by MP WHITE OAK APARTMENTS LLC, a Delaware limited liability company (“Owner”), to and for the benefit of the HARDY/NEAR NORTHSIDE REDEVELOPMENT AUTHORITY, a public non-profit local government corporation created and organized under the provisions of Chapter 431, Texas Transportation Code, and authorized and approved by the City of Houston, Texas (“City”) under Resolution No. 2009-32, passed and adopted by the City Council of the City on November 10, 2009 (“Authority”), acting by and through its governing body, the Board of Directors and acting on behalf of the REINVESTMENT ZONE NUMBER TWENTY-ONE, CITY OF HOUSTON, TEXAS, a tax increment reinvestment zone created by the City pursuant to Chapter 311 of the Texas Tax Code, as amended (“Hardy/Near Northside Zone”).

RECITALS

A. Owner owns certain real property described on Exhibit A attached hereto and incorporated herein (“Property”) on which Owner has developed a project consisting of 6 stories of residential units and a 4-level parking structure, comprised of approximately 356 residential units and related amenities (“Project”).

B. The Authority and Owner entered into that certain Development Agreement dated , 2022, regarding the Project and certain public works and improvements associated with the Project (“Development Agreement”).

C. Pursuant to the Development Agreement, Owner has planned, designed, constructed, equipped and installed certain *[insert list of applicable public works and improvements]* (“Public Works and Improvements”), and the Authority has agreed to reimburse Owner for certain costs for the Public Works and Improvements.

D. In consideration of the covenants and agreements of the Authority pursuant to the Development Agreement, Owner has agreed to manage, operate and maintain the Public Works and Improvements for the Term (as hereinafter defined) and execute and record these Covenants.

COVENANTS

NOW, THEREFORE, in consideration of the covenants and agreements set forth in the Development Agreement and these Covenants, Owner hereby agrees and declares that the Property and each part thereof shall be subject to the following terms, covenants and restrictions.

1. **Maintenance of Public Works and Improvements.** Owner covenants and agrees, at its sole cost and expense, to maintain in good condition and working order at all times the Public Works and Improvements. Owner’s maintenance obligations shall include, without limitation: (a) the maintenance, repair, upkeep and replacement of all components of the Public Works and

Improvements including all (i) concrete, stone, crushed stone, gravel, brick pavers or other materials used for sidewalks or walkways, (ii) sidewalks, walkways, driveways and curbs, (iii) ground cover, grass, trees, shrubbery and other landscaping vegetation and materials, (iv) trash receptacles, benches, bike racks and lamp posts, (v) irrigation and electrical, tree lighting systems and other decorative lighting and (vi) public art; (b) the timely payment of all utility charges for irrigation and electrical systems related to the Public Works and Improvements including all tree and decorative lighting; and (c) the removal of trash and debris on or about Public Works and Improvements. Owner shall replace any damaged, destroyed or stolen components of the Public Works and Improvements with materials of comparable quality and quantity to the quality and quantity of the materials originally installed as components of the Public Works and Improvements

2. **Default and Remedies.** In the event Owner does not perform its maintenance obligations hereunder and, if such default remains uncured for a period of sixty (60) days after notice thereof is given in accordance with Section 5 (or in the event of a casualty or other loss requiring restoration or replacement of the Public Works and Improvements such longer period as may be reasonably necessary for Owner to perform such maintenance obligations), the Authority, at its option, may pursue specific performance of the Owner's obligations hereunder, cause such maintenance obligations to be performed and recover from Owner the cost of same or pursue any other remedy available at law or in equity. Owner shall pay such costs within thirty (30) days of receipt of a written statement of costs from the Authority, accompanied by contractor invoices, paid receipts, or other reasonable documentation to substantiate the amount set forth in such statement. The amount of any such statement that is not timely paid by Owner shall accrue interest at the lesser of twelve percent (12%) or highest rate allowed by law.

3. **Covenants Run with the Land; Successors and Assigns.** The terms, covenants, and agreements set forth in these Covenants shall run with the Property and each portion thereof and shall be binding on all parties having any right, title or interest in or to the Property or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of, and be enforceable by, the Authority or the Hardy/Near Northside Zone and their respective successors and assigns. As used herein, the term "Owner" shall mean the Owner, and the Owner's successors and assigns holding title to the Property or any portion thereof. In the event at any time more than one party holds title to the Property or any portion thereof, then, such parties shall be jointly and severally liable for the maintenance obligations herein set forth and such parties shall jointly exercise any rights of the Owner hereunder. Any party constituting the Owner that ceases to hold title to the Property or any portion thereof shall be deemed released from the obligations of the Owner under these Covenants to the extent such obligations arise from and after the date such party ceases to hold title to the Property or any portion thereof provided that an assignment and assumption agreement (which includes an assumption by purchaser or transferee of all of Owner's obligations under these Covenants to the extent accruing from and after the date of such assignment) is executed by the former Owner and successor Owner and recorded in the Official Public Records of Real Property of Harris County, Texas, and fully executed and recorded copies of such assignment and assumption agreement and the deed to the successor Owner is provided to the Authority with current contact information for the successor Owner.

4. **Term.** Unless terminated earlier by the Authority or its successors or assigns, the term of these Covenants shall be the later to occur of (a) December 31, 2052; and (b) the termination of the Hardy/Near Northside Zone.

5. **Notices.** Any notice sent under these Covenants shall be written and mailed, or sent by electronic transmission confirmed by mailing written confirmation at substantially the same time as such electronic transmission, or sent by nationally recognized overnight courier for next business day delivery, or personally delivered to the receiving party at the following addresses:

If to the Authority:

Hardy/Near Northside Redevelopment Authority
c/o Bracewell LLP
711 Louisiana Street, Suite 2300
Houston, Texas 77002-2770
Attn: Clark Lord
Email: clark.lord@bracewell.com

If to Owner:

MP White Oak Apartments LLC
135 Water Street, Fourth Floor
Naperville, Illinois 60540
Attn: Chris Yuko
Email: cyuko@marquettecompanies.com

Each party may change its address by written notice in accordance with this Section. Any communication addressed and mailed in accordance with this Section shall be deemed to be given when deposited with the U.S. Postal Service, sent by certified mail, return receipt requested, postage prepaid; any communication sent by nationally recognized overnight courier shall be deemed given (1) business day following deposit; and any communication delivered in person shall be deemed to be given when receipted for by, or actually received by the Authority or Owner, as the case may be.

6. **Invalidity.** If any provision of these Covenants is held to be illegal, invalid or unenforceable under the present or future laws, the legality, validity and enforceability of the remaining provisions of these Covenants will not be affected thereby.

7. **Governing Law.** These Covenants shall be governed by and construed in accordance with the laws of the State of Texas.

8. **Construction.** The parties acknowledge that the parties and their counsel have reviewed these Covenants and that the normal rule of construction to the effect that any ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of these Covenants.

9. **Counterparts.** These Covenants may be executed in multiple counterparts, each of which shall be deemed an original.

10. **No Third-Party Beneficiaries.** The Owner and the Authority acknowledge and agree that, except as expressly set forth herein, there are no intended third-party beneficiaries of these Covenants or of any of the right and privileges conferred herein.

11. **Amendments.** These Covenants may be amended, supplemented, restated or otherwise modified only by a written instrument executed by Owner and the Authority or their respective successors and assigns.

12. **Entire Agreement.** These Covenants and the Development Agreement constitute the entire agreement of the parties with respect to the subject matter hereof and supersede all prior written and oral agreements and understandings with respect to such subject matter.

[Signatures on Following Page]

These Covenants are executed to be effective as of the ____ day of _____,
_____.

OWNER

MP WHITE OAK APARTMENTS LLC

By: _____

Name: _____

Title: _____

THE STATE OF TEXAS §

§

COUNTY OF HARRIS §

This instrument was acknowledged before me on this ____ day of _____,
_____, by _____, _____ of MP White Oak
Apartments LLC, a Delaware limited liability company, on behalf of said limited liability
company.

Notary Public, State of Texas

AUTHORITY

**HARDY/NEAR NORTHSIDE
REDEVELOPMENT AUTHORITY**

By: _____

Name: _____

Title: _____

STATE OF TEXAS §

§

COUNTY OF HARRIS §

This instrument was acknowledged before me on this _____ day of _____, _____, by _____, the _____ of Hardy/Near Northside Redevelopment Authority, a public non-profit local government corporation created pursuant to Chapter 431, Texas Transportation Code, on behalf of said public non-profit local government corporation.

Notary Public, State of Texas

EXHIBIT A

Description of Property

[To be inserted.]

TAB

EIGHT

DEVELOPMENT AGREEMENT

Between

HARDY/NEAR NORTHSIDE REDEVELOPMENT AUTHORITY

and

MP WHITE OAK COMMERCIAL LLC

DEVELOPMENT AGREEMENT

This Development Agreement (“Agreement”), effective _____, 2022 (“Effective Date”), is made by and between HARDY/NEAR NORTHSIDE REDEVELOPMENT AUTHORITY (“Authority”), a local government corporation created and organized under the provisions of the Texas Transportation Corporation Act, Chapter 431, Transportation Code, acting by and through its governing body, the Board of Directors (“Authority Board”) and acting on behalf of REINVESTMENT ZONE NUMBER TWENTY-ONE, CITY OF HOUSTON, TEXAS (“Zone”), a tax increment reinvestment zone created by the City of Houston, Texas (“City”), pursuant to Chapter 311 of the Texas Tax Code, as amended (“Act”), acting by and through its governing body, the Board of Directors (“Zone Board”), and MP WHITE OAK COMMERCIAL LLC, a Delaware limited liability company (“Developer”).

RECITALS

Pursuant to the Act, by Ordinance No. 2003-1258, passed and adopted by the City Council of the City (“City Council”) on December 17, 2003, the City created the Zone.

The City approved the original project plan and reinvestment zone financing plan for the Zone (“Original Project and Financing Plan”) by Ordinance No. 2008-1212, passed and adopted by City Council on December 30, 2008, and approved amendments to the Original Project and Financing Plan by Ordinance No. 2009-1272, passed and adopted by City Council on December 9, 2009, Ordinance No. 2012-710, passed and adopted by City Council on August 15, 2012, and Ordinance No. 2019-994, passed and adopted by City Council on December 4, 2019 (the Original Project and Financing Plan, together with all amendments thereto, “Project and Financing Plan”).

By Resolution No. 2009-32, passed and adopted by City Council on November 10, 2009, the City authorized the creation of the Authority to aid, assist and act on behalf of the City in the performance of the City’s governmental and proprietary functions with respect to the common good and general welfare of the area included in the Zone and neighboring areas.

The Act provides that the Zone Board may enter into agreements as the Zone Board considers necessary or convenient to implement the Project and Financing Plan and achieve its purposes.

The City, the Zone and the Authority have entered into that certain agreement approved by Ordinance No. 2009-1271, passed and adopted by City Council on December 9, 2009 (“Hardy/Near Northside Agreement”), pursuant to which the City and the Zone contracted with the Authority to administer the Zone including, but not limited to, the power to engage in activities relating to the acquisition and development of land, to construct and improve infrastructure in the Zone, to enter into development agreements with developers/builders in the Zone, and to issue, sell or deliver its bonds, notes or other obligations, in accordance with, and subject to the limitations set forth in, the Hardy/Near Northside Agreement.

Developer desires to proceed with the development of a project within the Zone consisting of multiple built structures making up approximately 10,000-20,000 square feet of commercial space to be leased for commercial purposes (“Project”), and in connection with the Project,

Developer plans to construct and install the Public Works and Improvements (as hereinafter defined).

The Authority Board has determined that it is in the best interest of the Zone and the Authority to contract with the Developer to enter into this Agreement to utilize the Available Tax Increment (as hereinafter defined) generated by the Project to reimburse certain costs of the Public Works and Improvements in order to provide for the efficient and effective implementation of certain aspects of the Project and Financing Plan.

AGREEMENT

For and in consideration of the mutual promises, covenants, obligations, and benefits of this Agreement, the Authority and Developer contract and agree as follows:

ARTICLE 1 GENERAL TERMS

1.1 Definitions. The terms “Act,” “Agreement,” “Authority,” “Authority Board,” “City,” “City Council,” “Developer,” “Hardy/Near Northside Agreement,” “Project,” “Project and Financing Plan,” “Zone,” and “Zone Board” have the above meanings, and the following terms have the following meanings:

“Administrative Costs” shall mean all costs incurred by the Authority for the administration of the Zone and the Authority, including legal, bookkeeping, auditing, and other professional service costs, as approved in the Authority’s annual budget during the term of this Agreement.

“Authority Representative” shall mean any person or persons designated by the Authority to act on behalf of the Authority.

“Authority Contribution” shall mean the actual costs of the Project Costs, as defined herein, which shall be determined by the actual cost of the design and construction of the Public Works and Improvements; provided however, the Authority Contribution shall not exceed the lesser of (i) \$2,492,658, (ii) the amount of the Project Costs minus any amount paid for from a DPC (as further provided in Section 6.4 of this Agreement), and (iii) the Available Tax Increment through the Outside Contribution Date.

“Available Tax Increment” shall mean 80 percent of the tax increment derived from the Project Site above the Base Year Value and deposited into the Revenue Fund that are attributable to the Property; provided, however, that the pledges of any amounts deemed to be Available Tax Increments are subordinate and subject to: (i) the rights of any holder of bonds, notes or other obligations of the Authority that are secured in whole or part by Contract Tax Increments, (ii) reductions in the Contract Tax Increments received annually by the Authority for funds dedicated to the development of affordable housing in the City; and (iii) reductions by the City in Contract Tax Increments paid annually to the Authority for any administrative expenses and municipal service fees.

“Base Year Value” shall mean the value of the Project Site on January 1, 2022, as established and certified by the Harris County Appraisal District.

“City,” as defined in the preamble, is further defined as a municipal corporation and home-rule city of the State of Texas principally situated in Harris County, acting by and through its governing body, the City Council.

“Commence Construction” or “Commencement of Construction” shall mean (i) with respect to the Public Works and Improvements, that the Plans and Specifications have been approved by the Authority and that Developer has (a) obtained all permits, licenses, land uses, approvals and entitlements from the City and other governmental authorities necessary to commence preparation of the Construction Site; and (b) actually commenced mobilization, site groundbreaking or site grading work or demolitions, as needed, underground site work and foundation work for the Public Works and Improvements, and (ii) with respect to the Project, that the Developer has (a) obtained all permits, licenses, land uses, approvals and entitlements from the City and other governmental authorities necessary to commence preparation of the Project Site and (b) actually commenced mobilization, site groundbreaking or site grading work or demolitions, as needed, underground site work and foundation work for the Project.

“Complete”, “Completed” or “Completion” shall mean (i) with respect to the Public Works and Improvements, the final completion of construction of the Public Works and Improvements substantially in accordance with the Plans and Specifications so that the Public Works and Improvements can be used and maintained for their intended purposes, as approved by the Authority and certified by the architect and engineer engaged by Developer to make such certification, and (ii) with respect to the Project, the final completion of Developer’s work with respect to the Project, as evidenced by a final certificate of occupancy issued by the City for the Project.

“Construction Contract(s)” shall mean that certain construction contract entered into by Developer and General Contractor(s) pursuant to Section 4.2.

“Construction Site” shall mean those portions of the Project Site which are impacted by the construction of the Public Works and Improvements in accordance with the Plans and Specifications and this Agreement.

“Contract Tax Increments” shall mean the amount of funds paid to the City in each year for the Zone and required to be deposited by the City into the Revenue Fund pursuant to the Act and payable to and actually received by the Authority from the City pursuant to the Hardy/Near Northside Agreement.

“Developer Advances” shall mean any funds advanced by or on behalf of Developer for Project Costs pursuant to Section 6.1 of this Agreement.

“DPC” shall mean a developer participation agreement or other reimbursement agreement with the City relating to any portion of the Public Works and Improvements.

“Event of Default” shall mean with respect to Developer those events described in Section 8.1, and with respect to the Authority those events described in Section 8.3.

“Final Plans and Specifications” shall mean the Plans and Specifications prepared on behalf of

Developer and approved by the Authority, the HPW Director and all other regulatory authorities having jurisdiction thereover for the construction and installation of the Public Works and Improvements, as further described in Section 4.2 of this Agreement.

“General Contractor(s)” shall mean the entity(ies) with whom the Developer enters into the Construction Contract(s) for construction of the Public Works and Improvements.

“HPW Director” shall mean the City’s Director of Houston Public Works or his or her designee.

“Maintenance Agreement” shall have the meaning set forth in Section 4.10 of this Agreement.

“Outside Contribution Date” shall have the meaning set forth in Section 6.3 of this Agreement.

“Plans and Specifications” shall mean the designs, plans and specifications for the Public Works and Improvements prepared by or on behalf of Developer.

“Project Costs” shall mean eligible “Project Costs” as defined in Section 311.002 of the Act relating to the costs of the Public Works and Improvements, including all capital costs and other costs paid and incurred by Developer, including financing, planning, managing, designing, acquiring, constructing, and installing the Public Works and Improvements and obtaining reimbursement therefor, whether before or after the date of this Agreement, including, but not limited to, costs of all items described in Exhibit B hereto, including engineering, planning, accounting, architectural, legal fees and expenses, survey, testing, laboratory costs, any impact or capital recovery fees, land clearing and grading costs, advertising and other bidding costs, amounts due under construction contracts, and costs of labor and material, relating to the Public Works and Improvements, provided, however, that the term “Project Costs” expressly excludes Developer’s administrative and operational costs and the interest on Developer Advances.

“Project Site” shall mean those certain tracts of land more particularly depicted and described in Exhibit A attached hereto.

“Public Works and Improvements” shall mean the public works and improvements described in Exhibit B attached hereto.

“Revenue Fund” shall mean the special fund established by the Authority and funded with payments made by the City pursuant to the Hardy/Near Northside Agreement (which payments are attributable to incremental ad valorem property taxes paid from the Project Site).

1.2 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 Developer that as of the date hereof:

A. The Authority is duly authorized, created and existing in good standing under the laws of the State of Texas and is duly qualified and authorized to carry on the governmental functions and operations as contemplated by this Agreement.

B. The Authority has the power, authority and legal right to enter into and perform this Agreement and the execution, delivery and performance hereof (i) have been duly authorized, (ii) to the best of its knowledge, will not 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 or is a party or by which the Authority or its assets may be bound or affected.

C. The Public Works and Improvements and the Project Costs are components of or are consistent with the Project and Financing Plan.

D. This Agreement 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.

E. The execution, delivery and performance of this Agreement by the Authority do not require the consent or approval of any person which has not been obtained.

2.2 Representations of Developer. Developer hereby represents to the Authority that as of the date hereof:

A. Developer is duly authorized, created and existing in good standing under the laws of the State of Delaware, and is qualified to do business in the State of Texas.

B. Developer has the power, authority and legal right to enter into and perform its obligations set forth in this Agreement, and the execution, delivery and performance hereof (i) have been duly authorized, (ii) will not, to the best of its knowledge, violate any judgment, order, law or regulation applicable to Developer or any provisions of Developer's 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 Developer under any agreement or instrument to which Developer is a party or by which Developer or its assets may be bound or affected.

C. Developer will have sufficient capital to perform its obligations under this Agreement at the time it needs to have sufficient capital.

D. This Agreement has been duly authorized, executed and delivered and constitutes a legal, valid and binding obligation of Developer, enforceable in accordance with its terms.

**ARTICLE 3
THE PROJECT**

3.1 The Project. The Project shall be and include the design, construction, assembly, installation and implementation of a multi-unit residential rental development to be constructed by Developer on the Project Site.

3.2 Public Works and Improvements. The Project will be developed simultaneously with the Public Works and Improvements pursuant to the timing requirements agreed upon and set forth in Section 3.4 below. The estimated total amount of Authority Contribution associated with the Public Works and Improvements and the estimated costs of the line items comprising the Public Works and Improvements are set forth in Exhibit B.

3.3 Additional Projects. This Agreement does not apply to any projects except the Project specifically defined herein unless this Agreement is amended to provide for the design and construction of additional projects.

3.4 Right to Terminate. Notwithstanding any other provision of this Agreement, the Authority, in its sole and absolute discretion, shall have the right, upon thirty (30) days' prior written notice to Developer, to terminate this Agreement if: (a) Developer does not Commence Construction of the Project and Commence Construction of the Public Works and Improvements on or before two (2) years following the Effective Date. Upon the Authority's termination of this Agreement pursuant to this Section, all rights and obligations of the parties shall terminate and be of no further force or effect, except for the provisions of this Agreement that specifically survive termination of this Agreement.

**ARTICLE 4
DUTIES AND RESPONSIBILITIES OF DEVELOPER**

4.1 Design of the Public Works and Improvements. Developer shall prepare or cause to be prepared the Plans and Specifications for the Public Works and Improvements and shall submit the same to the Authority Representative for approval. The Authority Representative shall approve or reject the proposed Plans and Specifications within ten (10) business days of submission. In the event of the rejection of the Plans and Specifications, the Authority Representative shall include specific reasons for such rejection in writing. The Authority and Developer each agree to exercise commercially reasonable efforts to promptly resolve any objections to the proposed Plans and Specifications. On approval of the Plans and Specifications by the Authority, the HPW Director and all other regulatory authorities having jurisdiction thereover, the same shall constitute the Final Plans and Specifications. Any modifications (other than corrective changes) to the Final Plans and Specifications shall be submitted to the Authority Representative for approval. References in this Agreement to the Final Plans and Specifications shall mean and include any modifications approved by the Authority. For purposes hereof, "corrective changes" mean any necessary and reasonable changes required to correct defects or deficiencies in construction as originally contemplated by the Plans and Specifications, or as may be necessary to obtain all required governmental permits, inspections or approvals.

4.2 Construction of Public Works and Improvements.

A. Developer shall enter into a Construction Contract with the General Contractor providing for the construction and installation of the Public Works and Improvements in accordance in all material respects with the Final Plans and Specifications and causing the General Contractor to provide and furnish all materials and services as and when required in connection with the construction of the Public Works and Improvements and cause the General Contractor to perform all elements of this Agreement applicable to the construction of the Public Works and Improvements. Developer shall submit the proposed final form of the Construction Contract to the Authority for review and approval prior to execution of the same. Upon full execution of the approved form of Construction Contract, Developer shall promptly provide the Authority with a fully executed copy.

B. Developer will obtain all necessary permits, authorizations and approvals from the City and all other governmental officials and agencies having jurisdiction over the Public Works and Improvements (including the approvals required under the Hardy/Near Northside Agreement), will provide supervision of all phases of construction of the Public Works and Improvements, and will provide periodic reports of such construction to the Authority Board, with a copy to the Authority Representative and the HPW Director.

C. Developer shall perform its duties, responsibilities and obligations under this Agreement and shall cause the General Contractor to perform its duties, responsibilities and obligations in a diligent and careful manner with the quality of services, skill, diligence, prudence and foresight at least equal to those performed and practiced by other developers nationally recognized as developers of projects of similar type, size and complexity to the Public Works and Improvements.

4.3 Compliance with Applicable Laws. Developer agrees to and shall comply with and cause its General Contractor to comply with, all applicable laws and requirements in connection with performing its duties, responsibilities and obligations under this Agreement, including the planning, engineering, development and construction of the Public Works and Improvements.

4.4 Performance Bonds. Developer shall provide to the Authority prior to the Commencement of Construction of the Public Works and Improvements the following: (1) statutory payment bond pursuant to Chapter 2253 of the Texas Government Code; (2) statutory performance bond pursuant to Chapter 2253 of the Texas Government Code; and (3) one-year maintenance bond. Each of the foregoing bonds must name the Authority and the City as dual obliges and shall be: (a) issued by a surety acceptable to the Authority; (b) in a form acceptable to the Authority; and (c) in an amount equal to the full cost of Developer's Construction Contract with the General Contractor.

4.5 Participation of Minority Business Enterprises and Women Business Enterprises. As to the construction of the Public Works and Improvements:

A. Developer will make a good faith effort to comply with the City's policy regarding the participation of Minority Business Enterprises and Women Business Enterprises (as those terms are defined in Chapter 15 of the City's Code of Ordinances).

B. The Authority, upon written request, shall provide to Developer a list of those business enterprises certified by the City as eligible Minority Business Enterprises and Women Business Enterprises.

C. Developer shall maintain records showing (i) its subcontracts, supply agreements and support with and to Minority Business Enterprises and Women Business Enterprises, and (ii) specific efforts to identify and award subcontracts, supply agreements, and support with and to Minority Business Enterprises and Women Business Enterprises. Developer shall, upon request, provide records of its efforts under this Section to the Authority in such form and manner as the Authority may reasonably prescribe.

4.6 Monitoring. The Authority shall have the right, but not a duty, to monitor the progress of the construction and installation of the Public Works and Improvements. The Developer shall accommodate and cause the General Contractor to accommodate the Authority Representative, after reasonable notice to Developer, in conducting such site visits as may be necessary to verify that work on the Public Works and Improvements is being carried out in accordance with the Final Plans and Specifications.

4.7 Construction and Implementation of the Public Works and Improvements. Developer shall be responsible for causing the inspection and supervision of the construction and implementation of the Public Works and Improvements in accordance with relevant City ordinances and City procedures. The Authority shall receive copies of all change orders and pay estimates. Upon completion of the Construction Contract, Developer shall provide the Authority with a final cost summary of all costs associated with such contract, a certificate of completion and evidence that all amounts owing to contractors and subcontractors have been paid in full evidenced by customary affidavits executed by such contractors.

4.8 Maintenance of the Public Works and Improvements. Unless or until such time as the Public Works and Improvements (or any component thereof) are dedicated or conveyed to and accepted by the City or other public entity for maintenance thereof, Developer shall maintain or cause to be maintained the said Public Works and Improvements, including, but not limited to, maintenance of the landscaping including any existing trees, the payment of charges for water for irrigation purposes, if any, and shall maintain the associated irrigation and electrical systems. Developer shall take all reasonable action required to protect trees from damage due to construction activities.

4.9 Ad Valorem Taxes. Developer shall pay, prior to delinquency, all taxes, assessments, and governmental charges of any kind whatsoever that may at any time be lawfully levied, assessed, charged or imposed against the Project Site. Developer may not contest, or otherwise seek to obtain a reduction, in the assessed valuation of the Project Site from the Harris County Appraisal District for the purpose of reducing ad valorem taxes and assessments levied and assessed against the Project Site. If Developer does not comply with the requirements of this Section, the Authority, at its sole discretion, may suspend performance by the Authority hereunder and begin procedures to terminate this Agreement for default, and the Developer shall repay to the Authority all portions of the Authority Contribution paid to the Developer hereunder.

4.10 Additional Construction and Post-Construction Obligations.

A. Developer shall grant the City and the Authority at no cost all required temporary construction and access easements necessary to install and maintain the Public Works and Improvements. The Authority shall grant Developer at no cost, and shall use its best efforts to obtain for Developer from the City at no cost, all required temporary construction and access easements necessary to install and maintain the Public Works and Improvements.

B. Developer shall be responsible for maintaining records of all costs incurred and payments made for the Project and the Public Works and Improvements and records evidencing compliance with this Article 4 and shall provide the Authority with all such records for review and approval prior to payment of the Authority Contribution.

C. Upon Completion of the Public Works and Improvements, as a condition of payment from the Authority Contribution, Developer shall be responsible for all aspects of the management, operation and maintenance of all components of Public Works and Improvements that are not dedicated or conveyed to and accepted by the City or other public entity for maintenance, including, without limitation: (i) all maintenance, repairs and replacements of the infrastructure, improvements, equipment, landscaping and related irrigation and electrical systems which constitute the Public Works and Improvements; and (ii) the payment of all associated utilities including water for irrigation purposes and charges for electric utilities, all in accordance with a maintenance agreement substantially in the form of Exhibit C attached hereto (“Maintenance Agreement”). Developer shall execute the Maintenance Agreement and deliver it to the Authority for execution and recording in the Official Public Records of Real Property of Harris County, Texas, within thirty (30) days of Completion of the Public Works and Improvements. Except for the Authority Contribution, neither the Authority nor the City shall be responsible for managing, operating, maintaining, repairing or replacing any of Public Works and Improvements or paying any recurring costs in connection with the same. The provisions of this Section and the covenants and agreements contained in the Maintenance Agreement shall survive the expiration or termination of the Agreement.

4.11 Payment of Fees. Developer agrees to pay all monthly rates and charges for water and sewer services and shall pay all applicable City building permit fees for the Project and the Public Works and Improvements, it being understood that such fees shall be consistent with the charges and fees being charged to other similar developments in the City.

4.12 Cooperation. Developer agrees that it will cooperate with the Authority and will provide all necessary information to the Authority and its consultants in order to assist the Authority in complying with the Hardy/Near Northside Agreement, including without limitation the completion of the audit and construction audit required therein.

**ARTICLE 5
DUTIES AND RESPONSIBILITIES OF THE AUTHORITY**

5.1 Authority Contribution. The Authority shall pay to Developer the Authority Contribution, as more particularly described in and as provided by Article 6. The Authority Contribution shall be financed and funded in accordance with Article 6 hereof.

5.2 Ineligible Project Costs. In the event all or a portion of the Project Costs is determined to be ineligible under the Act or is inconsistent with the Project and Financing Plan, and in the event that the Developer does not execute and deliver the Maintenance Agreement, the Authority Contribution shall be reduced by the amount attributable to the ineligible component(s). If the Authority has already repaid the Developer for such ineligible Project Costs in accordance with this Agreement, the parties hereby agree that (i) the amount repaid by the Authority for such ineligible Project Costs shall be offset against future repayments by the Authority, or (ii) in the event there are not future repayments to be made by the Authority, or such amounts are insufficient, the Developer shall reimburse the Authority for such amount owed within thirty (30) days of receipt of an invoice from the Authority.

ARTICLE 6 FINANCING AND FUNDING OF PUBLIC WORKS AND IMPROVEMENTS

6.1 Developer Advances. Developer shall advance, or cause to be advanced, sufficient funds as such become due for all Project Costs arising in connection with the Public Works and Improvements, including, without limitation, all costs of design, engineering, materials, labor, construction, and inspection thereof (each, a “Developer Advance”). Each Developer Advance shall be evidenced by a certificate in a form acceptable to Developer and the Authority Board and shall be approved by the Authority Board. A copy of an agreed upon procedures report prepared by Authority’s auditor following the Completion of the Public Works and Improvements verifying the costs of and payment for such Public Works and Improvements will comply with this Section.

6.2 Reimbursement Request. Upon Completion of the Project and the Public Works and Improvements, Developer may submit a request to the Authority for payment of the Authority Contribution. With such payment request, Developer shall deliver to the Authority the following items:

- A. A copy of the Developer’s DPC with the City, executed by both Developer and the City;
- B. A copy of the executed and recorded Maintenance Agreement;
- C. Evidence of Completion of the Project and evidence of Completion of the Public Works and Improvements;
- D. A written request for payment;
- E. A summary of all Project Costs incurred to-date;
- F. A summary of Developer advances as of the date of the request for payment;
- G. A summary of all costs reimbursed to the Developer by the City pursuant to the DPC;
- H. Evidence that all contractors, subcontractors, laborers, materialmen, architects, engineers and all other parties who have performed work on or furnished materials to-date have

been paid in full, together with executed and delivered releases of lien or customary affidavits executed by such contractors;

I. A certificate executed by an officer or other party authorized to bind Developer certifying that all contractors, subcontractors, laborers, materialmen, architects, engineers and all other parties who have performed work on or furnished materials to-date have been paid in full; and

J. Evidence of efforts relating to participation of Minority Business Enterprises and Women Business Enterprises as set forth in Section 4.5.

6.3 Reimbursement. Upon Completion of the Project and Completion of the Public Works and Improvements and execution and recordation of the Maintenance Agreement, Developer shall submit a final certificate of Developer Advances certifying the amount of the actual Project Costs, and showing the schedule for payment of the Authority Contribution from the Available Tax Increment over a period expiring on December 31, 2040 (the "Outside Contribution Date"). On or before September 30 of each year beginning with the year in which the first installment of the Authority Contribution is to be paid, in the event that all conditions described in Section 6.2 have been met, the Authority shall pay Developer annual installments from the Available Tax Increment subject to the limitations in the following sentence, beginning November 1 in the year such Available Tax Increment is paid to the Authority following Completion of the Project and the Public Works Improvements and on November 1 of each year during the term of this Agreement (as defined in Section 9.13). The Authority Contribution shall not exceed the lesser of (i) \$2,492,658; (ii) the actual Project Costs minus any amount paid for from a DPC (as further provided in Section 6.4 of this Agreement); and (iii) the Available Tax Increment for the Project through and including the Outside Contribution Date. If the Authority Contribution has not been paid in full on or before the Outside Contribution Date, the Authority shall pay Developer the final annual installment from the Available Tax Increment for tax year 2040 on November 1 in the year such Available Tax Increment for tax year 2040 is paid to the Authority. Developer acknowledges that (i) the Available Tax Increment for the Project through and including the Outside Contribution Date may be less than the actual Project Costs incurred by Developer; (ii) the Authority owes no obligation to pay the full amount of the Available Tax Increment pledged to the Developer under this Agreement, if the Available Tax Increment has not been collected; and (iii) Developer may not look to any other source of funds other than the Available Tax Increment for reimbursement for its payment of the Project Costs under this Agreement.

6.4 Offsets. Developer agrees that it will seek reimbursement from the City for Project Costs eligible for payment by the City under the City's DPC program to the maximum extent allowed by the City thereunder. Costs reimbursable to Developer under this Agreement shall be reduced to the extent that those Project Costs are reimbursed to Developer under a DPC or similar agreement, or are contracted to be reimbursed thereunder. Developer agrees to provide the Authority with a copy of each DPC executed by the Developer covering otherwise eligible Project Costs and the obligations of the Authority to reimburse Developer will be decreased by the amount of the City's payments thereunder.

6.5 Sale or Assignment.

A. Following Completion of the Project and Completion of the Public Works and Improvements, provided that no Event of Default then exists, Developer shall have the right, without the Authority's consent, to transfer or sell the entirety of the Project, subject to the conditions set forth herein. Developer shall give the Authority written notice of any such sale or transfer within thirty (30) days of the occurrence of the same along with copies of the documents described in the following sentence. In connection with any such sale or transfer, Developer shall assign this Agreement and the Maintenance Agreement to a purchaser or transferee of the Project; provided, however, no assignment of this Agreement and/or the Maintenance Agreement shall be binding upon the Authority (and the transferor shall not be released from Developer's obligations under this Agreement and/or the Maintenance Agreement, as applicable) unless and until the Authority has received all of the following items: (a) a copy of the fully-executed assignment (which assignment shall include an assumption by the purchaser or transferee of all obligations of Developer under this Agreement and/or Maintenance Agreement, as applicable, to the extent accruing from and after the date of such assignment), (b) a copy of the assignment and assumption of the Maintenance Agreement recorded in the Official Public Records of Harris County, Texas, and (c) a copy of the executed and recorded deed conveying the Project to the purchaser or transferee along with current contact information for the purchaser or transferee. Developer shall not be released from its obligations under this Agreement and the Maintenance Agreement accruing prior to the date of any such sale or transfer or after the date of any such sale or transfer if the foregoing conditions are not fully satisfied.

B. Notwithstanding the foregoing, Developer shall be entitled to collaterally assign its rights and responsibilities under this Agreement to a commercial bank or lender which provides financing for the construction of the Project (each, a "Lender"), provided that Developer provides to the Authority a fully executed copy of any such collateral assignment and the name and contact information of the Lender. With regard to a collateral assignment to a Lender for which the Authority has received notice from Developer as described in the immediately preceding sentence, the following provisions shall apply:

(i) The Authority shall give to the Lender, at the address of such Lender set forth in a notice from such Lender or from the Developer and otherwise in the manner required under Section 9.4 hereof, a copy of each notice given by the Authority to the Developer hereunder (including any and all Event of Default notices) at the same time as and whenever any such notice shall thereafter be given by the Authority to the Developer, and no such notice by the Authority shall be deemed to have been duly given to the Developer (and no cure period shall be deemed to have commenced) unless and until a copy thereof shall have been given to each such Lender. Each Lender (a) shall have a period of an additional thirty (30) days in the case of any Event of Default, after the applicable period afforded the Developer hereunder for remedying the Event of Default has expired, to cure such Event of Default and (b) shall, within such period and otherwise as herein provided, have the right (but not the obligation) to remedy such Event of Default or cause the same to be remedied. The Authority shall accept performance by or on behalf of a Lender of any covenant, condition or agreement on the Developer's part to be performed hereunder with the same force and effect as though performed by the

Developer, so long as such performance is made in accordance with the terms and provisions of this Agreement.

(ii) With respect to any Event of Default, so long as a Lender shall be diligently exercising its cure rights under this Section 6.5(B) with respect thereto within the applicable cure periods set forth above, the Authority shall not (a) serve a termination notice hereunder, or (b) bring a proceeding on account of such Event of Default to terminate this Agreement or the rights of Developer hereunder. Nothing in this Section 6.5(B) or in any other provision of this Agreement shall, however, be construed to require any such Lender to cure any Event of Default by the Developer under this Agreement.

(iii) The exercise of any rights or remedies of a Lender under its financing agreement with Developer, including the consummation of any foreclosure or deed in lieu of foreclosure, shall not constitute a default under this Agreement.

(iv) In the event any Lender acquires title to the Property through foreclosure of a mortgage, deed in lieu of foreclosure or otherwise, such Lender shall be deemed to be an assignee of the Developer under this Agreement provided that such Lender assumes in writing the obligations of the Developer hereunder. No Lender shall become liable under the provisions of this Agreement unless and until such time as it agrees in writing to assume the obligations of the Developer hereunder.

(v) From and after the date upon which the Authority receive a notice from the Developer or a Lender which identifies the particular Lender, the Authority shall not amend or modify this Agreement in any material respect without the prior written consent of the Lender covered by such notice.

(vi) The Authority shall, upon written request of the Developer or any Lender, execute and deliver any estoppel certificate reasonably requested by any such party pursuant to which the Authority shall certify as to any information with respect to this Agreement and the parties' obligations hereunder as reasonably requested by the Developer or a Lender (including, without limitation, that no party is in default hereunder, that no default or termination notice has been delivered, and that there are no modifications or amendments to this Agreement).

ARTICLE 7 INSURANCE, INDEMNIFICATION AND RELEASE

7.1 Insurance. With no intent to limit any contractor's liability or obligation for indemnification, Developer shall require that each contractor providing work or service on the Public Works and Improvements provide and maintain certain insurance in full force and effect at all times during the construction of the Public Works and Improvements and shall require that the City, the Authority, and the Zone are named as additional insureds under such contractor's insurance policies.

The insurance, at a minimum, must include the following coverages and limits of liability:

<u>Coverage</u>	<u>Limit of Liability</u>
Worker's Compensation	Statutory for Workers Compensation
Employer's Liability (each accident) (policy limit) (each employee)	Bodily Injury by Disease \$500,000 Bodily Injury by Accident \$100,000 Bodily Injury by Disease \$100,000
Comprehensive General Liability:	Each Occurrence Limit of \$1,000,000 Personal and Advertising Limit of \$1,000,000 General Aggregate Limit of \$2,000,000 Products - Completed Operations Aggregate Limit of \$2,000,000
Automobile Liability Insurance (for automobiles used by the contractor in the course of its performance under this Agreement including employer's non-owned and hired auto coverage)	\$1,000,000 combined single limit per occurrence
Professional Liability Coverage (for professional service contract only)	\$500,000 per occurrence \$1,000,000 aggregate

If the amount of any contract awarded by Developer to construct Public Works and Improvements shall exceed \$1,000,000, Developer shall contract with the contractor to maintain Commercial General Liability coverage for at least twice the combined minimum limits specified above.

A. Form of Policies. The Authority Board may approve the form of the insurance policies, but nothing the Authority Board does or fails to do relieves Developer of its obligation to provide the required coverage under this Agreement. The Authority Board's actions or inactions do not waive the Zone's or Authority's rights under this Agreement.

B. Issuers of Policies. The issuer of each policy shall be a carrier that is authorized or eligible to do business in the State of Texas by the Texas Department of Insurance or a legally established self-insurance pool in the State of Texas. As applicable, carriers must have a certificate of authority to transact insurance business in Texas or a Best's rating of at least B+ and a Best's Financial Size Category of Class VI or better, according to the most current edition Best Key Rating Guide, Property-Casualty United States.

C. Insured Parties. Each policy, except those for Workers' Compensation, Employer's Liability, and Professional Liability, must name the Authority (and its officers, agents, and employees) as additional insured parties on the original policy and all renewals or replacements.

D. Deductibles. Developer shall be responsible for and bear (or shall contract with each applicable contractor to bear and assume) any claims or losses to the extent of any deductible amounts and waives (and shall contract with each contractor to waive) any claim it may have for the same against the Authority or Zone, its officers, agents, or employees.

E. Cancellation. Each policy must state that it may not be canceled, materially modified, or nonrenewed unless the insurance company gives the Authority 30 days' advance written notice. Developer shall (and shall contract with each contractor to) give written notice to the Authority within five days of the date on which total claims by any party against such person reduce the aggregate amount of coverage below the amounts required by this Agreement. In the alternative, the policy may contain an endorsement establishing a policy aggregate for the particular project or location subject to this Agreement.

F. Subrogation. Each policy must contain an endorsement to the effect that the issuer waives any claim or right of subrogation to recover against the Authority, its officers, agents, or employees.

G. Primary Insurance Endorsement. Each policy, except Workers' Compensation and Professional Liability (if any), must contain an endorsement that the policy is primary to any other insurance available to the additional insured with respect to claims arising under this Agreement.

H. Liability for Premium. Developer shall pay (or shall contract with contractors to pay) all insurance premiums for coverage required by this Section, and the Authority or Zone shall not be obligated to pay any premiums.

I. Subcontractors. Notwithstanding the other provisions of this Section, the amount of coverage contracted to be provided by subcontractors shall be commensurate with the amount of the subcontract, but in no case less than \$500,000 per occurrence. Developer shall provide (or shall contract with contractors to provide) copies of insurance certificates to the Authority.

J. Proof of Insurance. Promptly after the execution of this Agreement and from time to time during the term of this Agreement at the request of the Authority, Developer shall furnish the Authority with certificates of insurance maintained by Developer in accordance with this Section along with an affidavit from Developer confirming that the certificates accurately reflect the insurance coverage maintained. If requested in writing by the Authority, Developer shall furnish the Authority Representative with certified copies of Developer's actual insurance policies. If Developer does not comply with the requirements of this Section, the Authority, at its sole discretion, may (1) suspend performance by the Authority and the hereunder and begin procedures to terminate this Agreement for default or (2) purchase the required insurance with Authority or Zone funds and deduct the cost of the premiums from amounts due to Developer under this Agreement. The Authority shall never waive or be estopped to assert its right to terminate this Agreement because of its acts or omissions regarding its review of insurance documents.

K. Other Insurance. If requested by the Authority, Developer shall furnish adequate evidence of Social Security and Unemployment Compensation Insurance, to the extent applicable to Developer's operations under this Agreement.

7.2 Indemnification and Release.

DEVELOPER SHALL DEFEND, INDEMNIFY, AND HOLD THE CITY, THE AUTHORITY AND THE ZONE, THEIR AGENTS, EMPLOYEES, OFFICERS, AND LEGAL REPRESENTATIVES (COLLECTIVELY, THE "INDEMNIFIED PERSONS") HARMLESS FOR ALL CLAIM, CAUSES OF ACTION, LIABILITIES, FINES, AND EXPENSES (INCLUDING, WITHOUT LIMITATION, ATTORNEYS' FEES, COURT COSTS, AND ALL OTHER DEFENSE COSTS AND INTEREST) FOR INJURY, DEATH, DAMAGE, OR LOSS TO PERSONS OR PROPERTY SUSTAINED IN CONNECTION WITH OR INCIDENTAL TO PERFORMANCE UNDER THIS AGREEMENT, INCLUDING, WITHOUT LIMITATION, THOSE CAUSED BY:

A. DEVELOPER AND/OR ITS AGENTS', EMPLOYEES, OR OFFICERS' DIRECTORS', CONTRACTORS' OR SUBCONTRACTORS' (COLLECTIVELY "DEVELOPER'S) ACTUAL OR ALLEGED NEGLIGENCE OR INTENTIONAL ACTS OR OMISSIONS;

B. THE INDEMNIFIED PERSONS' AND DEVELOPER'S ACTUAL OR ALLEGED CONCURRENT NEGLIGENCE, WHETHER DEVELOPER IS IMMUNE FROM LIABILITY OR NOT; AND

C. THE INDEMNIFIED PERSONS' AND DEVELOPER'S ACTUAL OR ALLEGED STRICT PRODUCTS LIABILITY OR STRICT STATUTORY LIABILITY, WHETHER DEVELOPER IS IMMUNE FROM LIABILITY OR NOT.

DEVELOPER SHALL DEFEND, INDEMNIFY, AND HOLD THE INDEMNIFIED PERSONS HARMLESS DURING THE TERM OF THIS AGREEMENT AND FOR FOUR YEARS AFTER THIS AGREEMENT TERMINATES.

Notwithstanding any other provision of this Section 7.2 or other provisions of this Agreement, (1) Developer's indemnification of all Indemnified Persons other than Zone directors is limited to \$1,000,000 per occurrence; and (2) Developer shall not be obligated to indemnify any Indemnified Person for the Indemnified Person's sole negligence; and (3) Developer shall not be obligated to indemnify any Indemnified Persons to the extent that any claims which might otherwise be subject to indemnification hereunder resulted, in whole or in part, from the gross negligence, recklessness or intentional act or omission of any Indemnified Person or Persons.

If an Indemnified Person or Developer receives notice of any claim or circumstance which could give rise to an indemnified loss, the receiving party shall give written notice to the other party within 10 days. The notice must include a description of the indemnification event in reasonable detail, the basis on which indemnification may be due, and the anticipated amount of the indemnified loss. This notice shall not estop or prevent an Indemnified Person from later asserting a different basis for indemnification or a different amount of indemnified loss than that indicated in the initial notice. If an Indemnified Person does not provide this notice within the 10

day period, it does not waive any right to indemnification except to the extent that Developer is prejudiced, suffers loss, or incurs expense because of the delay.

Developer shall assume the defense of the claim at its own expense with counsel chosen by it that is reasonably satisfactory to the Indemnified Person. Developer shall then control the defense and any negotiations to settle the claim. Within 10 days after receiving written notice of the indemnification request, Developer shall advise the Indemnified Person as to whether or not it will defend the claim. If Developer does not assume the defense, the Indemnified Person shall assume and control the defense, and all defense expenses incurred by it shall constitute an indemnification loss.

If Developer elects to defend a claim, the Indemnified Person may retain separate counsel at the sole cost and expense of such Indemnified Person to participate in (but not control) the defense and to participate in (but not control) any settlement negotiations. Developer may settle the claim without the consent or agreement of the Indemnified Person, unless the settlement (i) would result in injunctive relief or other equitable remedies or otherwise require the Indemnified Person to comply with restrictions or limitations that adversely affect the Indemnified Person, (ii) would require the Indemnified Person to pay amounts that Developer does not fund in full, or (iii) would not result in the Indemnified Person's full and complete release from all liability to the plaintiffs or claimants who are parties to or otherwise bound by the settlement.

DEVELOPER RELEASES EACH INDEMNIFIED PERSON FROM ALL LIABILITY FOR INJURY, DEATH, DAMAGE, OR LOSS TO PERSONS OR PROPERTY SUSTAINED IN CONNECTION WITH OR INCIDENTAL TO PERFORMANCE UNDER THIS AGREEMENT, EVEN IF THE INJURY, DEATH, DAMAGE, OR LOSS IS CAUSED BY THE INDEMNIFIED PERSON'S CONCURRENT NEGLIGENCE AND/OR THE INDEMNIFIED PERSON'S STRICT PRODUCTS LIABILITY OR STRICT STATUTORY LIABILITY, BUT NOT SUCH INDEMNIFIED PERSON'S SOLE NEGLIGENCE OR FROM ANY DAMAGE OR LOSS TO THE EXTENT RESULTING FROM THE GROSS NEGLIGENCE, RECKLESSNESS OR INTENTIONAL ACT OR OMISSION OF THE INDEMNIFIED PERSON.

DEVELOPER SHALL REQUIRE ALL CONTRACTORS ENGAGED BY IT TO CONSTRUCT PUBLIC WORKS AND IMPROVEMENTS (AND THEIR SUBCONTRACTORS) TO RELEASE AND INDEMNIFY THE INDEMNIFIED PERSONS TO THE SAME EXTENT AND IN SUBSTANTIALLY THE SAME FORM AS ITS RELEASE OF AND INDEMNITY TO THE INDEMNIFIED PERSONS HEREUNDER.

7.3 RELEASE. DEVELOPER SHALL ALSO REQUIRE THAT ALL GENERAL CONTRACTORS INDEMNIFY THE CITY, THE AUTHORITY, AND THE ZONE AND THEIR RESPECTIVE OFFICIALS AND EMPLOYEES FROM AND AGAINST ANY AND ALL CLAIMS, LOSSES, DAMAGES, CAUSES OF ACTION, SUITS AND LIABILITIES ARISING OUT OF SUCH CONTRACTOR'S WORK AND ACTIVITY RELATED TO THE PUBLIC WORKS AND IMPROVEMENTS.

**ARTICLE 8
DEFAULT AND REMEDIES**

8.1 Default by Developer. Each of the following events shall constitute an “Event of Default” of the Developer under this Agreement:

A. The failure of Developer to Commence Construction of the Project or Commence Construction of the Public Works and Improvements pursuant to the terms hereof;

B. The failure of Developer to perform any of its obligations hereunder in compliance with this Agreement, including but not limited to its obligations contained in Article 4 and Article 6 of this Agreement, within thirty (30) days after notice of such failure by the Authority to Developer; or

C. Developer filing a petition under any section of the Federal Bankruptcy Code, or any similar state or federal law, making an assignment for the benefit of creditors, or being adjusted bankrupt or insolvent.

8.2 Remedies Upon Default by Developer. Upon the occurrence and during the continuance of an Event of Default of the Developer, the Authority shall have the right, upon written notice to the Developer, to terminate this Agreement in its entirety and shall have no further obligations hereunder, including to provide any reimbursement from the Authority Contribution pursuant to Section 6.3, unless Developer has caused the Event of Default to be cured before the Authority delivers written termination of this Agreement to Developer.

8.3 Default by the Authority. The Authority shall be in default hereunder (each an “Event of Default”) if the Authority fails to perform its obligations hereunder within thirty (30) days after notice of such failure by the Developer to the Authority.

8.4 Remedies Upon Default by the Authority. Upon the occurrence of an Event of Default by the Authority and while such remains uncured, Developer may, upon thirty (30) days additional written notice to the Authority, terminate this Agreement, or pursue any and all remedies available to it at law or in equity including, without limitation, damages (but excluding the remedy of specific performance, which is hereby expressly waived).

8.5 Cumulative Remedies. Except as otherwise provided in this Agreement, each right or remedy of the parties provided for in this Agreement shall be cumulative of and shall be in addition to every other right or remedy of the parties provided for in this Agreement, and, except as otherwise provided in this Agreement, the exercise or the beginning of the exercise by any party of any one or more of the rights or remedies provided for in this Agreement shall not preclude the simultaneous or later exercise by any party of any or all other rights or remedies provided for in this Agreement.

8.6 No Waiver. No failure or delay of either party in any one or more instances (a) in exercising any power, right or remedy under this Agreement, or (b) in insisting upon the strict performance by the other party of such other party’s covenants, obligations or agreements under this Agreement shall operate as a waiver, discharge or invalidation thereof, nor shall any single or partial exercise of any such right, power or remedy or insistence on strict performance, or any

abandonment or discontinuance of steps to enforce such a right, power or remedy or to enforce strict performance, preclude any other or future exercise thereof or insistence thereupon or the exercise of any other right, power or remedy. The covenants, obligations, and agreements of a defaulting and the rights and remedies of the other party upon a default shall continue and remain in full force and effect with respect to any subsequent breach, act or omission.

8.7 Damages. References in this Agreement to “damages” mean and refer to actual, direct damages and not consequential, punitive or exemplary damages, and each party agrees not to assert or pursue any claim for consequential, punitive or exemplary damages against the other party.

ARTICLE 9 GENERAL

9.1 Inspections, Audits. Developer agrees to keep such operating records relating to the Public Works and Improvements as may be reasonably required by the Authority, or by state and federal law or regulation. Developer shall allow the Authority reasonable access to documents and records in Developer’s possession, custody or control that the Authority deems necessary to assist the Authority in determining Developer’s compliance with this Agreement.

9.2 Developer Operations and Employees. All personnel supplied or used by Developer in the performance of this Agreement shall be deemed employees or subcontractors of Developer and will not be considered employees, agents or subcontractors of the Authority or the City for any purpose whatsoever. Developer shall be solely responsible for the compensation of all such personnel, for withholding of income, social security and other payroll taxes and for the coverage of all worker’s compensation benefits.

9.3 Personal Liability of Public Officials. To the extent permitted by State law, no director, officer, employee or agent of the Zone or the Authority, and no officer, employee or agent of the City, shall be personally responsible for any liability arising under or growing out of the Agreement.

9.4 Notices. Any notice sent under this Agreement (except as otherwise expressly required) shall be written and mailed, or sent by electronic transmission confirmed by mailing written confirmation at substantially the same time as such electronic transmission, or personally delivered to an officer of the receiving party at the following addresses:

Authority:

Hardy/Near Northside Redevelopment Authority
c/o Bracewell LLP
711 Louisiana Street, Suite 2300
Houston, Texas 77002-2770
Attn: Clark Lord
clark.lord@bracewell.com

Developer:

MP White Oak Commercial LLC
135 Water Street, Fourth Floor
Naperville, Illinois 60540
Attn: Chris Yuko
cyuko@marquettecompanies.com

with copy to:

Wilson Cribbs + Goren
2500 Fannin Street
Houston, Texas 77002
Attn: Reid Wilson
rwilson@wcglaw.com

Each party may change its address by written notice in accordance with this Section. Any communication addressed and mailed in accordance with this Section shall be deemed to be given when so mailed, any notice so sent by electronic or facsimile transmission shall be deemed to be given when receipt of such transmission is acknowledged, and any communication so delivered in person shall be deemed to be given when received for by, or actually received by, the Authority or Developer, as the case may be.

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

9.6 Invalidity. In the event that any of the provisions contained in this Agreement shall be held unenforceable in any respect, such unenforceability shall not affect any other provision of this Agreement.

9.7 Successors and Assigns. All covenants and agreements by or on behalf of the Parties to this Agreement shall bind and inure to the benefit of their respective successors and assigns. Except as otherwise provided in Section 6.5 of this Agreement, neither party may sell, assign, hypothecate, pledge, encumber or otherwise transfer its rights and obligations under this Agreement or any interest herein or any interest of the assigning party (whether by change of control, merger, reorganization, transfer of substantially all assets or otherwise) unless approved in writing by the non-assigning party. Nothing in this Agreement shall be construed to give any person (other than the parties, the City and their respective permitted successors and assigns) any legal or equitable right, remedy or claim under or in respect of this Agreement or any covenants, conditions or provisions contained herein or any standing or authority to enforce the terms and provisions hereof. No person shall be a third-party beneficiary of this Agreement or have the right to enforce this Agreement or any provision hereof.

9.8 Exhibits, Titles of Articles, Sections and Subsections. The exhibits attached to this Agreement are incorporated herein and shall be considered a part of this Agreement for the purposes stated herein, except in the event of any conflict between any of the provisions of such

exhibits and the provisions of this Agreement, the provisions of this Agreement shall prevail. 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 Agreement unless otherwise stated. Any reference to any exhibit shall be considered a reference to the applicable exhibit attached hereto unless otherwise stated.

9.9 Construction. This Agreement 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.

9.10 Venue. Any suit, action or proceeding, which is permitted to be brought by a party against the other party arising out of or relating to this Agreement or any transaction contemplated hereby or any judgment entered by any court in respect thereof shall be brought in a federal or state court of appropriate jurisdiction in Harris County, Texas.

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

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

9.13 Term. Subject to earlier termination as provided herein, this Agreement shall be in force and effect from the Effective Date for a term expiring on the earlier of (i) the date that the Authority Contribution has been paid in full or (ii) the Outside Contribution Date (the "Term"). Notwithstanding the expiration of the term or earlier termination of this Agreement, provisions of this Agreement and the Maintenance Agreement that contemplate performance after the expiration or termination of this Agreement and the obligations of the parties not fully performed at the expiration or termination of this Agreement (including, if applicable, the Authority's payment to Developer of the final annual installment from the Available Tax Increment for tax year 2040, as provided in Section 6.3) shall not be deemed to be waived or merged into any documents executed prior to or on the expiration or termination of this Agreement, but shall survive the expiration or termination of this Agreement.

9.14 Approval by the Parties. Whenever this Agreement requires or permits approval or consent to be hereafter given by any of the parties, the parties agree that such approval or consent shall not be unreasonable withheld or delayed.

9.15 State Law Requirements.

A. The Developer will provide a completed and notarized Form 1295 generated by the Texas Ethics Commission's electronic filing application in accordance with the provisions of Section 2252.908, Texas Government Code, as amended, and the rules promulgated by the Texas Ethics Commission ("Form 1295"), in connection with entry into this Agreement. Upon receipt of the Developer's Form 1295, the Authority agrees to acknowledge the Developer's

Form 1295 through its electronic filing application. The Authority and the Developer understand and agree that, with the exception of information identifying the Developer and the contract identification number, the Authority is not responsible for the information contained in the Developer's Form 1295 and the Authority has not verified such information.

B. The Developer represents that neither it nor any of its parent company, wholly- or majority-owned subsidiaries, and other affiliates is a company identified on a list prepared and maintained by the Texas Comptroller of Public Accounts under Section 2252.153 or Section 2270.0201, Texas Government Code, and posted on any of the following pages of such officer's internet website:

<https://comptroller.texas.gov/purchasing/docs/sudan-list.pdf>,
<https://comptroller.texas.gov/purchasing/docs/iran-list.pdf>, or
<https://comptroller.texas.gov/purchasing/docs/fto-list.pdf>.

The foregoing representation is made solely to enable the Developer to comply with Section 2252.152, Texas Government Code, and to the extent such Section does not contravene applicable Federal or Texas law and excludes the Developer and each of its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, that the United States government has affirmatively declared to be excluded from its federal sanctions regime relating to Sudan or Iran or any federal sanctions regime relating to a foreign terrorist organization.

9.16 Counterparts. This Agreement may be executed in as many counterparts as may be convenient or required. All counterparts shall collectively constitute a single instrument. Any signature page to any counterpart may be detached from such counterpart without impairing the legal effect of the signatures thereon and thereafter attached to another counterpart identical thereto except having attached to it additional signature pages. Any facsimile or electronic copies hereof or signatures hereon shall, for all purposes, be deemed originals.

9.17 Additional Actions. The Parties agree to take such actions, including the execution and delivery of such documents, instruments, petitions and certifications as may be necessary or appropriate, from time to time, to carry out the terms, provisions and intent of this Agreement and to aid and assist each other in carrying out said terms, provisions and intent.

9.18 Time of Essence. Time is of the essence in the performance of this Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be duly executed as of the Effective Date.

HARDY/NEAR NORTHSIDE REDEVELOPMENT AUTHORITY
By: _____ Edward Reyes, Board Chair
Date: _____
ATTEST:
By: _____ Sylvia Cavazos, Board Secretary
Date: _____

MP WHITE OAK COMMERCIAL LLC,
a Delaware limited liability company

By: _____

Name: _____

Title: _____

Date: _____

APPROVED BY CITY:

CHIEF DEVELOPMENT OFFICER

By: _____

Name: _____

Title: _____

EXHIBIT A

Project Site

[legal description/survey of Project Site to be inserted]

EXHIBIT B

Public Works and Improvements

Category	Project Costs (Estimated)
<u>White Oak Commercial - ROW Improvements to Boundary Street & Keene Street</u> Mobilization, Site Preparation, Excavation, SWPPP Items, Bonds, Pavement, Curb and Gutter, Striping, Signal and Hardware Improvements, ROW Dedication, Signage, Bonding, Surveying, Materials, Carry + Financing Cost, Testing, Traffic Control, Permit Fees, etc.	\$1,187,658
<u>White Oak Commercial + Offsite Waste Water + Utility Expansion Across N. Main Street</u> Mobilization, Water Items, Drainage Items, Clearing and Grubbing, Site Preparation (Including But Not Limited To: Duct Bank, Conduits, Electrical Cables, Manholes, Overhead Poles, etc.), SWPPP Items, Excavation, Easement Purchase, Impact Fees, Sanitary Sewer Items, Storm Sewer Items, Roadway Items, Paving, Landscaping Street Lighting, Materials Testing, Landscaping, Bonds, Traffic Control, Permit Fees, Meter Fees, and Tap Fees	\$235,000
<u>Public Access Easements, Parking, Wayfinding, Site Safety</u> Site Preparation, Material Items, Roadway Items, Borings, Permit Fees, Meter fees, Landscaping Items, Site Preparation Items, Bonding, Materials Testing, Traffic Control Items, Hard Costs, F&E	\$275,000
<u>Engineering, Construction Management, Legal, Title</u>	\$795,000
Total Improvements	\$2,492,658

Exhibit C

Form of Maintenance Agreement

MAINTENANCE COVENANTS

These MAINTENANCE COVENANTS (“Covenants”) are made by MP WHITE OAK COMMERCIAL LLC, a Delaware limited liability company (“Owner”), to and for the benefit of the HARDY/NEAR NORTHSIDE REDEVELOPMENT AUTHORITY, a public non-profit local government corporation created and organized under the provisions of Chapter 431, Texas Transportation Code, and authorized and approved by the City of Houston, Texas (“City”) under Resolution No. 2009-32, passed and adopted by the City Council of the City on November 10, 2009 (“Authority”), acting by and through its governing body, the Board of Directors and acting on behalf of the REINVESTMENT ZONE NUMBER TWENTY-ONE, CITY OF HOUSTON, TEXAS, a tax increment reinvestment zone created by the City pursuant to Chapter 311 of the Texas Tax Code, as amended (“Hardy/Near Northside Zone”).

RECITALS

A. Owner owns certain real property described on Exhibit A attached hereto and incorporated herein (“Property”) on which Owner has developed a project consisting of multiple built structures making up approximately 10,000-20,000 square feet of commercial space to be leased for commercial purposes (“Project”).

B. The Authority and Owner entered into that certain Development Agreement dated [_____] , 2022, regarding the Project and certain public works and improvements associated with the Project (“Development Agreement”).

C. Pursuant to the Development Agreement, Owner has planned, designed, constructed, equipped and installed certain *[insert list of applicable public works and improvements]* (“Public Works and Improvements”), and the Authority has agreed to reimburse Owner for certain costs for the Public Works and Improvements.

D. In consideration of the covenants and agreements of the Authority pursuant to the Development Agreement, Owner has agreed to manage, operate and maintain the Public Works and Improvements for the Term (as hereinafter defined) and execute and record these Covenants.

COVENANTS

NOW, THEREFORE, in consideration of the covenants and agreements set forth in the Development Agreement and these Covenants, Owner hereby agrees and declares that the Property and each part thereof shall be subject to the following terms, covenants and restrictions.

1. **Maintenance of Public Works and Improvements.** Owner covenants and agrees, at its sole cost and expense, to maintain in good condition and working order at all times the Public Works and Improvements. Owner’s maintenance obligations shall include, without limitation: (a) the maintenance, repair, upkeep and replacement of all components of the Public

Works and Improvements including all (i) concrete, stone, crushed stone, gravel, brick pavers or other materials used for sidewalks or walkways, (ii) sidewalks, walkways, driveways and curbs, (iii) ground cover, grass, trees, shrubbery and other landscaping vegetation and materials, (iv) trash receptacles, benches, bike racks and lamp posts, (v) irrigation and electrical, tree lighting systems and other decorative lighting and (vi) public art; (b) the timely payment of all utility charges for irrigation and electrical systems related to the Public Works and Improvements including all tree and decorative lighting; and (c) the removal of trash and debris on or about Public Works and Improvements. Owner shall replace any damaged, destroyed or stolen components of the Public Works and Improvements with materials of comparable quality and quantity to the quality and quantity of the materials originally installed as components of the Public Works and Improvements .

2. Default and Remedies. In the event Owner does not perform its maintenance obligations hereunder and, if such default remains uncured for a period of sixty (60) days after notice thereof is given in accordance with Section 5 (or in the event of a casualty or other loss requiring restoration or replacement of the Public Works and Improvements such longer period as may be reasonably necessary for Owner to perform such maintenance obligations), the Authority, at its option, may pursue specific performance of the Owner's obligations hereunder, cause such maintenance obligations to be performed and recover from Owner the cost of same or pursue any other remedy available at law or in equity. Owner shall pay such costs within thirty (30) days of receipt of a written statement of costs from the Authority, accompanied by contractor invoices, paid receipts, or other reasonable documentation to substantiate the amount set forth in such statement. The amount of any such statement that is not timely paid by Owner shall accrue interest at the lesser of twelve percent (12%) or highest rate allowed by law.

3. Covenants Run with the Land; Successors and Assigns. The terms, covenants, and agreements set forth in these Covenants shall run with the Property and each portion thereof and shall be binding on all parties having any right, title or interest in or to the Property or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of, and be enforceable by, the Authority or the Hardy/Near Northside Zone and their respective successors and assigns. As used herein, the term "Owner" shall mean the Owner, and the Owner's successors and assigns holding title to the Property or any portion thereof. In the event at any time more than one party holds title to the Property or any portion thereof, then, such parties shall be jointly and severally liable for the maintenance obligations herein set forth and such parties shall jointly exercise any rights of the Owner hereunder. Any party constituting the Owner that ceases to hold title to the Property or any portion thereof shall be deemed released from the obligations of the Owner under these Covenants to the extent such obligations arise from and after the date such party ceases to hold title to the Property or any portion thereof provided that an assignment and assumption agreement (which includes an assumption by purchaser or transferee of all of Owner's obligations under these Covenants to the extent accruing from and after the date of such assignment) is executed by the former Owner and successor Owner and recorded in the Official Public Records of Real Property of Harris County, Texas, and fully executed and recorded copies of such assignment and assumption agreement and the deed to the successor Owner is provided to the Authority with current contact information for the successor Owner.

4. **Term.** Unless terminated earlier by the Authority or its successors or assigns, the term of these Covenants shall be the later to occur of (a) December 31, 2052; and (b) the termination of the Hardy/Near Northside Zone.

5. **Notices.** Any notice sent under these Covenants shall be written and mailed, or sent by electronic transmission confirmed by mailing written confirmation at substantially the same time as such electronic transmission, or sent by nationally recognized overnight courier for next business day delivery, or personally delivered to the receiving party at the following addresses:

If to the Authority:

Hardy/Near Northside Redevelopment Authority
c/o Bracewell LLP
711 Louisiana Street, Suite 2300
Houston, Texas 77002-2770
Attn: Clark Lord
Email: clark.lord@bracewell.com

If to Owner:

MP White Oak Commercial LLC
135 Water Street, Fourth Floor
Naperville, Illinois 60540
Attn: Chris Yuko
Email: cyuko@marquettecompanies.com

Each party may change its address by written notice in accordance with this Section. Any communication addressed and mailed in accordance with this Section shall be deemed to be given when deposited with the U.S. Postal Service, sent by certified mail, return receipt requested, postage prepaid; any communication sent by nationally recognized overnight courier shall be deemed given (1) business day following deposit; and any communication delivered in person shall be deemed to be given when receipted for by, or actually received by the Authority or Owner, as the case may be.

6. **Invalidity.** If any provision of these Covenants is held to be illegal, invalid or unenforceable under the present or future laws, the legality, validity and enforceability of the remaining provisions of these Covenants will not be affected thereby.

7. **Governing Law.** These Covenants shall be governed by and construed in accordance with the laws of the State of Texas.

8. **Construction.** The parties acknowledge that the parties and their counsel have reviewed these Covenants and that the normal rule of construction to the effect that any ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of these Covenants.

9. **Counterparts.** These Covenants may be executed in multiple counterparts, each of which shall be deemed an original.

10. **No Third-Party Beneficiaries.** The Owner and the Authority acknowledge and agree that, except as expressly set forth herein, there are no intended third-party beneficiaries of these Covenants or of any of the right and privileges conferred herein.

11. **Amendments.** These Covenants may be amended, supplemented, restated or otherwise modified only by a written instrument executed by Owner and the Authority or their respective successors and assigns.

12. **Entire Agreement.** These Covenants and the Development Agreement constitute the entire agreement of the parties with respect to the subject matter hereof and supersede all prior written and oral agreements and understandings with respect to such subject matter.

[Signatures on Following Page]

These Covenants are executed to be effective as of the ____ day of _____,
_____.

OWNER

MP WHITE OAK COMMERCIAL LLC

By: _____

Name: _____

Title: _____

THE STATE OF TEXAS §

§

COUNTY OF HARRIS §

This instrument was acknowledged before me on this ____ day of _____,
_____, by _____, _____ of MP White Oak
Commercial LLC, a Delaware limited liability company, on behalf of said limited liability
company.

Notary Public, State of Texas

AUTHORITY

**HARDY/NEAR NORTHSIDE
REDEVELOPMENT AUTHORITY**

By: _____
Name: _____
Title: _____

STATE OF TEXAS §
 §
COUNTY OF HARRIS §

This instrument was acknowledged before me on this _____ day of _____, _____, by _____, the _____ of Hardy/Near Northside Redevelopment Authority, a public non-profit local government corporation created pursuant to Chapter 431, Texas Transportation Code, on behalf of said public non-profit local government corporation.

Notary Public, State of Texas

EXHIBIT A

Description of Property

[To be inserted.]

TAB

NINE A

CITY OF HOUSTON
 ECONOMIC DEVELOPMENT DIVISION
 FISCAL YEAR 2023 BUDGET PROFILE

Fund Summary
 Fund Name: **Hardy Yards/Near Northside**
 TIRZ: **21**
 Fund Number: **7569/50**

P R O J E C T P L A N	Base Year:	2003
	Base Year Taxable Value:	\$ 40,313,080
	Projected Taxable Value (TY2022):	\$ 758,260,957
	Current Taxable Value (TY2021):	\$ 743,393,095
	Acres:	1450.21
	Administrator (Contact):	Ralph De Leon
	Contact Number:	(832) 978-5910

N A R R A T I V E	Zone Purpose:
	Tax Increment Reinvestment Zone Number Twenty-One, City of Houston, Texas was created to provide plans and programs needed to transform a former Union Pacific rail yard site into a transit-oriented, mixed-use development consisting of affordable housing, the construction or reconstruction of roadways and streets, utility systems, parks, hike and bike trails, mobility improvements, land acquisition, environmental remediation, and other community focused enhancements.

	Total Plan	Cumulative Expenses (to 6/30/21)	Variance	
P R O J E C T	Capital Projects:			
	Roadway, Sidewalk and Landscape	\$ 37,692,000	\$ 12,611,160	\$ 25,080,840
	Roadway, Sidewalk and Bridge	60,000,000	-	60,000,000
	Public Utility Improvements	47,844,000	-	47,844,000
	Parks, Landscape and Recreational Facilities	29,238,000	-	29,238,000
	Land Cost, Site Prep, Environmental Remediation	9,820,000	-	9,820,000
		-	-	-
	-	-	-	
	Total Capital Projects	\$ 184,594,000	\$ 12,611,160	\$ 171,982,840
P L A N	Affordable Housing	32,920,874	2,203,525	30,717,349
	School & Education/Cultural Facilities	-	-	-
	Financing Costs	1,700,000	-	1,700,000
	Administration Costs/ Professional Services	4,200,000	1,027,917	3,172,083
	Creation Costs	-	-	-
	Total Project Plan	\$ 223,414,874	\$ 15,842,602	\$ 207,572,272

	Additional Financial Data	FY2022 Budget	FY2022 Estimates	FY2023 Budget
D E B T	Debt Service	\$ -	\$ -	\$ -
	Principal	\$ -	\$ -	\$ -
	Interest	\$ -	\$ -	\$ -
		Balance as of 6/30/21	Projected Balance as of	Projected Balance as of
			6/30/22	6/30/23
	Year End Outstanding (Principal)			
	Bond Debt	\$ -	\$ -	\$ -
	Bank Loan	\$ -	\$ -	\$ -
	Line of Credit	\$ -	\$ -	\$ -
	Developer Agreement - Onsite Improvements	\$ 4,316,310	\$ 4,269,983	\$ 4,212,297
	Developer Agreement - Offsite Improvements	\$ 1,688,682	\$ 1,445,467	\$ 1,142,612
	Other	\$ -	\$ -	\$ -

CITY OF HOUSTON
 ECONOMIC DEVELOPMENT DIVISION
 FISCAL YEAR 2023 BUDGET DETAIL

Fund Summary
 Fund Name: Hardy Yards/Near Northside
 TIRZ: 21
 Fund Number: 7569/50

TIRZ Budget Line Items	FY2022 Budget	FY2022 Estimates	FY2023 Budget
RESOURCES			
RESTRICTED Funds - Capital Projects	\$ -	\$ -	\$ -
RESTRICTED Funds - Affordable Housing	\$ -	\$ -	\$ -
RESTRICTED Funds - Planning and Development	\$ 1,161,784	1,080,482	1,015,307
Beginning Balance	\$ 1,161,784	\$ 1,080,482	\$ 1,015,307
City tax revenue	\$ 1,023,752	\$ 957,938	1,164,895
County tax revenue	\$ -	\$ -	\$ -
ISD tax revenue	\$ -	\$ -	\$ -
ISD tax revenue - Pass Through	\$ -	\$ -	\$ -
Community College tax revenue	\$ -	\$ -	\$ -
Incremental property tax revenue	\$ 1,023,752	957,938	1,164,895
	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -
Miscellaneous revenue	\$ -	\$ -	\$ -
COH TIRZ interest	\$ 170	\$ -	\$ -
Interest Income	\$ 1,620	\$ 137	\$ 137
Other Interest Income	\$ 1,790	\$ 137	\$ 137
	\$ -	\$ -	\$ -
Harris County Precinct Two Matching Grant	\$ -	\$ -	\$ 275,000
Grant Proceeds	\$ -	\$ -	\$ 275,000
	\$ -	\$ -	\$ -
Proceeds from Bank Loan	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -
Contract Revenue Bond Proceeds	\$ -	\$ -	\$ -
TOTAL AVAILABLE RESOURCES	\$ 2,187,326	\$ 2,038,557	2,455,339

CITY OF HOUSTON
 ECONOMIC DEVELOPMENT DIVISION
 FISCAL YEAR 2023 BUDGET DETAIL

Fund Summary
 Fund Name: Hardy Yards/Near Northside
 TIRZ: 21
 Fund Number: 7569/50

TIRZ Budget Line Items	FY2022 Budget	FY2022 Estimates	FY2023 Budget
EXPENDITURES			
Accounting	\$ 12,000	\$ 8,275	\$ 12,000
Administration Salaries & Benefits	\$ 50,000	\$ 44,993	\$ 50,000
Auditor	\$ 10,000	\$ 9,250	\$ 10,000
Tax Advisor	\$ 2,000	\$ 12,528	\$ 15,000
Insurance	\$ 1,000	\$ 1,249	\$ 1,300
Office Expense	\$ 4,000	\$ 6,245	\$ 4,000
TIRZ Administration and Overhead	\$ 79,000	\$ 82,539	\$ 92,300
Engineering Consultants	\$ 225,000	\$ 44,074	\$ 25,000
Legal	\$ 20,000	\$ 33,530	\$ 25,000
Construction Audit	\$ -	\$ -	\$ -
Planning Consultants	\$ 100,000	\$ 100,000	\$ 100,000
Program and Project Consultants	\$ 345,000	\$ 177,605	\$ 150,000
Management consulting services	\$ 424,000	\$ 260,144	\$ 242,300
	\$ -	\$ -	\$ -
Capital Expenditures (See CIP Schedule)	\$ 716,500	\$ 106,355	\$ 594,000
TIRZ Capital Expenditures	\$ 716,500	\$ 106,355	\$ 594,000
	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -
Hardy Yards/Cypress - OnSite	\$ 122,648	\$ 46,327	\$ 57,687
Hardy Yards/Cypress - OffSite	\$ 315,381	\$ 243,215	\$ 302,855
Developer / Project Reimbursements	\$ 438,029	\$ 289,542	\$ 360,542
System debt service	\$ -	\$ -	\$ -
TOTAL PROJECT COSTS	\$ 1,578,529	656,041	1,196,842
Payment/transfer to ISD - educational facilities	\$ -	\$ -	\$ -
Administration Fees:			
City	\$ 51,188	\$ 47,897	\$ 58,245
County	\$ -	\$ -	\$ -
ISD	\$ -	\$ -	\$ -
HCC	\$ -	\$ -	\$ -
Affordable Housing:			
City	\$ 341,251	\$ 319,313	\$ 388,298
County	\$ -	\$ -	\$ -
ISD to City of Houston	\$ -	\$ -	\$ -
Municipal Services (Payable to COH)	\$ -	\$ -	\$ -
Total Transfers	\$ 392,439	367,210	446,543
Total Budget	\$ 1,970,968	1,023,251	1,643,385
RESTRICTED Funds - Capital Projects	\$ -	\$ -	\$ -
RESTRICTED Funds - Affordable Housing	\$ -	\$ -	\$ -
RESTRICTED Funds - Planning and Development	\$ 216,358	\$ 1,015,307	\$ 811,954
Ending Fund Balance	\$ 216,358	1,015,307	811,954
Total Budget & Ending Fund Balance	\$ 2,187,326	\$ 2,038,557	\$ 2,455,339

Notes:

Council District	CIP No.	Project	Fiscal Year Planned Appropriations							FY23 - FY27 Total	Cumulative Total (To Date)
			Through 2021	Projected 2022	2023	2024	2025	2026	2027		
H	T-2101	Near Northside Hernandez Tunnel	\$ -	-	-	-	-	-	-	-	-
H	T-2102	Hernandez Tunnel Mural	\$ 15,000	-	-	-	-	-	-	-	15,000
H	T-2103	METRO Parcel Acquisition and Planning	\$ -	-	9,000	4,000	-	-	-	13,000	13,000
H	T-2104	2600 - 3500 Block Main Street Pedestrian/Bicycle	\$ -	4,995	-	-	-	-	-	-	4,995
0	T-2105	Pickney Street Hike and Bike Trail	\$ -	101,360	560,000	-	-	-	-	560,000	661,360
0	T-2106	ADA Compliant Sidewalks and related pedestrian	\$ -	-	-	-	-	-	-	-	-
H	T-2199	Concrete Panel & Sidewalk Replacement Program	\$ -	-	25,000	25,000	25,000	25,000	25,000	125,000	125,000
Totals			\$ 15,000	106,355	594,000	\$ 29,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 698,000	\$ 819,355

* NOTE:

** NOTE:

*** NOTE:

Source of Funds	Fiscal Year Planned Appropriations								
	Through 2021	Projected 2022	2023	2024	2025	2026	2027	FY23 - FY27 Total	Cumulative Total (To Date)
TIRZ Funds	15,000	106,355	319,000	29,000	25,000	25,000	25,000	423,000	544,355
City of Houston	-	-	-	-	-	-	-	-	-
Grants	-	-	275,000	-	-	-	-	275,000	275,000
Other	-	-	-	-	-	-	-	-	-
Project Total	15,000	106,355	594,000	29,000	25,000	25,000	25,000	698,000	819,355

Project:	METRO Parcel Acquisition and Planning	City Council District	Key Map:		WBS.:	T-2103		
		Location:	H	Geo. Ref.:				
		Served:	ALL	Neighborhood:				
Description:	METRO owned remnant parcels remaining after construction of light rail line on Fulton Street and Main Street.	Operating and Maintenance Costs: (\$ Thousands)						
			2023	2024	2025	2026	2027	Total
		Personnel	-	-	-	-	-	\$ -
		Supplies	-	-	-	-	-	\$ -
Justification:	Various Parcels located adjacent to Light Rail Stops, which will provide a non-vehicular safe haven with pedestrian amenities for transit users and open green space for the community.	Svcs. & Chgs.	-	-	-	-	-	\$ -
		Capital Outlay	-	-	-	-	-	\$ -
		Total	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
		FTEs						-

Fiscal Year Planned Expenses

Project Allocation		Projected Expenses thru 6/30/21	2022 Budget	2022 Estimate	2023	2024	2025	2026	2027	FY23 - FY27 Total	Cumulative Total (To Date)
Phase											
1	Planning	-	15,000	-	5,000	-	-	-	-	\$ 5,000	\$ 5,000
2	Acquisition	-	50,000	-	-	-	-	-	-	\$ -	\$ -
3	Design	-	45,000	-	-	-	-	-	-	\$ -	\$ -
4	Construction	-	-	-	-	-	-	-	-	\$ -	\$ -
5	Equipment	-	-	-	-	-	-	-	-	\$ -	\$ -
6	Close-Out	-	-	-	-	-	-	-	-	\$ -	\$ -
7	Other	-	12,000	-	4,000	4,000	-	-	-	\$ 8,000	\$ 8,000
		-	-	-	-	-	-	-	-	\$ -	\$ -
		-	-	-	-	-	-	-	-	\$ -	\$ -
		-	-	-	-	-	-	-	-	\$ -	\$ -
		-	-	-	-	-	-	-	-	\$ -	\$ -
Other Sub-Total:		-	12,000	-	4,000	4,000	-	-	-	\$ 8,000	\$ 8,000
Total Allocations		\$ -	\$ 122,000	\$ -	\$ 9,000	\$ 4,000	\$ -	\$ -	\$ -	\$ 13,000	\$ 13,000
Source of Funds											
TIRZ Funds		-	122,000	-	9,000	4,000	-	-	-	\$ 13,000	\$ 13,000
City of Houston		-	-	-	-	-	-	-	-	\$ -	\$ -
Grants		-	-	-	-	-	-	-	-	\$ -	\$ -
Other		-	-	-	-	-	-	-	-	\$ -	\$ -
Total Funds		\$ -	\$ 122,000	\$ -	\$ 9,000	\$ 4,000	\$ -	\$ -	\$ -	\$ 13,000	\$ 13,000

Project: 2600 - 3500 Block Main Street Pedestrian/Bicycle Safety Project	City Council District		Key Map:		WBS.:	T-2104	
	Location:	H	Geo. Ref.:				
	Served:	H	Neighborhood:				
Description: Amendment to Major Thoroughfare Plan to provide for adequate sidewalks/multi-purpose pathway from I-45 to the METRO light rail facility on Fulton Street.	Operating and Maintenance Costs: (\$ Thousands)						
		2023	2024	2025	2026	2027	Total
Justification: Existing conditions consist of irregular stretches of non-connected segments of sidewalks, often blocked by telephone poles, or other conditions that render them useless.	Personnel	-	-	-	-	-	\$ -
	Supplies	-	-	-	-	-	\$ -
	Svcs. & Chgs.	-	-	-	-	-	\$ -
	Capital Outlay	-	-	-	-	-	\$ -
	Total	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	FTEs						-

Fiscal Year Planned Expenses

Project Allocation		Projected Expenses thru 6/30/21	2022 Budget	2022 Estimate	2023	2024	2025	2026	2027	FY23 - FY27 Total	Cumulative Total (To Date)
Phase											
1	Planning	-	27,500	4,995	-	-	-	-	-	\$ -	\$ 4,995
2	Acquisition	-	-	-	-	-	-	-	-	\$ -	\$ -
3	Design	-	-	-	-	-	-	-	-	\$ -	\$ -
4	Construction	-	-	-	-	-	-	-	-	\$ -	\$ -
5	Equipment	-	-	-	-	-	-	-	-	\$ -	\$ -
6	Close-Out	-	-	-	-	-	-	-	-	\$ -	\$ -
7	Other	-	-	-	-	-	-	-	-	\$ -	\$ -
		-	-	-	-	-	-	-	-	\$ -	\$ -
		-	-	-	-	-	-	-	-	\$ -	\$ -
		-	-	-	-	-	-	-	-	\$ -	\$ -
		-	-	-	-	-	-	-	-	\$ -	\$ -
Other Sub-Total:		-	-	-	-	-	-	-	-	\$ -	\$ -
Total Allocations		\$ -	\$ 27,500	\$ 4,995	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,995
Source of Funds											
TIRZ Funds		-	27,500	4,995	-	-	-	-	-	\$ -	\$ 4,995
City of Houston		-	-	-	-	-	-	-	-	\$ -	\$ -
Grants		-	-	-	-	-	-	-	-	\$ -	\$ -
Other		-	-	-	-	-	-	-	-	\$ -	\$ -
Total Funds		\$ -	\$ 27,500	\$ 4,995	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,995

*NOTE:

Project: Pickney Street Hike and Bike Trail	City Council District	Key Map:		WBS.:	T-2105		
	Location:	Geo. Ref.:					
	Served:	Neighborhood:					
Description:	Trail connection to the White Oak Bayou Regional Trail System providing access from the neighborhood to the White Oak and Buffalo Bayou Trail Systems.	Operating and Maintenance Costs: (\$ Thousands)					
		2023	2024	2025	2026	2027	Total
	Personnel	-	-	-	-	-	\$ -
	Supplies	-	-	-	-	-	\$ -
Justification:	Trail is identified on the Houston Bike Plan, Houston Park Board's Bayou Greenways Plan, Near Northside Complete Communities Plan, Vision Zero Plan and the Heights/Near Northside Mobility Study.						
	Svcs. & Chgs.	-	-	-	-	-	\$ -
	Capital Outlay	-	-	-	-	-	\$ -
	Total	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	FTEs						-

Fiscal Year Planned Expenses

Project Allocation		Projected Expenses thru 6/30/21	2022 Budget	2022 Estimate	2023	2024	2025	2026	2027	FY23 - FY27 Total	Cumulative Total (To Date)
Phase											
1	Planning	-	-	-	-	-	-	-	-	\$ -	\$ -
2	Acquisition	-	-	-	-	-	-	-	-	\$ -	\$ -
3	Design	-	50,000	101,360	-	-	-	-	-	\$ -	\$ 101,360
4	Construction	-	550,000	-	550,000	-	-	-	-	\$ 550,000	\$ 550,000
5	Equipment	-	-	-	-	-	-	-	-	\$ -	\$ -
6	Close-Out	-	-	-	-	-	-	-	-	\$ -	\$ -
7	Other	-	5,000	-	10,000	-	-	-	-	\$ 10,000	\$ 10,000
		-	-	-	-	-	-	-	-	\$ -	\$ -
		-	-	-	-	-	-	-	-	\$ -	\$ -
		-	-	-	-	-	-	-	-	\$ -	\$ -
		-	-	-	-	-	-	-	-	\$ -	\$ -
Other Sub-Total:		-	5,000	-	10,000	-	-	-	-	\$ 10,000	\$ 10,000
Total Allocations		\$ -	\$ 605,000	\$ 101,360	\$ 560,000	\$ -	\$ -	\$ -	\$ -	\$ 560,000	\$ 661,360
Source of Funds											
TIRZ Funds		-	335,000	101,360	285,000	-	-	-	-	\$ 285,000	\$ 386,360
City of Houston		-	-	-	-	-	-	-	-	\$ -	\$ -
Grants		-	270,000	-	275,000	-	-	-	-	\$ 275,000	\$ 275,000
Other		-	-	-	-	-	-	-	-	\$ -	\$ -
Total Funds		\$ -	\$ 605,000	\$ 101,360	\$ 560,000	\$ -	\$ -	\$ -	\$ -	\$ 560,000	\$ 661,360

Project:	ADA Compliant Sidewalks and related pedestrian and bicycle safety improvements.	City Council District		Key Map:		WBS.:	T-2106	
		Location:		Geo. Ref.:				
		Served:		Neighborhood:				
Description:	ADA compliant sidewalks, ramps, and	Operating and Maintenance Costs: (\$ Thousands)						
			2023	2024	2025	2026	2027	Total
		Personnel	-	-	-	-	-	\$ -
		Supplies	-	-	-	-	-	\$ -
Justification:		Svcs. & Chgs.	-	-	-	-	-	\$ -
		Capital Outlay	-	-	-	-	-	\$ -
		Total	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
		FTEs						

Fiscal Year Planned Expenses

Project Allocation		Projected Expenses thru 6/30/21	2022 Budget	2022 Estimate	2023	2024	2025	2026	2027	FY23 - FY27 Total	Cumulative Total (To Date)
Phase											
1	Planning	-	-	-	-	-	-	-	-	\$ -	\$ -
2	Acquisition	-	-	-	-	-	-	-	-	\$ -	\$ -
3	Design	-	-	-	-	-	-	-	-	\$ -	\$ -
4	Construction	-	-	-	-	-	-	-	-	\$ -	\$ -
5	Equipment	-	-	-	-	-	-	-	-	\$ -	\$ -
6	Close-Out	-	-	-	-	-	-	-	-	\$ -	\$ -
7	Other	-	-	-	-	-	-	-	-	\$ -	\$ -
		-	-	-	-	-	-	-	-	\$ -	\$ -
		-	-	-	-	-	-	-	-	\$ -	\$ -
		-	-	-	-	-	-	-	-	\$ -	\$ -
		-	-	-	-	-	-	-	-	\$ -	\$ -
Other Sub-Total:		-	-	-	-	-	-	-	-	\$ -	\$ -
Total Allocations		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Source of Funds											
TIRZ Funds		-	-	-	-	-	-	-	-	\$ -	\$ -
City of Houston		-	-	-	-	-	-	-	-	\$ -	\$ -
Grants		-	-	-	-	-	-	-	-	\$ -	\$ -
Other		-	-	-	-	-	-	-	-	\$ -	\$ -
Total Funds		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Project:	Concrete Panel & Sidewalk Replacement Program	City Council District		Key Map:		WBS.:	T-2199	
		Location:	H	Geo. Ref.:				
		Served:	H	Neighborhood:				
Description:	Street and/or sidewalk maintenance program.	Operating and Maintenance Costs: (\$ Thousands)						
			2023	2024	2025	2026	2027	Total
Justification:	Mobility improvements to extend life of roads.	Personnel	-	-	-	-	-	\$ -
		Supplies	-	-	-	-	-	\$ -
		Svcs. & Chgs.	-	-	-	-	-	\$ -
		Capital Outlay	-	-	-	-	-	\$ -
		Total	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
		FTEs						-

Fiscal Year Planned Expenses

Project Allocation		Projected Expenses thru 6/30/21	2022 Budget	2022 Estimate	2023	2024	2025	2026	2027	FY23 - FY27 Total	Cumulative Total (To Date)
Phase											
1	Planning	-	-	-	-	-	-	-	-	\$ -	\$ -
2	Acquisition	-	-	-	-	-	-	-	-	\$ -	\$ -
3	Design	-	-	-	-	-	-	-	-	\$ -	\$ -
4	Construction	-	25,000	-	25,000	25,000	25,000	25,000	25,000	\$ 125,000	\$ 125,000
5	Equipment	-	-	-	-	-	-	-	-	\$ -	\$ -
6	Close-Out	-	-	-	-	-	-	-	-	\$ -	\$ -
7	Other	-	-	-	-	-	-	-	-	\$ -	\$ -
		-	-	-	-	-	-	-	-	\$ -	\$ -
		-	-	-	-	-	-	-	-	\$ -	\$ -
		-	-	-	-	-	-	-	-	\$ -	\$ -
		-	-	-	-	-	-	-	-	\$ -	\$ -
Other Sub-Total:		-	-	-	-	-	-	-	-	\$ -	\$ -
Total Allocations		\$ -	\$ 25,000	\$ -	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 125,000	\$ 125,000
Source of Funds											
TIRZ Funds		-	25,000	-	25,000	25,000	25,000	25,000	25,000	\$ 125,000	\$ 125,000
City of Houston		-	-	-	-	-	-	-	-	\$ -	\$ -
Grant		-	-	-	-	-	-	-	-	\$ -	\$ -
Other		-	-	-	-	-	-	-	-	\$ -	\$ -
Total Funds		\$ -	\$ 25,000	\$ -	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 125,000	\$ 125,000

TIRZ 21	F Y2	2021	2022	2023	2024	2025	2026
		FY2022	FY2023	FY2024	FY2025	FY2026	FY2027
City	#	\$ 957,938	\$ 1,164,895	\$ 1,242,858	\$ 1,322,380	\$ 1,403,492	\$ 1,486,227
County	#	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
ISD	#	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
ISD - Pass Through	#	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	#	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
INCREMENT REVENUES (1)	#	\$ 957,938	\$ 1,164,895	\$ 1,242,858	\$ 1,322,380	\$ 1,403,492	\$ 1,486,227
CITY OF HOUSTON	#	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
GRANT PROCEEDS (5)	#	\$ -	\$ 275,000	\$ -	\$ -	\$ -	\$ -
MISCELLANEOUS REVENUE	#	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
INTEREST INCOME	#	\$ 137	\$ 137	\$ -	\$ -	\$ -	\$ -
PROCEEDS FROM BANK LOAN	#	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL RESOURCES	#	\$ 958,075	\$ 1,440,032	\$ 1,242,858	\$ 1,322,380	\$ 1,403,492	\$ 1,486,227
ISD Education Set-Aside	#	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
ISD Education Set-Aside - Pass Through	#	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Affordable Housing							
City	#	\$ 319,313	\$ 388,298	\$ 414,286	\$ 440,793	\$ 467,831	\$ 271,641
County	#	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
ISD	#	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Municipal Services	#	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Administrative Fees							
City	#	\$ 47,897	\$ 58,245	\$ 62,143	\$ 66,119	\$ 70,175	\$ 74,311
County	#	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
ISD	#	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	#	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TRANSFERS	#	\$ 367,210	\$ 446,543	\$ 476,429	\$ 506,912	\$ 538,006	\$ 345,952
Management Consulting Services	#	\$ 260,144	\$ 242,300	\$ 81,250	\$ 81,250	\$ 81,250	\$ 81,250
Loan Debt Service - Principal	#	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest	#	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Debt	#	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
DEBT SERVICE	#	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL EXPENSES	#	\$ 260,144	\$ 242,300	\$ 81,250	\$ 81,250	\$ 81,250	\$ 81,250
CASH FLOW FROM OPERATIONS	#	\$ 330,721	\$ 751,189	\$ 685,179	\$ 734,218	\$ 784,236	\$ 1,059,025
BEGINNING FUND BALANCE (7)	#	\$ 1,080,482	\$ 1,015,306	\$ 811,953	\$ 957,180	\$ 1,122,752	\$ 1,304,998
DEBT ISSUANCE	#	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
FUNDS AVAILABLE FOR PROJECTS	#	\$ 1,411,203	\$ 1,766,495	\$ 1,497,132	\$ 1,691,397	\$ 1,906,989	\$ 2,364,023
Projects							
Hardy Yards/Cypress Development	#	\$ 289,542	\$ 360,542	\$ 510,952	\$ 543,645	\$ 576,991	\$ 760,183
DEVELOPER AGREEMENTS	#	\$ 289,542	\$ 360,542	\$ 510,952	\$ 543,645	\$ 576,991	\$ 760,183
T-2101 Near Northside Hernandez Tunnel	#	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
T-2102 Hernandez Tunnel Mural	#	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
T-2103 METRO Parcel Acquisition and Planning	#	\$ -	\$ 9,000	\$ 4,000	\$ -	\$ -	\$ -
T-2104 2600 - 3500 Block Main Street Pedestrian/Bicycle	#	\$ 4,995	\$ -	\$ -	\$ -	\$ -	\$ -
T-2105 Pickney Street Hike and Bike Trail	#	\$ 101,360	\$ 560,000	\$ -	\$ -	\$ -	\$ -
T-2106 ADA Compliant Sidewalks and related pedestrian	#	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
T-2199 Concrete Panel & Sidewalk Replacement Program	#	\$ -	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
CAPITAL PROJECTS	#	\$ 106,355	\$ 594,000	\$ 29,000	\$ 25,000	\$ 25,000	\$ 25,000
TOTAL PROJECTS	#	\$ 395,897	\$ 954,542	\$ 539,952	\$ 568,645	\$ 601,991	\$ 785,183
RESTRICTED Funds - Planning and Development	#	\$ 1,015,306	\$ 811,953	\$ 957,180	\$ 1,122,752	\$ 1,304,998	\$ 1,578,839
RESTRICTED Funds - Affordable Housing	#	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
RESTRICTED Funds - Development Reimbursement	#	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted Funds/Net Current Activity	#	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Ending Fund Blance	#	\$ 1,015,306	\$ 811,953	\$ 957,180	\$ 1,122,752	\$ 1,304,998	\$ 1,578,839

TAB

NINE D

From: [Mosley, Brandon - PD](#)
To: [Ralph De Leon](#)
Subject: 2022 MTFP Amendment Application: Fulton Street / San Jacinto Street Connector Overpass
Date: Friday, March 4, 2022 12:40:17 PM
Attachments: [image001.png](#)

Ralph,

- Thank you for your submission to the 2022 MTFP Amendment cycle.
- Please accept this notification that your hard copy application is accepted.
- Once the application submission period closes on March 4, 2022 at 5pm, your application will be assigned for review.
- Thank you.

Brandon W. Mosley, *Transportation Planner I*
Transportation Division
City of Houston Planning & Development Department

611 Walker, 6th Floor, Houston, Texas 77002

(832) 393-6635

<http://www.houstontx.gov/planning/>



2022 MTFP Application



Submittal period closes Friday, March 4, 2022

The Major Thoroughfare and Freeway Plan (MTFP) Amendment Review Process

Vision: The City of Houston’s Major Thoroughfare and Freeway Plan identifies a multimodal network for access and connectivity. This network forms the basis for preserving existing mobility in developed areas and accommodating future mobility in un/underdeveloped areas.

January 4 - February 25	<p>Mandatory pre-submittal conference with Transportation staff</p> <p>This will give all parties an opportunity to fully understand the request, the process, and the limitations of the MTFP. This meeting will also help to determine if modifications to the application are necessary.</p>
January 10 - March 4	<p>Application submittal period</p> <p>Applications delivered after 5:00 p.m. on March 4 will not be accepted. If a pre-submittal conference with staff has not been held during the allotted time period, the application will not be accepted.</p>
March 7	<p>Multiple County MTFP Coordination</p> <p>Staff will begin coordination with other counties MTFP processes.</p>
April - May	<p>Notification Package <i>(Applicants will be charged a notice fee for each envelope and stamp notification)</i></p> <p>Coordinate with staff for notification package.</p>
May 12	<p>The Planning Commission Workshop</p> <p>This is an opportunity for the applicant and the staff to present the proposed amendment to the Planning Commission. An open dialogue between the applicant, staff, and the Commission members allows better understanding of the cases. Staff will describe the MTFP amendment process and provide an update on public comments. The applicant will introduce their proposed amendment request. During the Workshop, the Commissioners may ask questions of the applicant or staff and may request that certain information be researched and incorporated in technical reports that follow. Any proposed alternatives or changes considered by staff may also be presented.</p>
May 16 – May 27	<p>Notice of an open house and of a public hearing before the Planning Commission is mailed and run in the newspaper</p> <p>Mailing information includes a Preliminary Report developed by the staff. <i>Applicants will be charged notice fee for each envelope and stamp notification.</i></p>
June 15	<p>An open house is held</p> <p>Attended by applicants, staff, interested residents, and Planning Commissioners. Residents can visit with each applicant to review maps and documents. Staff will be available to answer any questions regarding staff’s research. Information about any amendments being proposed by staff may also be available.</p>
July 21	<p>Public Hearing is held before the Planning Commission</p>
September 1	<p>Planning Commission votes on staff recommendations</p>
September 30	<p>Amendments are forwarded to City Council for adoption</p>

2022 MTFP Application



**PLANNING &
DEVELOPMENT
DEPARTMENT**

12. MTFP AMENDMENT SUBMITTAL REQUIREMENTS CHECKLIST (DUE AT APPLICATION SUBMITTAL UNLESS OTHERWISE SPECIFIED)

1. Completed Application Form clear and concise summary of amendment proposal
2. Letter to Director of Planning & Development Department
3. Justification section, clear and concise justification for the amendment request
4. Area Map
5. Scaled Area Map on 8 ½" x 11" paper
6. Proposed alignments and exhibits in **GIS digital format**
7. Letter of Authorization (if required)
8. Area Map with alternatives, no smaller than 40" x 35" (due at Public Open House)
9. Traffic Study, as determined by the Director of Houston Public Works (due if/when requested by staff)
10. Notification Package (due when specified in timeline on page 1)
11. Documentation to show support from adjacent landowners for proposed amendment (due if/when requested by staff)
12. Items 1-11 in digital format

DESCRIPTION OF SUBMITTAL REQUIREMENTS (DUE AT TIME OF APPLICATION SUBMITTAL)

1. **Completed Application Form** – Complete all information on the application form on the previous page.
2. **Letter to Director of Planning & Development Department** – *Note: This official letter is important, but **you will also need to state your justification on the application.** The letter to the Director may be posted on the website and may be viewed by residents, agency representatives and elected officials. It should be comprehensive and written in a manner to be easily understood by these audiences. It is strongly recommended that the letter's content address the following:*
 - How does the current and proposed alignments pose restrictions that hinder development, either on the property of the applicant or adjacent property owners?
 - Is your amendment consistent with the City's plans/adjacent municipalities' plans?
 - For amendments within the City of Houston limits, consider the City's Complete Streets Executive Order and how the amendment(s) will improve mobility and access for all users of Houston's transportation network. Any amendments for roadways within the City of Houston should take into consideration recommendations from the Bicycle Master Plan, METRO's Transit Plan, Vision Zero, The Walkable Places and Transit Oriented Development Ordinance, the overall context of the street, and the vision of the area or the corridor as proposed in previous planning studies (i.e., sub-regional mobility studies or livable center studies). See page 6, "Resources."
 - Does your amendment increase safety and multimodal options by providing sufficient width?
 - Does your amendment improve drainage/reduce flooding?
 - Is your amendment supported by the community and adjacent landowners?
 - Does this site have any previous Planning Commission decisions still in effect?
 - Does your amendment preserve the existing street network? (developed areas)
 - Does your amendment preserve future corridors for transportation system development?

(un/underdeveloped areas)

2022 MTFP Application



- Any impacts and the proposed mitigation of any adverse impacts on existing thoroughfares, the environment, and the area surrounding the amendment must be addressed using appropriate studies, reports, and maps.
 - Explain, justify, and demonstrate the merits of the proposal to amend the MTFP, including how it addresses the broader goals and objectives of the MTFP and how it will impact the overall transportation system.
 - Keep in mind when determining your amendment request, that it is the general policy of the Planning Commission and the staff to make all reasonable efforts to maintain the original integrity of the plan, and its basic theory and to keep changes and revisions to a minimum. This policy maintains the plan’s continuity and ensures confidence in the plan’s long-range implementation by private landowners, developers, and sub dividers, as well as other governmental agencies charged with the responsibility of constructing facilities illustrated in the plan. Refer to the MTFP Policy Statement on the website (see page 6, “Resources”).
 - State why your proposal must be considered this year, and how lack of consideration would impede plans to develop your property.
3. **Area Map** – Must illustrate the existing MTFP alignment and how the proposed change would affect the thoroughfare pattern in the general area at a scale of 1” = 1,000 ft. This map must also show current property ownership of those landowners affected by the proposal. In certain instances, staff may also request a survey of the area.
 4. **Scaled Area Map on 8 ½” X 11” Paper** – Must illustrate the existing MTFP alignment and how the proposed change would affect the thoroughfare pattern in the general area. This map must fit on 8 ½” x 11” sized paper.
 5. **Proposed Alignments and Exhibits in Digital Format** – A GIS shapefile of the proposed (re)alignment **is required**. Shapefiles should be created by copying the most recent City of Houston MTFP layer package available [online](#), editing the spatial data relevant to the request and repackaging. If there are several different requests, each request should be an independent line within the attribute table. Applicants **must include the five fields** shown below in the attribute table (see the table below for an example). Provide any other exhibits or data that are relevant to the request (ex. floodplain based on TSARP map, aerial exhibits, pipelines, etc.) See page 6, “Resources,” for more information.

Example Attribute Table for Amendment Shapefile

Street	Street Segment	Request	Current MTFP Classification	Proposed MTFP Classification
Planning Drive	Fort Bend Tollway to Chimney Rock Road	Reclassify (T-4-100) to (MJ-2-80)	T-4-100	MJ-2-80
Planning Drive	Chimney Rock Road to Alameda Road	Delete	T-4-100	N/A
Development Road	McHard Road to Broadway Street	Add	N/A	T-4-100

6. **Letter of Authorization** – If you serve as the agent for the interested property owner(s), a letter to authorize your representation should be provided.

DEADLINE FOR RECEIPT OF 2022 MTFP AMENDMENT APPLICATIONS AND ALL SUPPORTING MATERIALS IS 5:00 P.M. FRIDAY, MARCH 4, 2022 (except for items listed below). ELECTRONIC FORMAT OF COMPLETED APPLICATIONS MAY BE MAILED OR HAND DELIVERED. IDENTIFY YOUR SUBMITTED MATERIALS AS “MTFP AMENDMENT APPLICATION.”

2022 MTFP Application



PLANNING &
DEVELOPMENT
DEPARTMENT

DESCRIPTION OF SUBMITTAL REQUIREMENTS (DUE AT TIME SPECIFIED)

7. **Area Map with alternatives (due during public open house)** – Based on the study area boundary and alternatives discussed at the Planning Commission workshop, applicant should coordinate with staff and provide an area map depicting the study area boundary and alternatives being evaluated. Applicant shall use this exhibit for open house meeting for discussion with the public.
8. **Traffic Study (due if/when requested by staff)** – May be required for applications requesting a deletion, realignment, or reclassification of MTFP alignments. Specific traffic data will be determined by the Director of the Houston Public Works Department on a case-by-case basis. Requirement for a traffic study should be discussed with staff during the pre-submittal meeting but may be requested later if additional information is needed for review.
9. **Notification Package** – *Notification area and submittal deadline should be coordinated with staff after application is submitted.*
 - Staff will provide a list of all affected property owners identified on the area map, including the property's legal description as shown on the appraisal district record or tax statement, to be verified by the applicant. Based on the discussion at the Planning Commission workshop, staff may require that alternative alignments or designations be studied as a part of this application. As a result, study area boundary and notification list may change due to this requirement. Staff will coordinate with applicants following the workshop and throughout the amendment process.
 - Applicants must provide a copy of the County **Appraisal District record** or tax statement for each affected property identified on the area map. Record or statement must be less than 30 days old when submitted.
 - Staff will send one envelope addressed to each affected property owner identified on the above list and on the area map. *In cases in which the appraisal district records or tax statements show the same owner's name and owner address for multiple property accounts, only one envelope is needed. **Applicants will be charged a notice fee for each envelope and stamp notification.***
 - The envelope will have a **return address label**, addressed as follows:
City of Houston
Planning & Development Department
Transportation Planning
P.O. Box 1562
Houston, Texas 77251-1562
 - An **HCAD map** and Excel spreadsheet indicating which specific property owners were notified.
 - The above requirements will be provided by staff in **digital copies**.
10. **Documentation to show support from Adjacent Landowners for Proposed Amendment** – Documentation of support (i.e., letters of support) will also be accepted. Benchmarks at which time support will be tallied by staff are as follows:
 - At time of submittal
 - After open house
 - After public hearing
11. **Items 1-11 in digital format** – A copy of all information should be provided to staff in digital format on a CD, USB, or transmitted electronically.

2022 MTFP Application



PLANNING &
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RESOURCES:

COH-Planning & Development Website: www.houstonplanning.com

MTFP website: <http://www.houstontx.gov/planning/transportation/MTFP.html>

Includes:

- MTFP Policy Statement (amended in 2015)
- 2021 MTFP Map
- 2021 MTFP Hierarchy Classification Table
- 2021 MTFP GIS data
- Historical MTFP maps
- 2022 MTFP Amendment - Application, Timeline and Process

Consolidated Transportation Planning: <http://mycity.houstontx.gov/HoustonCTP/>

Harris County Appraisal District www.hcad.org

Fort Bend County Appraisal District www.fbcad.org

Montgomery Central Appraisal District <http://www.mcad-tx.org/>

Liberty County Central Appraisal District www.libertycad.com

Harris County Flood Control District <https://www.hcfc.org/>

Grand Parkway / SH 99 <http://grandpky.com/>

Dallas-Houston High Speed Rail <http://www.fra.dot.gov/Page/P0700>

COH - Bicycle Master Plan houstonbikeplan.org

Complete Streets E.O. houstontx.gov/completestreets

Vision Zero <http://houstontx.gov/visionzero/>

Walkable Places and Transit Oriented Development <https://houstontx.gov/planning/wp-committee.html>

TO CONTACT US:

Location:

City of Houston
Planning and Development
Department Transportation Planning
611 Walker Street, Sixth Floor
Houston, Texas 77002

Mailing Address:

City of Houston
Planning and Development
Department Transportation Planning
P. O. Box 1562
Houston, Texas 77251-1562

Staff Contacts:

Sharon Moses-Burnside, JD, MS

Phone: 832.393.6564
Fax: 832.393.6664
Email: Sharon.Moses-Burnside@houstontx.gov

David Fields, AICP

Phone: 832.393.6573
Fax: 832.393.6664
Email: David.Fields@houstontx.gov



Tax Increment Reinvestment Zone (“TIRZ”) Number Twenty-One

March 3, 2022

Margaret Wallace Brown
Director Planning and Development Department
City of Houston
611 Walker Street
Houston, Texas 77002

Ms. Brown, we write this letter to you as accompaniment to our 2022 MTFP Application requesting the removal of the dotted red line connecting Fulton Street to San Jacinto Street. We word it this way as the alignment mentioned above does not exist today and is depicted as a dotted red line in the MTFP indicating a proposed elevated structure over the Union Pacific rail tracks immediately south of the southern terminus of Chapman Street and shown connecting the northern terminus of San Jacinto to the southern terminus of Fulton Street.

We will address each of the required justifications referenced in the MTFP Application in this letter, but first wanted to provide context and background information related to how and why a proposed elevated structure at that location was first included in the MTFP in 2010, and why conditions today no longer warrant the facility.

In 2008, the City facilitated a reimbursement with CR V Hardy Yards L.P. (“Cypress”) to remediate a 50 acre brownfield site formerly used by Union Pacific (“UP”) as a rail yard. The City created the Near Northside Authority (“Authority”) in 2009, and pledged TIRZ 21 tax increments as the funding source to reimburse the developer for their costs. At that time, Cypress proposed to construct a mixed-use development on the site and desired a direct vehicular connection to the Central Business District. Both the City and Cypress identified an overpass over the rail tracks connecting Fulton Street to San Jacinto and memorialized reimbursement for the infrastructure costs into a Development Agreement between the Authority and Cypress (see Exhibit 1 and 1A). Also note Exhibit 1A, Offsite Public Improvements, included costs for San Jacinto Bridge Improvements and cost for right-of-way acquisition but did not contemplate the purchase of an aerial easement from UP. When the City and the developer attempted to purchase the aerial easement from UP the cost for same was valued by UP in the millions of dollars and neither the City nor Cypress could fund the purchase of the easement, and the initiative was abandoned.

In 2013, the City and Cypress subsequently Amended the Development Agreement, removed the San Jacinto Bridge from the Agreement, and replaced it with the Hernandez Tunnel Project (see Exhibit 2 and 2A). Note the project cost included on Exhibit 2A contemplate the removal of the northern portion of the Hernandez Tunnel, removal of the grade separation at Burnett Street and Main Street; and replaced it with an at-grade intersection at Burnett Street and Main Street and the reconstruction of Burnett Street to Hardy Street. If one drives out there today, they will see that is what got built. Additionally, as of the most recent Audit of the Authority (FY21) dated June 30, 2021, the remaining balance owed to Cypress for the reimbursement at Hardy Yards is \$6,004,992.00 (See Exhibit 3 and 3A). However, when the Zone terminates on December 31, 2040, the total remaining increment paid to Cypress will be \$4,687,085.00 (see Exhibit 4). Thus, the Zone will terminate, and Cypress will never be fully reimbursed for their cost to remediate the site, reconstruct Burnett Street and the Hernandez Tunnel. We point this out as the San Jacinto Bridge, as originally included in the MTFP Plan in 2010 was intended to be a TIRZ funded project. Additionally, as previously mentioned, there will be no second opportunity for the Zone to fund a second major infrastructure project at that location prior to termination.

In the decade plus since the San Jacinto Bridge project was abandoned multiple significant mobility projects have been constructed, are under construction, or completing the design process in this immediate vicinity, including the METRO Fulton/North Central NB Rail Alignment, the Elysian Viaduct Project, the North Highway Improvement Project (“NHHIP”), and the Hardy Toll Road Connector Project. Collectively all these projects are located within a narrow 3.5-mile-wide band of each other and will provide sufficient capacity utilizing multiple modes of transportation well into the next century (see Exhibit 5). Additionally, these projects did not contemplate a Bridge at this location. For example, if you compare the proposed alignment of the San Jacinto Bridge as represented in the MTRP and the future elevated TxDOT I-10 lanes at that same location you will see two proposed elevated structures are being proposed to be constructed in the same place, one north to south and one east to west (see Exhibits 6 and 6A). Additionally, as a Tax Increment Reinvestment Zone, we get notifications when properties are taken off the tax rolls, and we know the proposed San Jacinto Bridge right-of-way needed for the bridge abutments has now been purchased by TxDOT for their use on the NHHIP.

Finally, an Overpass connecting Fulton Street to San Jacinto infers connection to points northward via the construction of a Major Thoroughfare on Fulton Street within the limits of the Near Northside. METRO’s Fulton/North Central NB Rail Alignment, constructed in 2013 now occupies Fulton Street. Extending a Major Thoroughfare on Fulton Street could only be accomplished by razing dozens of homes and displacing hundreds of residents (see Exhibits 7, 7A, 7B,7C), as the METRO facility now occupies the former vehicular lanes of Fulton Street. As much of the existing single-family homes is oriented north to south on 100’ x 50’ parcels, this could only be accomplished by use of condemnation as

the taking would need to be approximately four homes per block face on an alignment that stretched from Burnett Street to the 610 Loop.

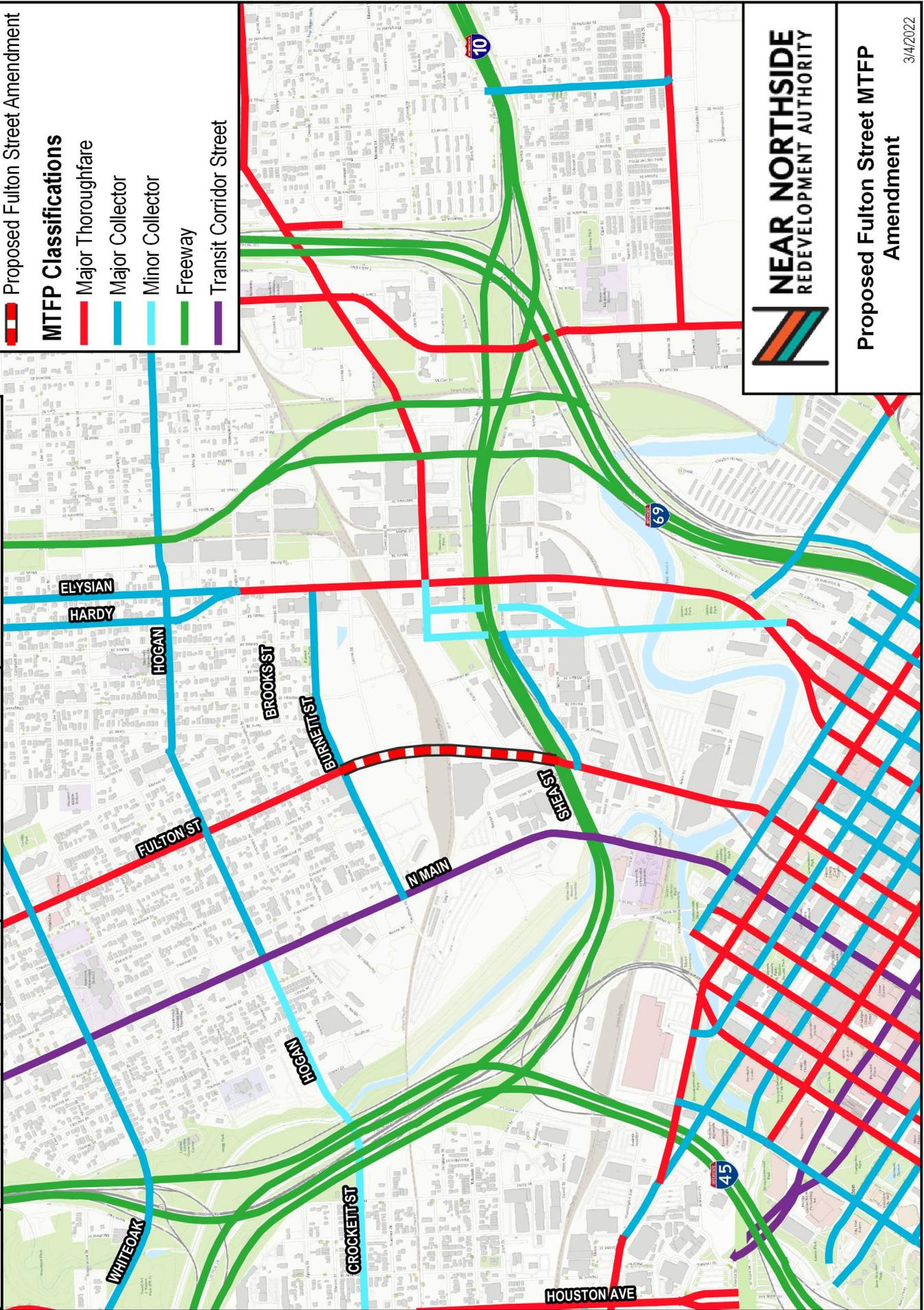
The Near Northside community has endured each of the previously described mobility projects over the past decade and yet continues to preserve its integrity as a walkable, bicycle accessible community immediately adjacent to Downtown Houston. The City confirmed this upon adoption of The City of Houston User's Guide for Walkable Places and Transit Oriented Development and by designating, by Ordinance, the Hogan-Lorraine Corridor as such. Today, the Hogan-Lorraine Corridor is a tight compact vibrant pedestrian experience undergoing a renaissance of activity as new residents move to the Near Northside. Bisecting it with a Major Thoroughfare would destroy its further transition into a neighborhood oriented walkable place.

Please note submittal of this Application was included on the January 24, 2022, Near Northside Redevelopment Authority Agenda and is wholly supported by the Board of Directors.

Regards,
Ralph De Leon

Administrator of the Zone

Street	Street Segment	Request	Current MTFP Classification	Proposed MTFP Classification
Fulton Street	Burnett Street to Shea Street	Delete	T-4-80	N/A



LEGEND

-  Proposed Fulton Street Amendment
- MTFP Classifications**
-  Major Thoroughfare
-  Major Collector
-  Minor Collector
-  Freeway
-  Transit Corridor Street



NEAR NORTHSIDE
REDEVELOPMENT AUTHORITY

Proposed Fulton Street MTFP
Amendment



Tax Increment Reinvestment Zone (“TIRZ”) Number Twenty-One

Justification for Removal of San Jacinto/Fulton Overpass over Union Pacific Rail Road in the Near Northside.

- In 2008, the City facilitated a reimbursement with CR V Hardy Yards L.P. (“Cypress”) to remediate a 50 acre brownfield site formerly used by Union Pacific (“UP”) as a rail yard. The City created the Near Northside Authority (“Authority”) in 2009, and pledged TIRZ 21 tax increments as the funding source to reimburse the developer for their costs. At that time, Cypress proposed to construct a mixed-use development on the site and desired a direct vehicular connection to the Central Business District. Both the City and Cypress identified an overpass over the rail tracks connecting Fulton Street to San Jacinto and memorialized reimbursement for the infrastructure costs into a Development Agreement between the Authority and Cypress (see Exhibit 1 and 1A). Also note Exhibit 1A, Offsite Public Improvements, included costs for San Jacinto Bridge Improvements and cost for right-of-way acquisition but did not contemplate the purchase of an aerial easement from UP. When the City and the developer attempted to purchase the aerial easement from UP the cost for same was valued by UP in the millions of dollars and neither the City nor Cypress could fund the purchase of the easement, and the initiative was abandoned.
- In 2013, the City and Cypress subsequently Amended the Development Agreement, removed the San Jacinto Bridge from the Agreement, and replaced it with the Hernandez Tunnel Project (see Exhibit 2 and 2A). Note the project cost included on Exhibit 2A contemplate the removal of the northern portion of the Hernandez Tunnel, removal of the grade separation at Burnett Street and Main Street; and replaced it with an at-grade intersection at Burnett Street and Main Street and the reconstruction of Burnett Street to Hardy Street. If one drives out there today, they will see that is what got built. Additionally, as of the most recent Audit of the Authority (FY21) dated June 30, 2021, the remaining balance owed to Cypress for the reimbursement at Hardy Yards is \$6,004,992.00 (See Exhibit 3 and 3A). However, when the Zone terminates on December 31, 2040, the total remaining increment paid to Cypress will be \$4,687,085.00 (see Exhibit 4). Thus, the Zone will terminate, and Cypress will never be fully reimbursed for their cost to remediate the site, reconstruct Burnett Street and the Hernandez Tunnel. We point this out as the San Jacinto Bridge, as originally included in the MTFP Plan in 2010 was intended to be a TIRZ funded project. Additionally, as previously mentioned, there will be no second opportunity for the Zone to fund a second major infrastructure project at that location prior to termination.
- In the decade plus since the San Jacinto Bridge project was abandoned multiple significant mobility projects have been constructed, are under construction, or completing the design process in this immediate vicinity, including the METRO Fulton/North Central NB Rail Alignment, the Elysian Viaduct Project, the North Highway Improvement Project (“NHHIP”), and the Hardy Toll Road Connector Project. Collectively all these projects are

located within a narrow 3.5-mile-wide band of each other and will provide sufficient capacity utilizing multiple modes of transportation well into the next century (see Exhibit 5). Additionally, these projects did not contemplate a Bridge at this location. For example, if you compare the proposed alignment of the San Jacinto Bridge as represented in the MTRP and the future elevated TxDOT I-10 lanes at that same location you will see two proposed elevated structures are being proposed to be constructed in the same place, one north to south and one east to west (see Exhibits 6 and 6A). Additionally, as a Tax Increment Reinvestment Zone, we get notifications when properties are taken off the tax rolls, and we know the proposed San Jacinto Bridge right-of-way needed for the bridge abutments has now been purchased by TxDOT for their use on the NHHIP.

- Finally, an Overpass connecting Fulton Street to San Jacinto infers connection to points northward via the construction of a Major Thoroughfare on Fulton Street within the limits of the Near Northside. METRO's Fulton/North Central NB Rail Alignment, constructed in 2013 now occupies Fulton Street. Extending a Major Thoroughfare on Fulton Street could only be accomplished by razing dozens of homes and displacing hundreds of residents (see Exhibits 7, 7A, 7B,7C), as the METRO facility now occupies the former vehicular lanes of Fulton Street. As much of the existing single-family homes is oriented north to south on 100' x 50' parcels, this could only be accomplished by use of condemnation as the taking would need to be approximately four homes per block face on an alignment that stretched from Burnett Street to the 610 Loop.
- The Near Northside community has endured each of the previously described mobility projects over the past decade and yet continues to preserve its integrity as a walkable, bicycle accessible community immediately adjacent to Downtown Houston. The City confirmed this upon adoption of The City of Houston User's Guide for Walkable Places and Transit Oriented Development and by designating, by Ordinance, the Hogan-Lorraine Corridor as such. Today, the Hogan-Lorraine Corridor is a tight compact vibrant pedestrian experience undergoing a renaissance of activity as new residents move to the Near Northside. Bisecting it with a Major Thoroughfare would destroy its further transition into a neighborhood oriented walkable place.

Exhibit 1

DEVELOPMENT AGREEMENT

Among

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

and

HARDY/NEAR NORTHSIDE REDEVELOPMENT AUTHORITY

and

CR V HARDY YARDS, L.P.

March 4, 2010

Cover Sheet: Reimbursement Agreement with CR V Hardy Yards, L.P.

Exhibit 1A

II. OFFSITE PUBLIC IMPROVEMENTS

San Jacinto Improvements							
Street & Bridge Improvements	\$ 10,072,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,072,000
Sidewalks, Streetscape & Lighting	\$ 1,341,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,341,000
Public Drainage Improvements	\$ 697,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 697,000
Public Water & Sewer Infrastructure	\$ 79,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 79,000
<hr/>							
Subtotal	\$ 12,189,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 12,189,000
Burnett Improvements							
Street Improvements	\$ -	\$ 2,787,000	\$ -	\$ -	\$ -	\$ -	\$ 2,787,000
Sidewalks, Streetscape & Lighting	\$ -	\$ 899,000	\$ -	\$ -	\$ -	\$ -	\$ 899,000
Public Drainage Improvements	\$ -	\$ 2,486,000	\$ -	\$ -	\$ -	\$ -	\$ 2,486,000
Public Water & Sewer Infrastructure	\$ -	\$ 1,495,000	\$ -	\$ -	\$ -	\$ -	\$ 1,495,000
<hr/>							
Subtotal	\$ -	\$ 7,667,000	\$ -	\$ -	\$ -	\$ -	\$ 7,667,000
Hardy Yards Utility Up-Sizing							
Oversized Public Drainage Improvements	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Oversized Public Water & Sewer Infrastructure	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<hr/>							
Subtotal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Project Costs							
San Jacinto Right-of-Way Acquisition	\$ 2,700,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,700,000
Burnett Right-of-Way Acquisition	\$ -	\$ 468,000	\$ -	\$ -	\$ -	\$ -	\$ 468,000
<hr/>							
Subtotal	\$ 2,700,000	\$ 468,000	\$ -	\$ -	\$ -	\$ -	\$ 3,168,000
TOTAL OFFSITE PUBLIC IMPROVEMENTS	\$ 14,889,000	\$ 8,135,000	\$ -	\$ -	\$ -	\$ -	\$ 23,024,000

Exhibit 2

AMENDED AND RESTATED FIRST AMENDMENT TO DEVELOPMENT AGREEMENT

This Amended and Restated First Amendment to Development Agreement (this "Agreement"), dated effective as of 10/11, 2013 (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 executed a Development Agreement dated as of March 4, 2010 (the "Original Development Agreement") and a First Amendment to Development Agreement dated as of May 14, 2012 (the "First Amendment").

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

In consideration of the mutual benefits described herein and in the Original 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 Agreement shall have the meanings ascribed to them in the Original Development Agreement. The following terms, including terms defined in the Original Development Agreement and redefined below, have the following meanings:

"Completion" means, with respect to each Phase, or portion thereof, of the Improvements, completion of such Phase, or portion thereof, substantially in accordance with the applicable Plans and Specifications so that such Improvements can be used and maintained for their intended purposes, as evidenced by a Final Completion Certificate in the form attached hereto as Exhibit C.

"Development Agreement" means the Original Development Agreement as amended by this Agreement.

Amended and Restated Reimbursement Agreement with CR V Hardy Yards, L.P.

Exhibit 2A

	BURNETT-MAIN INTERSECTION	BURNETT-FREEMAN TO HARDY	OFFSITE UTILITY IMPROVEMENTS	HARDY YARD IMPROVEMENTS	STREETSCAPES/ PARKS	CAPACITY IMPACT FEES	OFFSITE, MISC.	
OFFSITE PUBLIC IMPROVEMENTS								
Burnett-Main Intersection								
Street & Tunnel Improvements	\$ 4,053,500	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,053,500.00
Sidewalks, Streetscape & Lighting	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Public Drainage Improvements	\$ 197,400	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 197,400.00
Public Water & Sewer Infrastructure	\$ 197,150	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 197,150.00
Subtotal	\$ 4,448,050	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,448,050.00
Burnett Improvements								
Street Improvements	\$ -	\$ 4,153,121	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,153,121.00
Sidewalks, Streetscape & Lighting	\$ -	\$ -	\$ -	\$ -	\$ 1,059,350	\$ -	\$ -	\$ 1,059,350.00
Public Drainage Improvements	\$ -	\$ 908,123	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 908,122.80
Public Water & Sewer Infrastructure	\$ -	\$ 344,372	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 344,371.70
Subtotal	\$ -	\$ 5,405,616	\$ -	\$ -	\$ 1,059,350	\$ -	\$ -	\$ 6,464,965.50
Maury Improvements								
Street Improvements	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,176,000	\$ 1,176,000.00
Sidewalks, Streetscape & Lighting	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Public Drainage Improvements	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Public Water & Sewer Infrastructure	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Subtotal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,176,000	\$ 1,176,000.00
Utility Improvements								
Over-sized Public Drainage Improvements	\$ -	\$ -	\$ 3,722,000	\$ -	\$ -	\$ -	\$ -	\$ 3,722,000.00
Over-sized Public Water & Sewer Infrastructure	\$ -	\$ -	\$ 701,000	\$ -	\$ -	\$ -	\$ -	\$ 701,000.00
Subtotal	\$ -	\$ -	\$ 4,423,000	\$ -	\$ -	\$ -	\$ -	\$ 4,423,000.00
Other Project Costs								
Railroad Quiet Zones	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,000,000	\$ 1,000,000.00
Subtotal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,000,000	\$ 1,000,000.00
TOTAL OFFSITE PUBLIC IMPROVEMENTS	\$ 4,448,050	\$ 5,405,616	\$ 4,423,000	\$ -	\$ 1,059,350	\$ -	\$ 2,176,000	\$ 17,512,015.50
TOTAL PUBLIC IMPROVEMENTS	\$ 4,448,050	\$ 5,405,616	\$ 4,423,000	\$ 3,824,375	\$ 6,487,930	\$ 1,775,822	\$ 2,176,000	\$ 28,540,792.35

HARDY/NEAR NORTHSIDE REDEVELOPMENT AUTHORITY
CITY OF HOUSTON, TEXAS
ANNUAL FINANCIAL REPORT
JUNE 30, 2021

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

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.

Exhibit 4

Tax Year	Base Value Cypress	Base Value Non-Cypress	Projected Taxable Value Cypress	Projected Taxable Non-Cypress Value	Captured Appraised Value Cypress	Captured Appraised Value Non-Cypress	Collection Rate	Tax Rate	Increment Revenue Cypress	Increment Revenue Non-Cypress	City Admin (5%) Cypress	City Admin (5%) Non-Cypress	Affordable Housing Cypress	Affordable Housing Non-Cypress	Cypress Payment	Net Revenue (Less Transfers)
2021	\$ 4,568,250	\$ 35,744,830	\$ 26,363,128	\$ 148,831,368	\$ 21,794,878	\$ 113,086,538	95.00%	0.56184	\$ 116,330	\$ 603,597	\$ 5,816	\$ 30,180	\$ 38,777	\$ 201,199	\$ 443,955	\$ -
2022	\$ 4,568,250	\$ 35,744,830	\$ 27,681,284	\$ 156,272,936	\$ 23,113,034	\$ 120,528,106	95.00%	0.56184	\$ 123,365	\$ 643,316	\$ 6,168	\$ 32,166	\$ 41,122	\$ 214,439	\$ 472,787	\$ -
2023	\$ 4,568,250	\$ 35,744,830	\$ 29,065,349	\$ 164,086,583	\$ 24,497,099	\$ 128,341,753	95.00%	0.56184	\$ 130,753	\$ 685,022	\$ 6,538	\$ 34,251	\$ 43,584	\$ 228,341	\$ 503,061	\$ -
2024	\$ 4,568,250	\$ 35,744,830	\$ 30,518,616	\$ 172,290,912	\$ 25,950,366	\$ 136,546,082	95.00%	0.56184	\$ 138,510	\$ 728,812	\$ 6,925	\$ 36,441	\$ 46,170	\$ 242,937	\$ 534,848	\$ -
2025	\$ 4,568,250	\$ 35,744,830	\$ 32,044,547	\$ 180,905,458	\$ 27,476,297	\$ 145,160,628	95.00%	0.56184	\$ 146,654	\$ 774,792	\$ 7,333	\$ 38,740	\$ 48,885	\$ 258,264	\$ 568,225	\$ -
2026	\$ 4,568,250	\$ 35,744,830	\$ 33,646,774	\$ 189,950,731	\$ 29,078,524	\$ 154,205,901	95.00%	0.56184	\$ 155,206	\$ 823,071	\$ 7,760	\$ 41,154	\$ 51,735	\$ 274,357	\$ 95,710	\$ 507,560
2027	\$ 4,568,250	\$ 35,744,830	\$ 35,329,113	\$ 199,448,267	\$ 30,760,863	\$ 163,703,437	95.00%	0.56184	\$ 164,185	\$ 873,764	\$ 8,209	\$ 43,688	\$ 54,728	\$ 291,255	\$ 101,248	\$ 538,821
2028	\$ 4,568,250	\$ 35,744,830	\$ 37,095,569	\$ 209,420,681	\$ 32,527,319	\$ 173,675,851	95.00%	0.56184	\$ 173,614	\$ 926,991	\$ 8,681	\$ 46,350	\$ 57,871	\$ 308,997	\$ 107,062	\$ 571,645
2029	\$ 4,568,250	\$ 35,744,830	\$ 38,950,347	\$ 219,891,715	\$ 34,382,097	\$ 184,146,885	95.00%	0.56184	\$ 183,514	\$ 982,880	\$ 9,176	\$ 49,144	\$ 61,171	\$ 327,627	\$ 113,167	\$ 606,110
2030	\$ 4,568,250	\$ 35,744,830	\$ 40,897,864	\$ 230,886,301	\$ 36,329,614	\$ 195,141,471	95.00%	0.56184	\$ 193,909	\$ 1,041,564	\$ 9,695	\$ 52,078	\$ 64,636	\$ 347,188	\$ 119,577	\$ 642,298
2031	\$ 4,568,250	\$ 35,744,830	\$ 42,942,758	\$ 242,430,616	\$ 38,374,508	\$ 206,685,786	95.00%	0.56184	\$ 204,823	\$ 1,103,181	\$ 10,241	\$ 55,159	\$ 68,274	\$ 367,727	\$ 126,308	\$ 680,295
2032	\$ 4,568,250	\$ 35,744,830	\$ 45,089,895	\$ 254,552,146	\$ 40,521,645	\$ 218,807,316	95.00%	0.56184	\$ 216,283	\$ 1,167,880	\$ 10,814	\$ 58,394	\$ 72,094	\$ 389,293	\$ 133,375	\$ 720,192
2033	\$ 4,568,250	\$ 35,744,830	\$ 47,344,390	\$ 267,279,754	\$ 42,776,140	\$ 231,534,924	95.00%	0.56184	\$ 228,317	\$ 1,235,813	\$ 11,416	\$ 61,791	\$ 76,106	\$ 411,938	\$ 140,795	\$ 762,085
2034	\$ 4,568,250	\$ 35,744,830	\$ 49,711,610	\$ 280,643,741	\$ 45,143,360	\$ 244,898,911	95.00%	0.56184	\$ 240,952	\$ 1,307,143	\$ 12,048	\$ 65,357	\$ 80,317	\$ 435,714	\$ 148,587	\$ 806,072
2035	\$ 4,568,250	\$ 35,744,830	\$ 52,197,190	\$ 294,675,928	\$ 47,628,940	\$ 258,931,098	95.00%	0.56184	\$ 254,219	\$ 1,382,040	\$ 12,711	\$ 69,102	\$ 84,740	\$ 460,680	\$ 156,768	\$ 852,258
2036	\$ 4,568,250	\$ 35,744,830	\$ 54,807,050	\$ 309,409,725	\$ 50,238,800	\$ 273,664,895	95.00%	0.56184	\$ 268,149	\$ 1,460,681	\$ 13,407	\$ 73,034	\$ 89,383	\$ 486,894	\$ 165,358	\$ 900,753
2037	\$ 4,568,250	\$ 35,744,830	\$ 57,547,402	\$ 324,880,211	\$ 52,979,152	\$ 289,135,381	95.00%	0.56184	\$ 282,775	\$ 1,543,254	\$ 14,139	\$ 77,163	\$ 94,258	\$ 514,418	\$ 174,378	\$ 951,673
2038	\$ 4,568,250	\$ 35,744,830	\$ 60,424,772	\$ 341,124,222	\$ 55,856,522	\$ 305,379,392	95.00%	0.56184	\$ 298,133	\$ 1,629,956	\$ 14,907	\$ 81,498	\$ 99,378	\$ 543,319	\$ 183,849	\$ 1,005,140
2039	\$ 4,568,250	\$ 35,744,830	\$ 63,446,011	\$ 358,180,433	\$ 58,877,761	\$ 322,435,603	95.00%	0.56184	\$ 314,259	\$ 1,720,994	\$ 15,713	\$ 86,050	\$ 104,753	\$ 573,665	\$ 193,793	\$ 1,061,279
2040	\$ 4,568,250	\$ 35,744,830	\$ 66,618,311	\$ 376,089,454	\$ 62,050,061	\$ 340,344,624	95.00%	0.56184	\$ 331,191	\$ 1,816,583	\$ 16,560	\$ 90,829	\$ 110,397	\$ 605,528	\$ 204,234	\$ 1,120,226
Total									\$ 4,165,140	\$ 22,451,333	\$ 208,257	\$ 1,122,567	\$ 1,388,380	\$ 7,483,778	\$ 4,687,085	\$ 11,726,407

TIRZ Revenue Projection based on Certified 2021 Tax Rolls from 2021 until Zone Termination on December 31, 2040

Exhibit 5

Legend

- Project by Other Agency
- Major Thoroughfare Existing
- Major Thoroughfare To Be Widened
- Hardy/Elysian Corridors
- TIRZ 21 Boundary

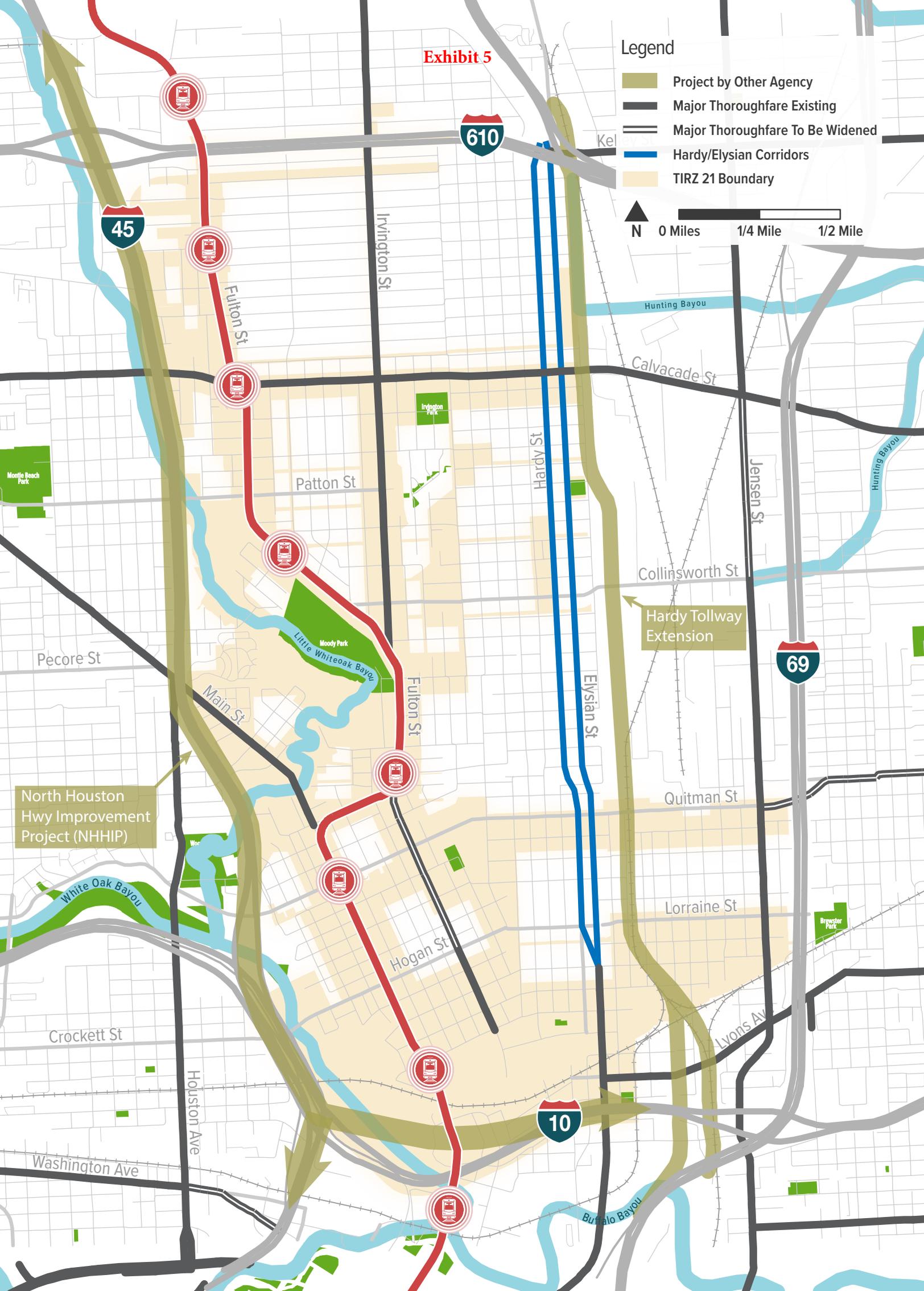
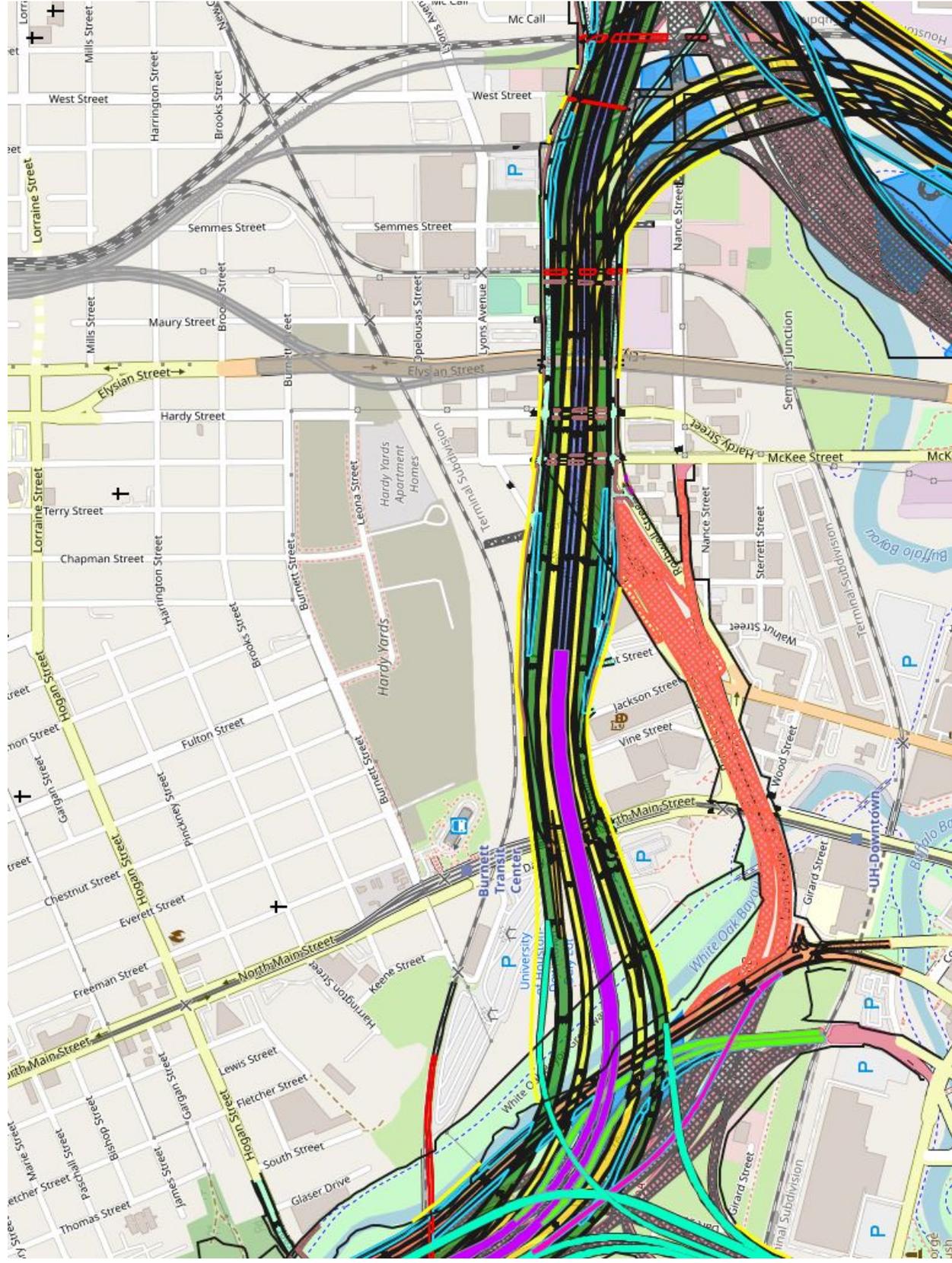
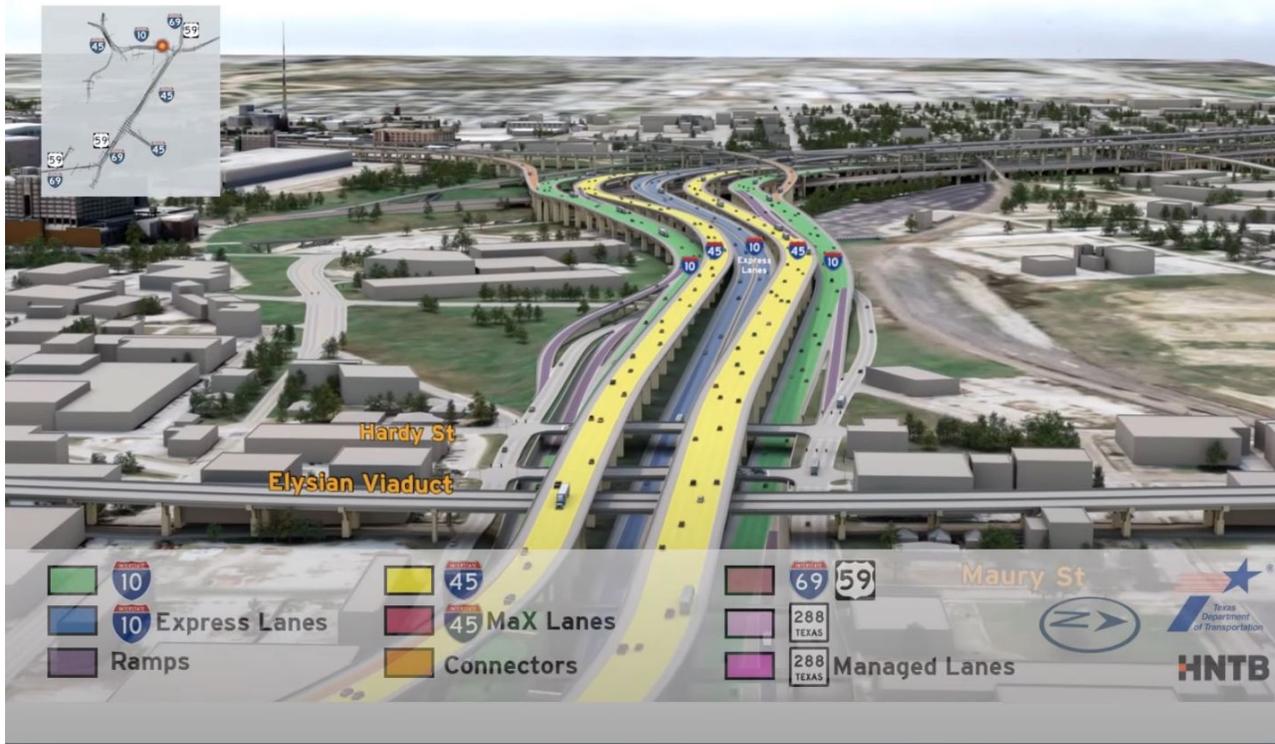


Exhibit 6



Plan View: TxDOT North Houston Highway Improvement Project Main Lanes I-10 Realignment at San Jacinto Street connection to Fulton Street

Exhibit 6A



Cross Section: TxDOT North Houston Highway Improvement Project: Main Lanes I-10 Realignment at San Jacinto Street connection to Fulton Street (Hardy Yards Site and Burnett at Main Street shown on right)

Exhibit 7C



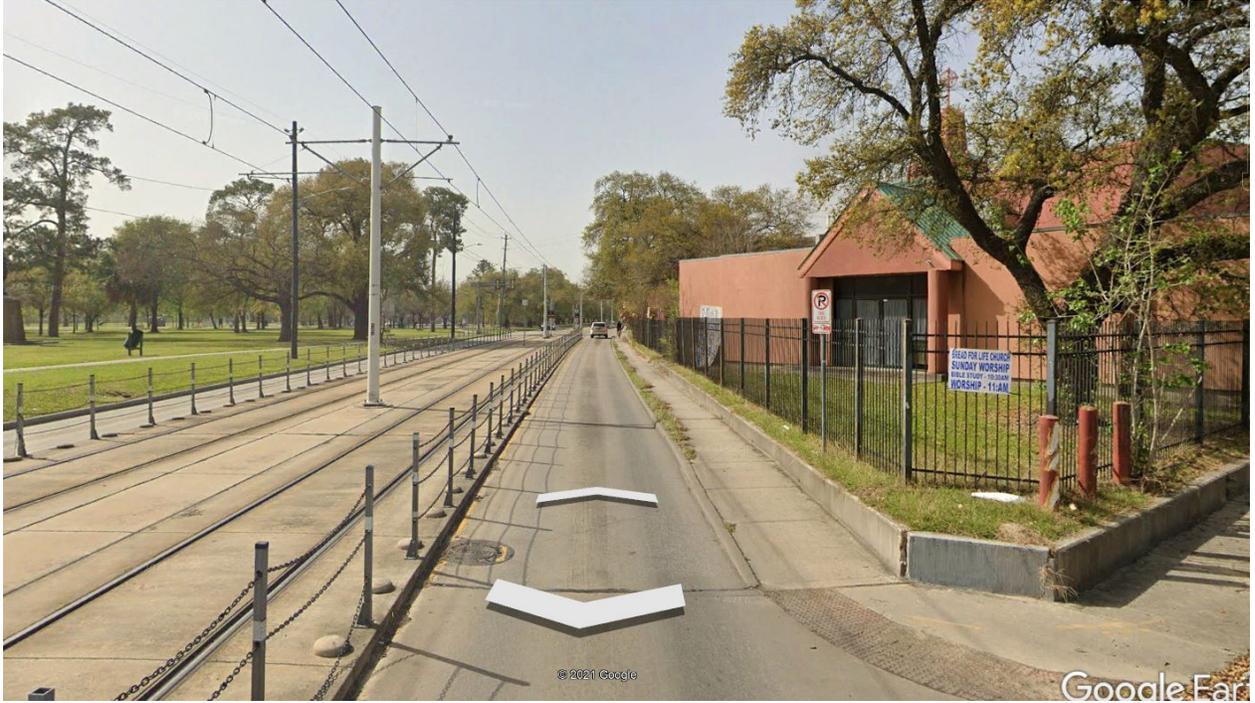
METRO Fulton/North Central NB Rail Alignment Street View: Fulton Street at Interstate 610

Exhibit 7A



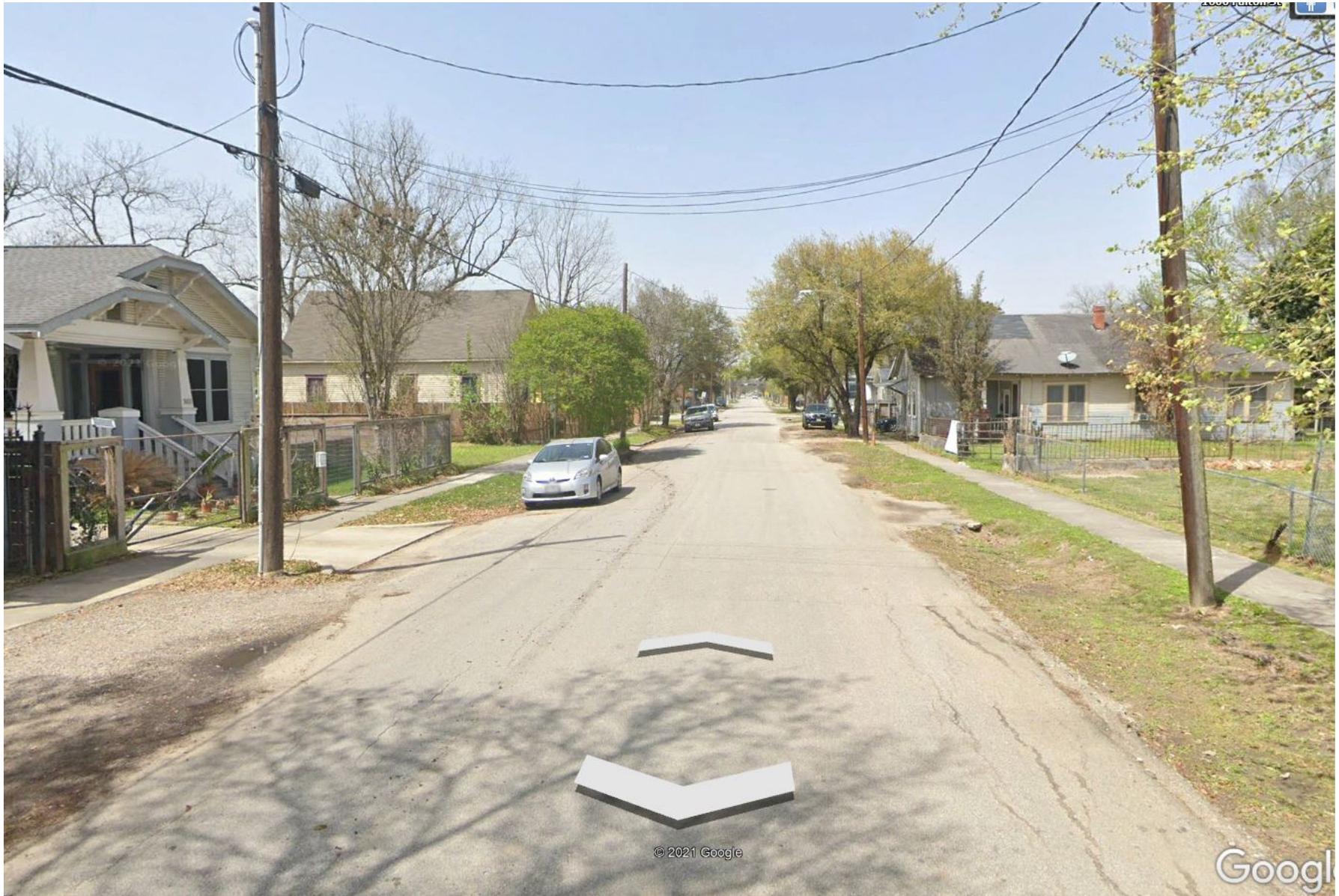
**METRO Fulton/North Central NB Rail Alignment Street View: Fulton Street at Sue Street
3 foot sidewalk - 9 foot vehicular lane**

Exhibit 7b



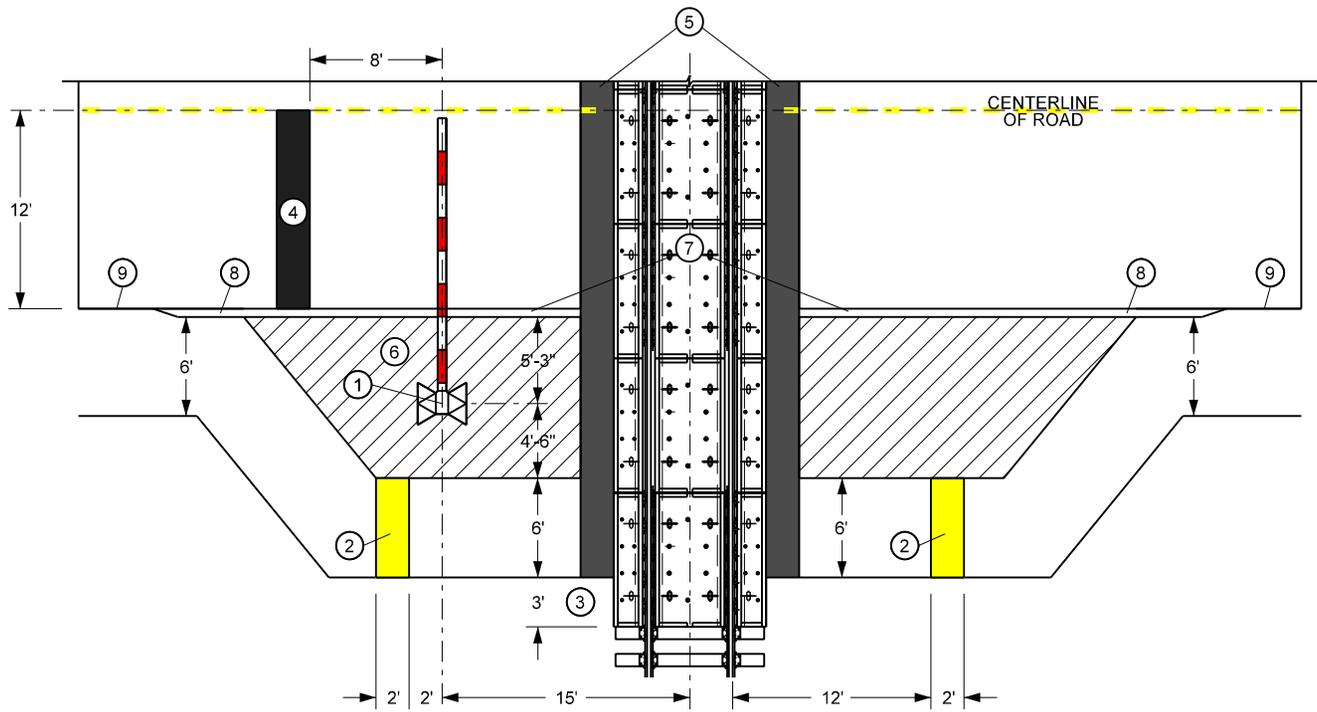
**METRO Fulton/North Central NB Rail Alignment Street View: Fulton Street at Billingsly Street
4 foot sidewalk - 9 foot vehicular lane**

Exhibit 7



Fulton Street at Burnett Street Existing Conditions: No curb or gutter +/- 25 foot Roadway Cross Section

ITEM	DESCRIPTION
1	VEHICULAR DEVICE WITH GATE ARM. STANDARD: MUTCD 8C.02 & 8C.04
2	MIN. 2' DETACTABLE WARNING STRIP. STANDARD: MUTCD 8D.04
3	MIN. 3' FROM EDGE OF TRAVELED WAY INCLUDING SHOULDERS OR SIDEWALKS. STANDARD: UP STD DWG 0304
4	24" STOP LINE - 8' IN ADVANCE OF NEAREST RAILROAD TRAFFIC CONTROL DEVICE. STANDARD: MUTCD 3B-16
5	MIN. 24" STRIP OF ASPHALT BETWEEN CROSSING SURFACE AND ROADWAY. STANDARD: UP STD DWG 0304
6	UNPAVED AREA - E.G. AGGREGATE MATERIAL AROUND DEVICES FOR MAINTENANCE ACCESS. GUIDANCE: UP MAINTENANCE
7	MIN. 10' FROM CENTER OF TRACK, TAPERED CURB. GUIDANCE: STANDARD PRACTICE
8	6" NON-MOUNTABLE RAISED CURB. STANDARD: MUTCD 8C-01
9	MOUNTABLE CURB FOR MAINTENANCE ACCESS. GUIDANCE: UP MAINTENANCE



GUIDANCE FOR SIDEWALK IMPROVEMENTS

NOTES:
 1. THE PURPOSE OF THIS DOCUMENT IS TO PROVIDE THE DESIGN ENGINEER WITH THE GUIDELINES FOR SIDEWALK IMPROVEMENTS.
 2. THIS DOCUMENT DOES NOT SUBSTITUTE THE DESIGN ENGINEER'S SPECIFICATIONS FOR A SPECIFIC PROJECT, BUT PROVIDES THE BASIS OF THE STANDARDS, WHICH THE DESIGN ENGINEER SHALL FOLLOW.

**UNION PACIFIC RAILROAD
 ENGINEERING STANDARDS**

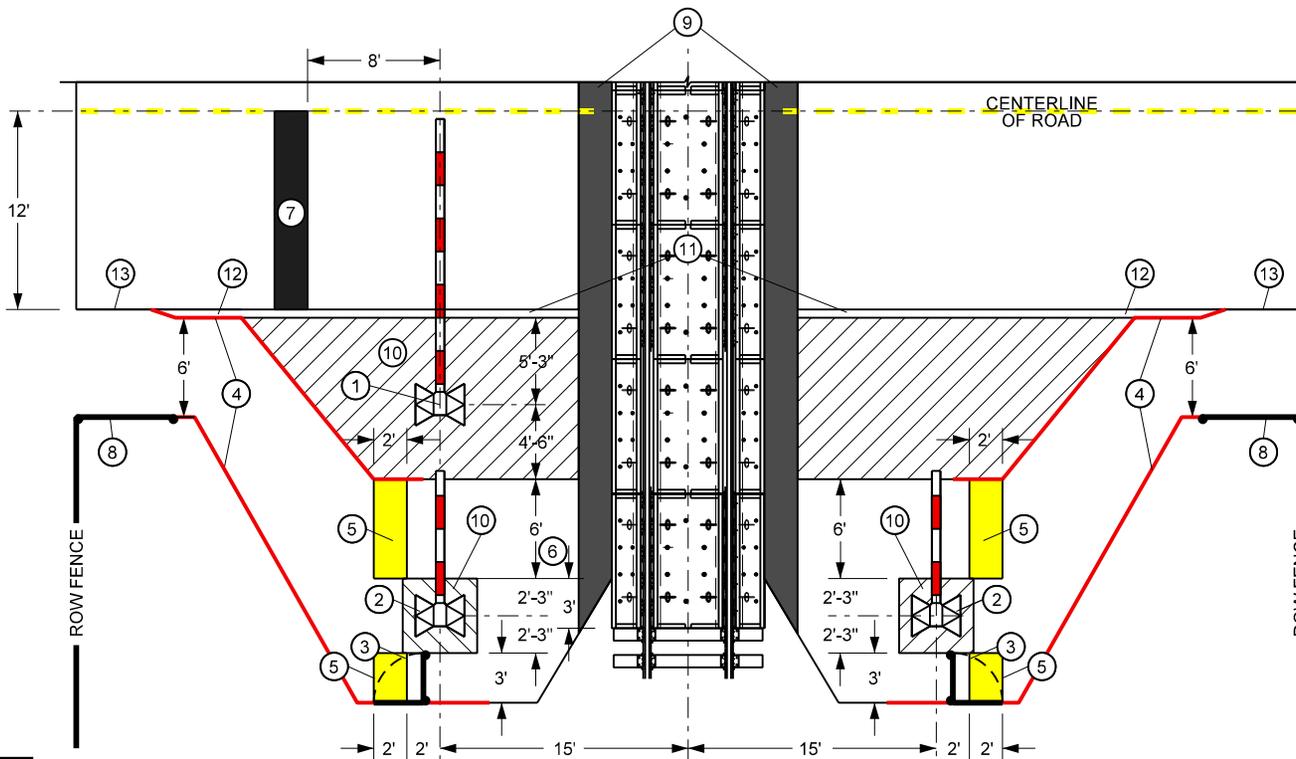
**GUIDANCE FOR
 SIDEWALK
 IMPROVEMENTS**

APPROVED: _____
 VP ENGINEERING
 ADOPTED: JUNE 3, 2020
 REVISED:
 FILE NO.: XXXX

STD DWG
 XXXX
 PAGE 1 OF 3

STD DWG
 XXXX
 PAGE 1 OF 3

ITEM	DESCRIPTION
1	VEHICULAR DEVICE WITH GATE ARM. STANDARD: MUTCD 8C.02 & 8C.04
2	PEDESTRIAN DEVICE WITH GATE ARM. STANDARD: MUTCD 8D.06
3	PEDESTRIAN EMERGENCY EXIT GATE. GUIDANCE: STANDARD PRACTICE
4	PEDESTRIAN CHANNELIZING DEVICE - E.G. STEEL TUBE RAIL. INSTALLED NO CLOSER THAN 12' TO CL. GUIDANCE: UP OPERATION AND MAINTENANCE
5	MIN. 2' DETECTABLE WARNING STRIP. STANDARD: MUTCD 8D.04
6	MIN. 3' FROM EDGE OF TRAVELED WAY INCLUDING SHOULDERS OR SIDEWALKS. STANDARD: UP STD DWG 0304
7	24" STOP LINE - 8' IN ADVANCE OF NEAREST RAILROAD TRAFFIC CONTROL DEVICE. STANDARD: MUTCD 3B-16
8	GATE TO PROVIDE UPRR VEHICLE ACCESS FOR MAINTENANCE. STANDARD: UP STD DWG 0076
9	24" MIN. STRIP OF ASPHALT BETWEEN CROSSING SURFACE AND ROADWAY. STANDARD: UP STD DWG 0304
10	UNPAVED AREA - E.G. AGGREGATE MATERIAL AROUND DEVICES FOR MAINTENANCE ACCESS. GUIDANCE: UP MAINTENANCE
11	MIN. 10' FROM CENTER OF TRACK, TAPERED CURB. GUIDANCE: STANDARD PRACTICE
12	6" NON-MOUNTABLE RAISED CURB. STANDARD: MUTCD 8C-01
13	MOUNTABLE CURB FOR MAINTENANCE ACCESS. GUIDANCE: UP MAINTENANCE



GUIDANCE FOR SIDEWALK IMPROVEMENTS W/ PEDESTRIAN GATES

- NOTES:
1. THE PURPOSE OF THIS DOCUMENT IS TO PROVIDE THE DESIGN ENGINEER WITH THE GUIDELINES FOR SIDEWALK IMPROVEMENTS W/ GATE ARMS AND EMERGENCY EXIT ROUTES.
 2. THIS DOCUMENT DOES NOT SUBSTITUTE THE DESIGN ENGINEER'S SPECIFICATIONS FOR A SPECIFIC PROJECT, BUT PROVIDES THE BASIS OF THE STANDARDS, WHICH THE DESIGN ENGINEER SHALL FOLLOW.

**UNION PACIFIC RAILROAD
ENGINEERING STANDARDS**

**GUIDANCE FOR
SIDEWALK
IMPROVEMENTS**



APPROVED: _____
VP ENGINEERING
ADOPTED: JUNE 3, 2020
REVISED:
FILE NO.: XXXX

STD DWG

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PAGE 3 OF 3

STD DWG
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PAGE 3 OF 3