MINUTES OF THE JOINT MEETING OF THE
HARDY NEAR NORTHSIDE REDEVELOPMENT AUTHORITY and
REINVESTMENT ZONE NUMBER TWENTY-ONE, CITY OF HOUSTON, TEXAS
BOARD OF DIRECTORS

February 26, 2025

ESTABLISH QUORUM AND CALL MEETING TO ORDER.

The Board of Directors of the Hardy Near Northside Redevelopment Authority and Reinvestment Zone Number Twenty-One, City of Houston, Texas, held a regular joint meeting on Wednesday, February 26, 2025, at 9:00 a.m., at 218 Joyce Street, Houston, Texas 77009, open to the public, and the roll was called of the duly appointed members of the Board, to-wit:

Position 1:	Fernando Zamarripa	Position 5:	Daniel Ortiz, *Treasurer*
Position 2:	Jorge B. Bustamante, *Vice-Chair*	Position 6:	Monte Large
Position 3:	Ed Reyes, *Chairman*	Position 7:	Elia Quiles, *Asst. Secretary*
Position 4:	Sylvia Cavazos, *Secretary*		

and all of the above were present, with the exception of Directors Zamarripa and Large, thus constituting a quorum. Also present were Naina Magon, Don Huml, and Linda Clayton, Hawes Hill & Associates, LLP; Clark Lord, Bracewell LLP; Tyler Leggett and Christopher Palis, Municipal Accounts & Consulting LP; and Brandon Walwyn, COH – Economic Development. Others attending the meeting were Muhammad Ali, Gauge Engineering; Jesus M. Olivas, HR Green; Michael Robinson, SWA; Mary Lawler; Jonathan Trujillo; and Chaquisha Mosley. Chairman Reyes called the meeting to order at 9:00 a.m.

RECEIVE PUBLIC COMMENTS.
There were no public comments.

MINUTES OF THE NOVEMBER 20, 2024, MEETING.
Upon a motion made by Director Cavazos, and seconded by Director Bustamante, the Board voted unanimously to approve the Minutes of the November 20, 2024, Board meeting, as presented.

9:04 a.m. Director Monte Large arrived meeting.

BOOKKEEPER'S REPORT; APPROVE PAYMENT OF INVOICES; RATIFY PAYMENT OF DECEMBER AND JANUARY INVOICES.
Mr. Palis presented the Bookkeeper's Report, review of current invoices for payment and reviewed invoices paid in December and January for ratification, included in the Board materials. Upon a motion made by Director Ortiz, and seconded by Director Cavazos, the Board voted unanimously to accept the Bookkeeper's Report, approved payment of current invoices; and ratified payment of invoices paid in December and January, as presented.

RESOLUTION APPOINTING INVESTMENT OFFICERS.
Ms. Clayton reviewed the Resolution Appointing Investment Officers, included in the Board materials. She reported the Resolution replaces Melissa Morton who was appointed in November 2019 with Mark Burton and Ghia Lewis as the Investment Officers for the Authority. She reported both Mr. Burton and Ms. Lewis are with Municipal Accounts & Consulting LP and have provided staff with the required training certificates under the Texas Public Information Act. Upon a motion made by Director Cavazos, and seconded by Director Bustamante, the Board voted unanimously to adopt the Resolution Appointing Mark Burton and Ghia Lewis as the Investment Officers of the Authority, as presented.

INTERLOCAL AGREEMENT WITH GREATER NORTHSIDE MANAGEMENT DISTRICT REGARDING QUITMAN STREET RECONSTRUCTON PROJECT.

Ms. Magon presented the Interlocal Agreement for the Quitman Street Reconstruction Project, included in the Board materials. She provided an overview of the duties of the Greater Northside Management District and Authority under the agreement. She reported under the agreement the Authority will contribute $100,000 to the District for tree installation along Quitman Street. She reported the Authority has the right to review and approve the design and installation of the trees. Upon a motion made by Director Cavazos, and seconded by Director Large, the Board voted unanimously to approve the Interlocal Agreement with Greater Northside Management District regarding Quitman Street Reconstruction Project.

FUNDING AGREEMENT WITH AVENUE CDC.

Ms. Magon reviewed the Reimbursement Agreement with Avenue Community Development Corporation (Avenue CDC - Developer), a copy of the agreement is attached hereto as Exhibit A. She reported the under the Agreement the Authority will reimburse the Developer for actual project costs incurred for sidewalk improvements and provided an overview of the duties and responsibilities of each party. Upon a motion made by Director Large, and seconded by Director Cavazos, Directors Bustamante, Large, Reyes, Cavazos, and Quiles voted to approve the Reimbursement Agreement with Avenue CDC, subject to non-substantive changes made by Authority's attorney. Director Ortiz abstained. The motion passed.

SWA UPDATE.

A copy of SWA's Status Report is included in the Board materials for review.

a. Zone Urban Design Guidelines

Mr. Robinson provided an update on the design guidelines and reported the streetscape cut sheets are 90% complete. No action from the Board was required.

b. Zone-Wide tree plantings

Mr. Robinson reported 108 trees will be planted during phase 1 and Trees for Houston is scheduled to begin planting next week. No action from the Board was required.

c. SWA Task Order for on-call professional landscape architectural services.

Mr. Huml reviewed SWA Task Order for on-call professional landscape architectural services in an amount not to exceed $10,000.00. He reported the CIP Committee has reviewed the task order and is recommending for approval. Upon a motion made by Director Ortiz, and seconded by Director Bustamante, the Board voted unanimously to approve SWA Task Order for on-call support services in an amount not to exceed $10,000.00, as presented.

GAUGE ENGINEERING UPDATE.

a. Pinckney Trail.

Mr. Ali provided an update on the Pinckney Trail project, a copy of the Status Report is included in the Board materials. He reported Gauge met with the contractor and CenterPoint Energy to review conflicts with power poles. He reported they have revised the trail and drainage design to avoid conflict with the power poles He reported they met with KUO to redesign the retaining wall to avoid conflict with the other power pole. No action from the Board was required.

b. Corridor Study – Hogan Street

Mr. Olivas provided an update on the Hogan Street project. He reported the first community meeting is scheduled for March 25. No action from the Board was required.

c. Gauge Task Order for on-call professional engineering services.

Mr. Huml reviewed Gauge Task Order for on-call professional engineering services in an amount not to exceed $10,000.00 to provide support services as requested and authorized by the Board or

administrator to assist in implementing the capital improvement program. He reported the CIP Committee has reviewed the task order and is recommending for approval. Upon a motion made by Director Ortiz, and seconded by Director Cavazos, the Board voted unanimously to approve Gauge Engineering Task Order for on-call professional engineering services in an amount not to exceed $10,000.00, as presented.

ADMINISTRATOR'S REPORT.
Ms. Magon reported staff will send out the flyer on the Hogan Street Community engagement meeting scheduled for March 25. No action from the Board was required.

NEXT MEETING – WEDNESDAY, MARCH 26, 2025, AT 9:00 A.M.

ADJOURN.
There being no further business to come before the Board, Chairman Reyes adjourned the meeting at 9:19 a.m.

Secretary

List of Exhibits:

A. Reimbursement Agreement with Avenue CDC

Ex. A

REIMBURSEMENT AGREEMENT

This Reimbursement Agreement ("Agreement") is made by and between the REINVESTMENT ZONE NUMBER TWENTY-ONE, CITY OF HOUSTON, TEXAS ("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"), the HARDY/NEAR NORTHSIDE REDEVELOPMENT AUTHORITY ("Authority"), a local government corporation created and organized under the provisions of the Texas Transportation Corporation Act, Chapter 431, Texas Transportation Code, as amended, and authorized and approved by the City, acting by and through its governing body, the Board of Directors (the "Authority Board"), and AVENUE COMMUNITY DEVELOPMENT CORPORATION, a Texas corporation (the "Developer").

RECITALS

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

The Authority Board and the Zone Board have determined that it is in the best interest of the Zone and the Authority to contract with the Developer, in order to provide for the efficient and effective implementation of certain aspects of the Zone's Project and Financing Plan.

The Developer will construct, install or purchase (or has constructed, installed or purchased) certain public improvements within the Zone on behalf of the Zone.

The Authority desires to reimburse the Developer for the costs of those public improvements pursuant to this Agreement.

AGREEMENT

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

ARTICLE 1
GENERAL TERMS

1.1 Definitions. The terms "Agreement," "City," "Authority Board," "Authority," "Zone," "Zone Board," and "Developer" have the above meanings, and the following terms have the following meanings:

"Act" shall mean the Tax Increment Financing Act, Chapter 311, Texas Tax Code, as amended.

"Affiliate" shall mean: (i) any entity that owns or controls, is owned or controlled by or is under common ownership or control with (whether directly or indirectly), Developer and/or Frank Liu, or any entity the ownership of which is substantially the same as the ownership of Developer, and/or which is not less than majority-owned by Frank Liu; and (ii) that owns the applicable Project. For purposes of this definition, the term "control" means, without limitation, the

possession, directly or indirectly, of the power to direct the management and policies of such entity, whether through the ownership of voting securities or membership interests, by contract or otherwise.

"City Council" shall mean the City Council of the City.

"Completion" shall mean completion of construction of the Project, substantially in accordance with the Plans and Specifications, as approved by the City and certified by the architect/engineer engaged by the Developer or an Affiliate to make such certification.

"County" shall mean Harris County, Texas.

"Fulton Street Development" shall mean the affordable, single-family residential dwellings to be built on the Project Site.

"Hardy/Near Northside Agreement" shall mean the agreement by and between the City, the Authority and the Zone relating to the management of the Zone and the implementation of the Project and Financing Plan, including any amendments thereto.

"Parties" or "Party" shall mean, individually or collectively, the Zone, the Authority, and the Developer, the parties to this Agreement.

"Planning Director" shall mean the person designated by the Mayor to administer and make approvals for the City required by the Hardy/Near Northside Agreement.

"Plans and Specifications" shall mean the designs, plans and specifications for the Project.

"Project" shall be and consist of the construction of the Property Components portion of the Fulton Street Development.

"Project and Financing Plan" shall mean the Zone's Project Plan and Financing Plan, as amended from time to time.

"Project Costs" shall mean eligible "project costs," as defined in section 311.002, Texas Tax Code, as amended, relating to the costs of the Project, including all capital costs and other costs paid or incurred by the Developer or an Affiliate in financing, planning, managing, designing, acquiring, constructing, and installing the Project in accordance with the Plans and Specifications and as described in and with estimated costs set forth Exhibit A, whether before or after the date of this Agreement.

"Project Site" shall mean those addresses listed on Exhibit B attached hereto.

"Property Components" shall mean the Project Components described in Exhibit A hereto, which are located in the public right-of-way, whether by easement for the benefit of the public or otherwise.

"Reimbursement" shall mean the amount paid by the Authority to reimburse the Developer for Project Costs, whether such costs were incurred by Developer or an Affiliate, which amount

shall not exceed the lesser of (i) the Project Costs actually incurred by Developer or such Affiliate for the Project; (ii) the total amount shown on Exhibit A for the Project; or (iii) $15,800.00; provided, however, any Project line item amounts shown on Exhibit A shall not serve as a cap on the amount of reimbursement for such line item and actual line item costs may exceed the amounts shown on Exhibit A, subject to any cap on the reimbursement. Notwithstanding the foregoing, in the event that the actual Project Costs are less than the amount shown on Exhibit A, the difference between the actual costs incurred by Developer or its Affiliate and the amount shown on Exhibit A for such Project shall be remitted to the Authority.

"Revenue Fund" shall mean the Authority-established fund into which Tax Increments are deposited pursuant to the Hardy/Near Northside Agreement.

"State" shall mean the State of Texas.

"Tax Increments" shall mean funds currently on deposit within the Revenue Fund which are attributable to ad valorem taxes collected on the captured appraised value within the Zone.

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 and Zone. The Authority and the Zone each hereby represents to the Developer that:

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

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

(C) This Agreement has been duly authorized, executed and delivered by the Authority and the Zone and constitutes a legal, valid and binding obligation of the Authority and the Zone, enforceable in accordance with its terms, except to the extent that the enforceability of this Agreement may be limited by bankruptcy, reorganization, insolvency, moratorium or other similar laws of general application in effect from time to time relating to or affecting the enforcement of creditors' rights.

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

(E) The Project is a component of or is consistent with the Project and Financing Plan.

(F) The Reimbursement to Developer covers only eligible Project Costs which can be reimbursed under the Act.

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

(A) The Developer is duly authorized, created and existing in good standing under the laws of the state in which it was created.

(B) The Developer is qualified to do business and is in good standing in the State and is duly qualified to do business wherever necessary to carry on the operations contemplated by this Agreement.

(C) The 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, will not, to the best of its knowledge, violate any judgment, order, law or regulation applicable to the Developer or any provisions of the Developer's governing documents, and (ii) do not constitute a default under or result in the creation of, any lien, charge, encumbrance or security interest upon any assets of the Developer under any agreement or instrument to which the Developer is a party or by which the Developer or its assets may be bound or affected.

(D) The Developer has obtained or will obtain or will cause to be obtained all necessary permits and approvals from the City and all other governmental officials and agencies having jurisdiction (including approvals required under the Hardy/Near Northside Agreement), will provide supervision of all phases of construction of the Project, and will cause the construction to be performed substantially in accordance with the Plans and Specifications.

(E) This Agreement has been duly authorized, executed and delivered and constitutes a legal, valid and binding obligation of the Developer, enforceable in accordance with its terms, except to the extent that the enforceability of this Agreement may be limited by bankruptcy, reorganization, insolvency, moratorium or other similar laws of general application in effect from time to time relating to or affecting the enforcement of creditors' rights.

(F) The Developer has made or will make a good faith effort to comply with the City's policy regarding the participation of minority and women-owned business enterprises with respect to the design, installation and construction of the Project.

(G) The Developer will maintain records showing (i) its subcontracts, supply agreements and support with and to disadvantaged business enterprises, and (ii) specific efforts to identify and award subcontracts, supply agreements, and support with and to minority and women-owned business enterprises.

(H) All Project Components are or will be located within the public right-of-way, whether by easement for the benefit of the public or otherwise.

(I) The Developer has sufficient capital to perform its obligations under this Agreement.

ARTICLE 3
DUTIES AND RESPONSIBILITIES OF THE DEVELOPER AND THE OWNER

3.1 Plans and Specifications of the Project. Developer shall not be obligated to construct the Project; provided, however, if Developer elects to construct the Project, Developer shall first prepare or cause to be prepared the Plans and Specifications and submit such Plans and Specifications to the Authority and the Director for approval.

3.2 Construction of the Project. Developer agrees to construct or cause to be constructed the Project in accordance with the Plans and Specifications, and to provide and furnish all materials and services as and when required in connection therewith. Developer shall also construct the Fulton Street Development in accordance with the Plans and Specifications previously approved by the Authority. Developer will obtain or cause to be obtained all necessary permits and approvals from the City and all other governmental officials and agencies having jurisdiction (including approvals required under the Hardy/Near Northside Agreement), provide supervision and inspection of the Project, and provide periodic reports of such construction to the Authority upon reasonable request.

3.3 Completion of the Project. The Developer shall be responsible for the inspection and supervision of the construction, implementation and installation of the Project substantially in accordance with the Plans and Specifications and in accordance with relevant City ordinances or procedures.

3.4 Reserved.

3.5 Reserved.

3.6 Easement Conveyance. If necessary, the Developer or an Affiliate, as the case may be, prior to receiving the Reimbursement for a Project, shall grant the City or the Authority, at no cost, all reasonably required easements, in form and substance reasonably acceptable to the City or the Authority, as the case may be, and the Developer over such portions of the Project that are not in the public right of way.

3.7 Cooperation. Solely with respect to the design, development, acquisition, construction and installation of a Project, the Developer agrees that it will cooperate with the Zone and the Authority and will provide to the Authority and its consultants all necessary information

reasonably requested by the Authority or 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.

3.8 Taxes and Other Charges. The Developer shall pay or cause to be paid, as the same becomes due and payable, all taxes, assessments and governmental charges of any kind whatsoever that may at any time be lawfully levied, assessed, charged or imposed upon or against the Project Site.

3.9 Branding. In the event that the Zone adopts an area name ("Brand"), Developer will adopt such brand in major signage of the development. The size of the Brand name on major signage, including marquis signage, will be consistent with, and no less than, the size of tenants' names on such signage and shall be prominently displayed on such signage.

ARTICLE 4
REIMBURSEMENT

4.1 Reimbursement. The Authority shall pay the Reimbursement to the Developer for the actual Project Costs incurred by the Developer or an Affiliate upon (i) Completion of the Project, (ii) inspection by the Authority of the Project, and (iii) receipt and approval of the following items:

(1) a written request for Reimbursement;

(2) three (3) full and complete sets of final Plans and Specifications and final "record" drawings for the Project;

(3) a final cost summary of all Project Costs for the Project;

(4) a certificate of Completion, executed by an officer authorized to bind Developer or the Affiliate or the architect/engineer engaged by the Developer or the Affiliate certifying Completion of the Project;

(5) a certificate of Occupancy, executed by an officer authorized to bind Developer or the Affiliate or the architect/engineer engaged by the Developer or the Affiliate certifying Completion of the Project;

(6) a certificate executed by an officer authorized to bind the Developer or the Affiliate certifying that all contractors, subcontractors, laborers, materialmen, architects, engineers and all other parties who have performed work on or furnished materials for the Project have been paid in full, together with evidence of such payments and executed releases of liens or customary affidavits executed by such contractors;

(7) evidence of efforts to comply with the City's policy regarding the participation of minority and women-owned business enterprises for the Project; and

(8) any other information reasonably requested by the Authority and related to the Project.

In the event all or any portion of the Project is determined to be an ineligible Project Cost under the Act or is inconsistent with the Project and Financing Plan, the Reimbursement shall be reduced by the amount attributable to the ineligible project component. If the Authority has already paid 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. The Authority's obligation to pay the Reimbursement is also conditioned upon Developer's compliance with the terms of this Agreement.

No interest shall accrue on any portion of the Reimbursement. In the event the Developer does not commence construction of a Project within the timeframe set forth on Exhibit A for such Project, if any, the Authority shall have no obligation to pay the Reimbursement for such Project.

The Developer shall have the right to terminate this Agreement without default by giving the Authority written notice prior to commencing construction of the Project. If the Developer terminates this Agreement, the Developer shall not be entitled to any portion of the Reimbursement.

4.2 Reimbursement. Following receipt and approval of the information required in Section 4.1 above, the Authority shall pay, solely from Tax Increments, the Reimbursement beginning on the earliest date that the Authority has received Tax Increments. The Authority shall not be required to make a payment to the Developer unless at the time of such payment the Authority has at least $5,000 in Tax Increment deposited to the Revenue Fund. The Authority shall continue to make payments until the Reimbursement is paid in full. The Developer, and its permitted successors and assigns, shall not have the right to demand payment of the Reimbursement out of any funds of the Authority other than the Tax Increment. The Tax Increments payable to the Developer under this Agreement are subordinate to reductions by the City for administrative expenses and municipal service fees, and to Authority Obligations (as defined in the Hardy/Near Northside Agreement) issued prior to or after the date hereof, and the payments due hereunder from Tax Increments shall only be due if the annual debt service payments for such previously Authority Obligations can be made without the Tax Increments.

4.3 Audit. Prior to any Reimbursement, and within forty-five (45) calendar days of the Authority's receipt of a request for Reimbursement, the Authority will have prepared, at is expense and by a certified public accountant, an Agreed Upon Procedures report to calculate the amount due to the Developer, with a reconciliation of the Project Costs incurred by the Developer for the Project, and to certify that funds are or should be available to make such payment. Developer agrees to provide sufficient information to the Authority's auditor in order that the Authority's auditor may perform a reimbursement audit in accordance with this Agreement.

ARTICLE 5
INDEMNIFICATION AND RELEASE; INSURANCE

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

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

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

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

5.3 THE DEVELOPER SHALL REQUIRE ALL CONTRACTORS ENGAGED BY IT TO CONSTRUCT THE PROJECT (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.

5.4 Indemnification Procedures

(1) Notice of Claims. If the Indemnified Persons or the Developer receives notice of any claim or circumstances that 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 the following:

a. A description of the indemnification event in reasonable detail;

b. The basis on which indemnification may be due; and

c. The anticipated amount of the indemnified loss.

This notice does not estop or prevent the Indemnified Persons from later asserting a different basis for indemnification or a different amount of indemnified loss than that indicated in the initial notice. If the Indemnified Persons do not provide this

notice within the 10 day period, they do not waive any right to indemnification except to the extent that the Developer is prejudiced, suffers loss, or incurs expense because of the delay.

(2) Defense of Claims.

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

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

ARTICLE 6

To the extent construction of any Project is commenced but incomplete during the term of this Agreement, the Developer shall maintain insurance coverage continuously until construction of all Project components are completed or abandoned, and the Developer shall contract with each contractor engaged by it hereunder to maintain (and to cause each of its subcontractors to maintain) insurance coverage during the term of its contract, in each case in accordance with the terms of Exhibit C attached hereto through any combination of primary and excess coverage and, in the case of "claims made" coverage, for an additional two (2) years thereafter.

ARTICLE 7
DEFAULT

7.1 Authority and Zone Default. If the Authority or the Zone does not perform its obligations hereunder in substantial compliance with this Agreement and, if such default remains uncured for a period of sixty (60) days after notice thereof shall have been given, in addition to the other rights given the Developer under this Agreement, the Developer may enforce specific

performance of this Agreement or seek actual damages incurred by the Developer for any such default.

7.2 Developer Default. In the event the Developer does not perform its obligations hereunder in substantial compliance with this Agreement and, if such default remains uncured for a period of sixty (60) days after notice thereof shall have been given, in addition to the other rights given to the Authority and the Zone under this Agreement, the Authority and the Zone may enforce specific performance or seek actual damages incurred by the Authority and/or the Zone for any such default.

ARTICLE 8
GENERAL

8.1 Inspections, Audits. The Developer agree to keep such operating records as may be required by the Planning Director, the Authority, or by state and federal law or regulation. The Developer shall allow the Authority reasonable access to documents and records in the Developer's possession, custody or control that the Authority deems necessary to assist the Authority in determining the Developer's compliance with this Agreement. The Developer shall allow the Zone and the Authority reasonable access to the Project Site to inspect the Project.

8.2 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.

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

If to the Zone or the Authority:

Reinvestment Zone Number Twenty-One,
City of Houston, Texas
c/o Bracewell LLP
711 Louisiana, Suite 2300
Houston, Texas 77002
Attn: Clark Stockton Lord

Hardy/Near Northside Redevelopment Authority
c/o Bracewell LLP
711 Louisiana, Suite 2300
Houston, Texas 77002
Attn: Clark Stockton Lord

with a copy to:

Chief Economic Development Officer
City of Houston
611 Walker, 6th Floor
Houston, Texas 77002

If to the Developer:

Avenue Community Development Corporation
3517 Irvington Boulevard
Houston, Texas 77009
Attention: Chief Executive Officer
Email: maryl@avenuecdc.org
Telephone: 832-703-0135

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 Planning Director, the Zone, the Authority or the Developer, as the case may be.

8.4 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 Zone, the Authority, and the Developer, and consented to by the Planning Director. No course of dealing on the part of any party, nor any failure or delay by any party with respect to exercising any right, power or privilege of such party under this Agreement shall operate as a waiver thereof, except as otherwise provided in this Section.

8.5 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.

8.6 Successors and Assigns. All covenants and agreements contained by or on behalf of the Authority and the Zone in this Agreement shall bind their successors and assigns and shall inure to the benefit of the Developer and its successors and assigns. No party may assign its rights and obligations under this Agreement or any interest herein without the prior written consent of the other parties, and the consent of the Planning Director, which consent shall not be unreasonably withheld, delayed or conditioned; provided, however, the Developer is hereby permitted (a) to assign, in whole or in part, this Agreement to an Affiliate without the prior written consent of the other parties or the consent of the Planning Director, and (b) to collaterally assign its rights under this Agreement to any lender providing financing or refinancing to construct all or a portion of the development on the Project Site. In the event of such permitted assignment, the Developer shall give the Authority and the Zone written notice of any such assignment within sixty (60) days of the occurrence of the same, along with copies of the documents evidencing such assignment and Developer shall remain liable, along with such assignee, with respect to all duties and obligations hereunder.

8.7 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 that 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 herein to an exhibit shall be considered a reference to the applicable exhibit attached hereto unless otherwise stated.

8.8 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.

8.9 Entire Agreement. This written agreement represents the final agreement between the parties and may not be contradicted by evidence of prior, contemporaneous, or subsequent oral agreements of the parties. There are no unwritten oral agreements between the parties.

8.10 Term. This Agreement shall be in force and effect from the date of execution hereof by the Planning Director for a term expiring on the date the Reimbursement has been paid in full; provided, however, the obligation of the Developer, or its successors, to maintain the Project Components in accordance with Section 3.5 shall survive until terminated by the Authority.

8.11 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 unreasonably withheld or delayed.

8.12 Counterparts. This Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute one and the same instrument.

[Execution pages follow]

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be duly executed as of _____ ___, 2025.

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

By:_____

Name:_____

Title:_____

ATTEST:

By:_____
Name:_____
Title:_____

HARDY/NEAR NORTHSIDE REDEVELOPMENT AUTHORITY

By:_____

Name:_____

Title:_____

ATTEST:

By:_____
Name:_____
Title:_____

DEVELOPER:

AVENUE COMMUNITY DEVELOPMENT CORPORATION,
a Texas corporation

By:_____
Name:_____
Title:_____

APPROVED:

CHIEF ECONOMIC DEVELOPMENT OFFICER,
CITY OF HOUSTON, TEXAS

By:_____
Name: Gwendolyn Tillotson-Bell

Date:_____

EXHIBIT A

PHASES/PROJECTS COSTS/PROJECT COMPONENTS

[attached]

Estimate

Company: Luna Luna Remodeling LLC

Email: lunaremodeling.0430@gmail.com

Estimator: Armando

Address:2002, 2002 A and 2008 Fulton St

Houston Tx 77009

Date Submitted: 01/17/2025

Item	Material	Labor	Total
2008 Fulton Will break driveway entrance concrete and 16 ft x 6 ft of the walkway, remove culverts Will dig to take off 5 or 6 inch of dirt and will remove the grass between the walkway and the culvert, digging also 5 or 6 inch so the water can have a good drain. The removed concrete will be 12.6 ft from the street to the back of the driveway so can leveled down Will hauling off all the debris Everithing that needs to be removed below the city 2002 Fulton Will break driveway entrance concrete and 20 ft x 6 ft sidewalk, remove culverts Will dig to take of 5 or 6 inch of dirt and will remove the grass between the walkway and the culvert digging also 5 or 6 inch so the water can have a good drain The removed concrete will be 12.9 ft from the street to the back of the driveway so can be leveled down Wil hauling off all the debris Everithing that needs to be removed below	>	>	$15,800

the city 2002 A Fulton Will break driveway entrance concrete and 13 ft x 6 ft sidewalk, remove culverts Will dig to take of 5 or 6 inch of dirt and will remove the grass between the walkway and the culvert digging also 5 or 6 inch so the water can have a good drain The removed concrete will be 12.9 ft from the street to the back of the driveway so can be leveled down Hauling off all the debris Everithing that needs to be removed below the city New concrete This steps will be for the three removed concrete sections. Will compact this areas and prepare them to install the rebar and make the forms prior to install the new concrete for the 2002, 2002 A and 2008 Fulton houses following the city codes, new concrete will be 4 to 6 inch depth depending the city codes for sidewalk and driveway entrance, will install grass for removed grass sections. Permit fees are included Labor and material costs are together.			
		Total	$15,800

EXHIBIT B

PROJECT SITES

1. **2002 Fulton Street, Houston, Texas 77009**
2. **2002A Fulton Street, Houston, Texas 77009**
3. **2004 Fulton Street, Houston, Texas 77009**
4. **2008 Fulton Street, Housotn, Texas 77009**

EXHIBIT C

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 Projects provide and maintain certain insurance in full force and effect at all times during the construction of the Project 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:

Coverage	Limit of Liability
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 the Project 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.

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.

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.

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.

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.

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.

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.

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.

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.

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.

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.

(A) 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..