MARK MALOY, 7803 HAMILTON CIRCLE, PAST CITY COUNCIL MEMBER THE CITY OF JERSEY VILLAGE TEXAS, CITIZEN COMMENTS FOR THE 11/20/2017 CITY COUNCIL MEETING. PLEASE MAKE MY VERBAL COMMENTS AND DOCUMENTS GIVEN TO THE CITY SECRETARY A PERMANENT RECORD OF THIS MEETING.

JERSEY MEADOWS GOLF COURSE

AN EXTREMELY TAXPAYER SUBSIDIZED 126 ACRE FENCED- IN WASTE OF CITY REVENUE

- .

THIS SO CALLED ASSET TO THE CITY IS A DRAIN ON CITY REVENUE THAT COULD BE USED FOR OTHER MUCH MORE BENEFICIAL NEEDS FOR THE CITIZENS.

THE JERSEY MEADOWS LAND AREA SHOULD BE A FREE AXCESS AREA FOR THE CITIZENS THAT ARE FUNDING ITS EXISTANCE. JUST LIKE CAROL FOX PARK AND CLARK HENRY PARK.

THE GOLF COURSE WAS PURCHASED BY THE CITY GOVERNMENT WITH CERTIFICATES OF OBLIGATION. BYPASSING THE VERY INDIVIDUALS/TAXPAYERS WHO WILL HAVE TO PAY FOR IN THIS INSTANCE A (5) COUNCIL MEMBER DECISION.

THE CURRENT ESTIMATED CITY REVENUES THAT HAS BEEN SPENT OR IS CURRENTLY BUDGETED TO BE SPENT SINCE THE NONTAXPAYER ALLOWED DECISION TO PURCHASE THE GOLF COURSE BY THE CITY GOVERNMENT IS AN ESTIMATED (\$18 MILLION DOLLARS).

THE CITY GOVERNMENT IS GRASPING FOR ANY REASONING THAT THEY CAN USE TO TRY AND JUSTIFY THE CONTINUED EXISTANCE OF THE GOLF COURSE. FROM WHAT I UNDERSTAND THEY ARE GOING TO TRY AND SAY THE GOLF COURSE CLUB HOUSE CAN BE USED AS A DISASTER RECOVERY AREA. THE CITY HAS SEVERAL CHURCHES THAT HAVE FILLED THIS NEED FOR THE COMMUNITY.

THE GAME OF GOLF ALL ACROSS THE UNITED STATES WHETHER PRIVATELY OWNED OR MUNICIPALLY OPERATED (TAXPAYER SUPPORTED) FOR MANY YEARS NOW STARTING SOMEWHERE IN THE LATE 1990'S HAVE BEEN DEALING WITH VERY LARGE DECLINING MEMBERSHIP NUMBERS AND OVERALL INTEREST. WHY SHOULD ALL TAXPAYERS HAVE TO PAY FOR A VERY SMALL PERCENTAGE OF THE GOLF PLAYING PUBLIC TO PLAY THEIR DESIRED GAME?

THE GOLF COURSE LAND AREA NEEDS TO BE BUILT OUT INTO A VERY EFFECTIVE STORM WATER DETENTION BASIN THAT CAN ALSO BE UTILIZED AS LOW MAINTENANCE PUBLIC PARK SPACE FOR ALL OF THE JERSEY VILLAGE CITIZENS TO ENJOY.

THE JERSEY MEADOWS GOLF COURSE LAND AREA HAS BEEN DETERMINED TO BE A CAUSE OF FLOODING TO RESIDENTIAL HOMES AND OTHER PROPERTIES WITHIN THE CITY DUE TO ITS SHEET FLOW RUNOFF. THE CITY HAD DONE A STUDY IN THE EARLY 2000'S AND ONE OF THE IDEAS AS A RESULT OF THE STUDY WAS TO BUILD A BERM AROUND THE GOLF COURSE. THE ENGINEERING STUDY WAS AN ESTIMATED COST OF BETWEEN 50 TO 60 THOUSAND DOLLARS AND THE BERM PROJECT ESTIMATED COST WAS AROUND 650 THOUSAND DOLLARS. THE PROJECT WAS NOT BUILT. THE CITY HAS NOW EXPERIENCED ANOTHER FLOOD EVENT (THE TAX DAY FLOOD OF 2016) AND AN ESTIMATED 230 TO 250 RESIDENTIAL HOME OWNERS AND OTHER PROPERTY OWNERS WERE DEVISTATED. THE CITY GOVERNMENT HIRED AN ENGINEERING FIRM FOR AN ESTIMATED 650 TO 700 THOUSAND OR MORE DOLLARS TO DO ANOTHER STUDY TO TELL THE CITY WHAT PROJECTS SHOULD BE DONE TO LESSEN OR ELIMINATE THE FLOODING IN THE AREA. MOST IF NOT ALL RECOMMENDATIONS FROM THE MOST RECENTLY COMPLETED STUDY WERE COVERED IN THE PREVIOUS STUDY OR BY INPUT FROM CITIZENS, SOME HAVING ENGINEERING DEGREES.

• 1

THE NEW STUDY IS NOW SAYING 'BUILD THE GOLF COURSE BERM PROJECT'. THE PROBLEM WITH GOING AHEAD WITH WHAT COULD HAVE POSSIBLY WORKED BACK IN THE EARLY 2000'S IS THAT THE CITY HAS SINCE THEN AQUIRED AN ESTIMATED 704 ACRES OF EXTRATERRITORIAL JURISDICTION (ETJ) JERSEY VILLAGE CROSSING ON THE SOUTH SIDE OF US290 AND THEY HAVE PLANS TO INCORPORATE THAT LAND AREA INTO THE CITY IN THE FUTURE. IF YOU LOOK AT MAPPING OF THE AREA YOU WILL SEE THAT MOST IF NOT ALL OF THE ETJ AREA AS WELL AS OTHER LAND AREAS OUTSIDE THE ETJ DRAINS THEIR STORM WATER THROUGH THE ORIGINAL NORTH SIDE OF US290 LAND AREA WHERE ALL THE ALREADY EXISTING RESIDENTIAL HOMES ARE LOCATED. THE STORM WATER THAT COMES FROM THE SOUTH SIDE OF US290 (JERSEY VILLAGE CROSSING) AND THE CONTINUALY EXPANDING NON PERMIABLE CONCRETE US290 ROADWAY STORM WATER RUNOFF TRAVELS VIA CHANNELS THAT RUN ALONG THE SOUTH AND NORTH SIDES OF THE JERSEY MEADOWS GOLF COURSE. THE GOLF COURSE BERM PROJECT IS NOW NOT THE ANSWER TO THE CURRENT AND FUTURE FLOODING PROBLEMS FOR THE CITY AND ITS CITIZENS. THE USABLE ESTIMATED 110 ACRES WHERE THE GOLF COURSE IS LOCATED NEEDS TO BE DUG OUT LIKE THE ALREADY EXISTING ESTIMATED 43 ACRE FLOOD WATER DETENTION BASIN WITHIN THE CITY. THE DETENTION BASIN PROJECT THAT I AM PROPOSING BE BUILT WOULD HAVE THE ABILITY TO DETAIN AN ESTIMATED 290 MILLION GALLONS OF STORM WATER RUNOFF. THE BERM PROJECT IDEA HAS PREVIOUSLY IN THE EARLY 2000'S AND NOW 2017 HAD VOCAL OPPOSITION FROM THE HOME OWNERS THAT BACK UP TO THE GOLF COURSE. THEIR CONCERN IS THAT THE BERM WOULD CAUSE FLOODING TO THEIR PROPERTIES. IF THE GOLF COURSE LAND AREA WAS DUG OUT INTO MY PROPOSED BASIN THERE WOULD BE NO BERM TO CAUSE FLOODING TO THEIR PROPERTIES.

THE CITY OF JERSEY VILLAGE, TEXAS, CITY GOVERNMENT AND MANAGEMENT WANTS TO TRY AND SELL THEIR IDEA TO THE CITIZENS THAT THE 126 ACRE FENCED -IN EXTREMLY TAXPAYER SUBSIDIZED JERSEY MEADOWS GOLF COURSE IS A NEEDED AMMENITY THAT SOMEHOW MAKES THE CITY A MORE DESIRABLE AREA COMPARATIVE TO OTHER SMALL CITIES SUCH AS SPRING VALLEY VILLAGE, HUNTERS CREEK VILLAGE, HEDWIG VILLAGE, BUNKER HILL VILLAGE, THE CITY OF WEST UNIVERSITY OR THE CITY OF BELLAIRE, TEXAS. THESE AFORMENTIONED AREAS ARE VERY AFFLUENT DESIRABLE AREAS AND THEY ARE SMART ENOUGH TO KNOW THAT THEY DO NOT NEED A TAXPAYER PAID FOR MONEY LOOSING GOLF COURSE TO SOMEHOW ENTICE PEOPLE FROM OTHER AREAS TO COME TO THEIR CITIES TO VISIT OR POSSIBLY RELOCATE TO.

THE CITY OF JERSEY VILLAGE TAX PAYERS NEED TO WAKE UP AND TELL THE VERY SMALL POLITICALY CONTROLLING GROUP WITHIN THE CITY TO STOP WASTING THEIR TAXES ON A PERPETUAL MONEY LOOSING MISTAKE.

HOW MUCH MORE TAXPAYER'S MONEY OR OTHER CITY REVENUE IS THE CITY GOVERNMENT AND MANAGEMENT GOING TO WASTE ON THE PROVEN MONEY LOOSING GOLF COURSE?

DEBT SERVICE PAYMENTS	\$12,793,114.00
CURRENT AS OF AUDITED 2016-2017 GC NEGATIVE FUND BALANCE	3,639,235.00
HOTEL MOTEL TAX USED FOR ARCHITECURAL PROJECT GC GLUB HOUSE	16,500.00
CG CLUB HOUSE RENOVATION PROJECT	350,000.00
SEWER PLANT TREATED WASTE WATER SUPPLEMENTAL GC IRRIGATION PROJECT	800,000.00

GC OPERATION LOSS PER CURRENT YEAR CITY FINANCIAL INFORMATION 9/30/2017444,181.00TOTAL CITY TAX REVENUE WASTED OR BUDGETED TO BE WASTED\$18,043,030.00

HERE IS A LIST OF GOLF COURSES IN THE AREA AND WHAT IS GOING ON WITH THEM

HEARTHSTONE GOLF COURSE, A PRIVATELY OWNED COURSE NO TAXPAYER SUBSADIZATION, LOCATED IN A RESIDENTIAL DEVELOPMENT ON FM 529 NEAR FM 1960

GLENLOCK FARMS GOLF COURSE WAS OWNED BY THE COMMUNITY BUT WAS SOLD TO TOUR 18 GOLF. THE HOME OWNERS ARE NO LONGER HAVING TO PAY FOR THE GOLF COURSE

PINECREST GOLF COURSE PRIVATLY OWNED GOLF COURSE CLOSED DOWN IN 2017. LOCATED IN SPRING BRANCH, LAND OWNED BY METRONATIONAL AND NOW IS BEING BUILT OUT INTO AN ESTIMATED 800 HOME REDIDENTIAL DEVELOPMENT. MOST ALL OF THE LAND IS IN A 100 YEAR FLOODPLAIN EXCEPT A SMALL AREA THAT IS IN A 500 YEAR FLOOD PLAIN.

MULLIGINS GOLF COURSE PRIVATLY OWNED GOLF COURSE CLOSED DOWN 2016 OR 2017

AGNESS MOFFIT GOLF COURSE. COUNTY OWNED GOLF COURSE CLOSED DOWN YEARS AGO LOCATED IN SPRING BRANCH IN AGNESS MOFFIT PARK

INWOOD FOREST GOLF COURSE A PRIVATLY OWNED GOLF COURSE CLOSED DOWN THE CITY OF HOUSTON HAS PURCHASED THEW LAND AND IS CONVERTING IT INTO A VERY EFFECTIVE FLOOD DETENTION BASIN AND PUBLIC PARK

LAKE SIDE COUNTRY CLUB AND GOLF COURSE IS A PRIVATLY OWNED GOLF COURSE MEMBERSHIP FEES ARE VERY EXPENSIVE. GOLF COURSE INCURRED MAJOR DAMAGE DURING HURICANE HARVEY

BEAR CREEK GOLF COURSE COUNTY OWNED GOLF COURSE LOCATED WITHIN ADDICKS RESIVIOR FLOODED MANY TIMES COUNTY CONSIDERED CLOSING IT DOWN A FEW YEARS AGO BUT HAS NOW OPENED AGAIN IT IS FUNDED BY THE TAXPAYERS OF HARRIS COUNTY.

CLEAR LAKE GOLF COURSE CITY OWNED TAXPAYER SUBSIDIZED CLOSED DOWN 2017 THIS GOLF COURSE LAND AREA IS BEING REPURPOSED BY THE CITY INTO A VERY EFFECTIVE FLOOD DETENSION BASIN AND PUBLIC PARK

In search of a flood fix, one Houston community turned to a golf course

Clear Lake City officials say they hope the project will serve as an example of how communities can take matters into their own hands as they await the completion of large-scale flood control projects.

BY KATIE RIORDAN NOV. 17, 2017 12 AM

[:]

An aerial view of Exploration Green's first detention pond. Stan Cook

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HOUSTON — In 50 years living in Clear Lake City, Spyros Varsos had never seen the floodwater get so high. During a historic rainstorm two years ago, he watched anxiously as it quickly accumulated in the street outside his three-bedroom home. So this summer when even heavier rains drenched the greater Houston area in the wake of Hurricane Harvey, he was even more fearful.

But his home didn't flood. For that, he credits some precautions he took of his own, like clearing debris from the drains on his street. What he said made an even bigger difference, though, was a nearby flood control project that wasn't even completed yet.

A few blocks away from Varsos' house, the Clear Lake City Water Authority has embarked on a \$28 million project to retrofit a shuttered golf course with five detention ponds that will be able to hold half a billion gallons of stormwater.

Only one of the ponds was near completion when Harvey hit. Still, it prevented about 100 million gallons of water from pouring into the drainage system. John Branch, the water authority's board president, estimates the pond — only 80 percent excavated at the time — saved 150 area houses from flooding during the historic downpour.

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As a post-Harvey Houston figures out how to protect itself from the next big storm, he and other local officials say they hope the project will serve as an example of how communities can take matters into their own hands as they await the completion of large-scale flood control projects. Branch said the nearly 200-acre golf course was coveted real estate in a flood-prone area that likely would have been turned into condos. But he said developing the land would have worsened flooding in the coastal community about 30 miles southeast of downtown Houston — home to NASA's Johnson Space Center.

The water authority wanted to reduce area flooding and keep the area "green," he said. It purchased the land in 2011 for about \$6 million.

A nonprofit group, the Exploration Green Conservancy, formed to partner with the water authority to reimagine the space as a community park situated around the detention ponds. Some residents have pushed back against the project, but Branch said support has remained strong to keep the project moving forward.

"We don't want it to just be a hole in the ground, we want it to be something nice," he said. "Unless there's a hard rain, the public can use it every day for something other than flood control."

When it's complete in 2021, the nature park, called Exploration Green, will have miles of hike and bike trails and acres of wetlands. The nonprofit conservancy will manage the park, and the water authority will maintain the detention ponds, Branch said.

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Older areas of Houston like Clear Lake City — a master-planned community built more than half a century ago — sprung up at a time when developers were not required to offset the impacts of their development on flooding problems through measures like detention ponds, Branch said.

Experts say detention-pond infrastructure is vital in older, flood-prone parts of the city and has helped reduce flooding damage in some areas where it was implemented as part of the development.

"One of the best hopes [to prevent local flooding] is to add in green space and detention ponds wherever we can in these areas — what I call legacy flood-problem areas — that were built early on," said Phil Bedient, a Rice University engineering professor who studies surface water hydrology.

Bedient said detention ponds are a relatively newer feature in Houston; They weren't common in the city until the mid-1980s, when Harris County began requiring developers incorporate them into building projects.

While detention ponds won't prevent all localized flooding, Bedient said they are a necessary complement to larger-scale projects underway throughout the Houston area such a bayou widening and increasing the capacity of drainage infrastructure.

Alan Black, the Harris County Flood Control District's director of engineering, said the county is always looking for locations to add water detention infrastructure.

The district, in partnership with the city of Houston, is pursuing a project similar to the one in Clear Lake City that will outfit a 227-acre golf course in a well-established northwest Houston neighborhood with 10 detention ponds.

Recreation areas are expected to be incorporated into the ongoing project, which is estimated to cost more than \$30 million, including the cost to purchase the property.

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Black called the project "unique" and "extraordinary" because of the amount of added detention space it will provide in a developed neighborhood.

Defunct golf courses can be useful locations for flood control projects because of how much contiguous land they can take up in the middle of neighborhoods, Black said. (They also appear to be increasingly available for purchases as their popularity declines). But they are not the only option — unused parking lots or industrial sand pits can be ideal sites for flood control projects, too, as long as they are near water channels, he said.

Bedient said buying out flood-prone homes — something both the city and county are pursuing with fervor post-Harvey — also can create absorbent green space.

A big barrier to the success of such programs is how expensive they are.

The high cost of buying land in developed areas for flood control projects is often a limiting factor, said Black.

"As you get more and more urbanized, it's harder and harder to find what I'll say [is] 'cost effective' property that you can then build a detention basin," Black said.

But Branch, the Clear Lake City water authority official, says their project is worth the expense. When Exploration Green is completed in about four years, he estimates that up to 3,000 homes will no longer be in either the 100- or 500-year floodplain — areas with a 1 percent or 0.2 percent chance of flooding in any given year.

It also will be a huge boon to quality of life in the area. The almost 200-acre spread will house bird habitat islands, athletic fields, native grasses, thousands of trees and recreation trails.

"It's certainly important for drainage, but it's important for kids growing up here to have a place just to do stuff that kids do," said Doug Peterson, the vice chairman of the Exploration Green Conservancy. Despite the huge difference he thinks the project will make, Branch concedes there is no silver bullet to flood problems. Detention ponds are only a small, if but important, part of it, he said.

Still, he said the time is now for communities to take flood control into their own hands.

"Look for short-term solutions and long-term solutions," he said. "And take advantage of opportunities as quickly as you can."

Disclosure: Rice University has been a financial supporter of The Texas Tribune. A complete list of Tribune donors and sponsors is available here.

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TAX BREAKS FOR What?

A Community Report on the City of Houston's Economic Development Deals

What is the purpose of tax breaks in the first place? Why do government agencies give them out? Tax incentives are tools that local jurisdictions offer as a way of reducing taxes for developers in exchange for specific actions or investments. The values and goals of, in this case, the city determine to what end such tools will be used. Taking a closer look at the City of Houston's use of tax incentives is therefore really an exercise to reveal the values and priorities of the city.

In economic terms, tax incentives serve as a tool to combat "market imperfections" like food deserts, a labor market oversaturated with low-paying jobs, environmentally hazardous or risky brownfields, or a local economy over dependent on a single industry. For the neighborhoods and families impacted by these issues might call them market *failures* - evidence of how our economy fails the very working families that power its success. Pastor David Madison at a raily at the Westir (formerly Inn at the Ballpark), which received a \$2M tax break from the City of Houston

From a community-based perspective, we argue that if economic development tax breaks are not addressing a community need in the service of advancing equity, then they deserve to be called out for what they really are - a windfall for the private sector and a drain on our city's cash-strapped budget.

This report asks three questions:

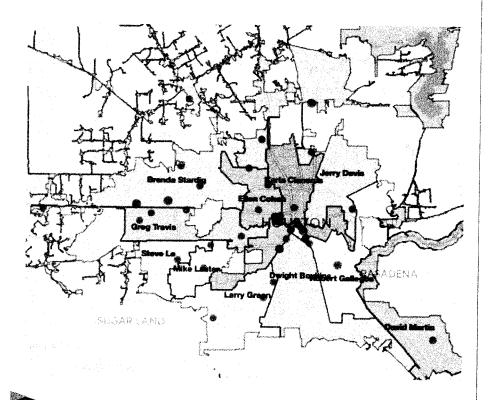
- 1. Are the City of Houston's tax incentive programs effectively producing a return on investment for struggling communities and neighborhoods?
- 2. What impacts have the 39 city-subsidized developments had on Houston?
- 3. Specifically what policies and systems can the current administration put in place to improve the effectiveness of these programs?



The Texas Organizing Project promotes social, racial and economic equality through community and electoral organizing. TOP provides hard working Texans the opportunity to implement real change by organizing their own neighborhoods, investing their time and energy in causes relevant to their respective communities, and collectively taking ownership over TOP's agenda, strategy and direction.

Map of City-Subsidized Economic Development Projects

Interactive map built by January Advisors available at <u>www.houston4all.org</u>



A few notes

The data included in this report comes from the City of Houston's thirty-nine Chapter 380 agreements and tax abatement contracts made with developers from 2004 - 2016.

The analysis in this report does not include a specific analysis of the City's economic development tools and resources used outside of the framework of 380 agreements and tax abatements, which include Hotel and Occupancy Tax (HOT tax) grants, Tax Increment Reinvestment Zones (TIRZs), Historic Site Tax Exemptions, loans, grants and the City's participation in recommending developments for state programs.

This analysis also did not include other cities or counties in the Houston metro area nor quasi government agencies such as management districts and Houston First. However, all of the above mentioned programs and agencies play a role in economic development in Houston and would do well to read, review, and consider the policy recommendations herein.

Special thanks

The Texas Organizing Project produced this report in partnership with the Workers' Defense Project, the Houston Gulf Coast Area Labor Federation AFL-CIO, the Sankofa Research Institute, the Service Employees International Union - Texas, and Texas Low-Income Housing and Information Services. Special thanks in particular to Serena Ahmed for research support.

Depiction of River Oaks District shopping center at 4444 Westheimer, a luxury development that received a \$19M city tax break

Dior



From the City of Houston's tax abatement and chapter 380 programs and 39 economic development projects

A view of Market Square Tower's bottomless sky pool 500 ft above ground, one of many luxury apartment complexes that received a total of \$75M through the city's Downtown Living Initiative tax break project.

1) Lack of guiding vision and goals

The City of Houston's Economic Development Department lacks a clear vision, overarching target goals, and proactive intentionality for program implementation. Mayor Turner's Economic Opportunity Transition Committee noted, "[we learned] from Chief Economic Development Officer Andy Icken's presentation [...] that the Economic Development Division has been a "reactive department" has worked from a vision to serve as "a catalyst to help the private sector flourish".¹

While the City would point to its application and evaluation matrix as proof they use criteria to select prospective applicant projects, the impact of subsidized projects paints a narrative of winners and losers and a lack of guiding values that has contributed to growing inequality. Helping the private sector flourish and "encouraging and attracting growth to make Houston even more of the metropolitan city that it is" (as stated in the Economic Development Office purpose statement on the city website) is not a clear vision. Growth in aggregate as a measure for success negates disparate impact and fails to advance equity without measurable objectives specifically crafted to expand economic opportunity for marginalized communities.

The two city tax incentive programs that this report seeks to evaluate - Chapter 380 agreements and Tax Abatements - each have their own stated purposes as defined by the state of Texas. In addition to general language promoting growth, the State's Local Government Code, Chapter 380, which governs the 380 agreements, *requires the tax incentives to in part be used towards the elimination of unemployment and underemployment*. The City's Code of Ordinances Chapter 44, Article IV specifically mentions *stimulating new job growth and providing affordable housing* as part of the Tax Abatement program's purpose. While the Economic Development Division has not established a pathway or timebound defined goals related to eliminating unemployment and underemployment, new job creation or affordable housing, we can use those categories as part of a framework for evaluating the programs' impact.

2) Lack of transparency, community input and enforcement

Houstonians have a right to know and have a say in what we're getting in exchange for public tax breaks: millions of dollars that would otherwise be in the City budget to fund parks, programs, and infrastructure projects so badly needed.

Public hearings on deals are not uniformly required for projects the City is considering for tax incentives, and even when they do happen the hearing is commonly held on the same day as the council vote. This is problematic not only for residents, but also for council members and city officials to gauge local support, concern or opposition for a given project. Community engagement helps ensure a development meets a local need, respects the local culture and fabric of a neighborhood and does not threaten or put local businesses at risk.

Clear processes for hearing and incorporating community input into tax deals also helps the city avoid lawsuits. At least two lawsuits have arisen around city-subsidized economic development projects due to community and local business concerns that were not addressed by the city or developers (Ainbinder Heights Walmart development and the WOIH White Oak Music Hall development)^{2 3}. Transparency is critical for good governance and public trust, and transparent calculations of the budgetary impact of tax breaks is critical for sound financial planning, yet the City of Houston has failed to estimate or project the dollar value of more than 25% of its tax breaks.

Houston also does not have a conflict of interest policy in place to protect against undue influence on city staff and council members. The Houston Chronicle noted, for example, that Landry's owner and billionaire Tilman Fertitta's company's political action committee made significant campaign contributions to at least 11 council members in 2011⁴. The next year council voted unanimously to allow Landry's to keep a \$2 million tax break despite failing to create the 125 jobs that the company was contractually obligated to under the terms of the agreement with the City of Houston.

Without robust oversight the city cannot guarantee any return on investment neither for the future tax base nor for Houstonians working at and living next door to subsidized projects. Clawbacks or recapture provisions are typically included in subsidy deals as a money-back guarantee for taxpayers in the case that a company does not hold up its end of the bargain.⁵

While the city has never used its recapture provisions to recoup taxes on projects where developer failed to deliver on its promises, Houston does employ a sound practice of waiting to reimburse the developer only after receiving compliance reports. The primary failure of Houston's tax incentive programs is including meaningful community benefits in the project agreements in the first place and in tying those commitments to trigger recapture provisions.

3) No return on investment for struggling families and neighborhoods

Houston is the fourth (soon to be third) largest metropolitan area in the country, a huge draw for developers looking for a stable base of customers, consumers, employees and a strong local economy. Any company looking to develop in Houston is free to do so in the private market, but if a company is seeking multimillion dollar tax breaks from the city, such public investment should require meaningful benefits for Houstonians in return.

It is critical for city officials to see and use tax incentives as a tool in tackling inequity. For one, poverty is expensive. The Urban Institute estimates the minimum cost to Houston government of family financial insecurity from eviction and unpaid property taxes and utility bills is \$51 – 117 million.⁶ Almost one in four Houstonians live at or below the poverty line⁷ and 72% of jobs in the Houston metro area pay less than \$44,700, which cannot sustain a single parent and one child⁸. Poverty, unemployment and underemployment rates are disproportionally higher for families of color, especially African Americans and Latinos, and higher for female-headed households. We cannot afford to allow our local economy to swing further out of balance. Our question in reviewing the city's economic development projects then becomes not just if any broadly defined community benefits were included, but what standards were included in the project that advance economic opportunity and racial equity?

Family-Sustaining Jobs - Upon review of the 39 subsidized development deals, it is astonishing that not one agreement mentioned or required quality job creation. The City failed to include even basic job standards such as higher wages or benefits for project employees, nor second chance or 'ban the box' programs, nor to hire locally or to hire disadvantaged workers. Furthermore, the majority (56%) of projects include no commitment to create even one new job. The cost per job promised came to \$74,971, which is more than ten times higher than Austin and Dallas' cost per job promised on their tax incentive programs. Did the city's Economic Development Division expand the pool of quality jobs for Houstonians? No.

Workforce Development - "Earn and learn" workforce development programs that attract, train, and place residents into key industry sectors can both increase economic opportunity for disadvantaged Houstonians and meet specific employer needs. Models from cities across the country incorporate workforce development requirements in contracted and subsidized work, many times with little to no cost to the city. None of the 39 Houston subsidized developments included skills and job training requirements nor leveraged partnerships with the many local successful workforce development programs. This is a huge missed opportunity.

Affordable Housing – A recent report from the National Low-Income Housing Coalition uncovered gross disparities between wages and monthly apartment rent prices. In the Houston area approximately 40% are renter households, who would need 2.6 full-time jobs at minimum wage to afford a 2 bedroom fair market rate apartment or to be paid an hourly wage at \$18.77 per hour.

The City of Houston has used its tax breaks exclusively to subsidize luxury, high-end apartments and homes. The Downtown Living Initiative and InTown Homes projects for example represent top of the line luxuries and have contributed to gentrification pricing residents of Spring Branch and neighborhood surrounding downtown out of their own homes. InTown Homes prices range from \$370,000 to \$640,000 far above the \$228,000 area median⁹ and out of reach for the majority of working families. The Downtown Living Initiative's Market Square Tower was featured on Good Morning America after a video of the bottomless pool 44 stories in the air went viral on social media. That same development offers residents a golf-simulator, spa, full-size basketball court, access to retail and grocery stores on the first floor, and monthly rental prices upwards of \$6,500.

Other Considerations - Also notably missing from Houston's economic development vision and implementation is any consideration, framework and requirement for transit oriented development, environmental impact, and detention plans to counteract the impact of concrete sprawl and prevent flooding¹⁰.

Community Report Card

for the City of Houston's Economic Development Program

Subject	Grade Notes
Setting and achieving strategic goals aimed at increasing equity	 No proactive strategic goals, milestones or indicators No regular reporting neither on basic compliance nor measures of equity¹¹
Quality Job Creation for Houstonians	 Cost per job promised: \$74,971 The majority (56%) of projects include no commitment to create even one new job The City failed to include even basic job standards such as higher wages or benefits for project employees, nor second chance or 'ban the box' programs, nor to hire locally or to hire disadvantaged workers
Workforce Development	 No policy nor individual project commitments to implementing workforce development or training programs
Affordable Housing in Residential Developments Transparency	 No affordable housing units. Subsidized projects (both residential and mixed use) are slated to create a total of 5,480 apartments and homes, yet the City failed to negotiate even 1 affordable housing unit Price points on subsidized residential developments: InTown Homes development has current home prices listed in the range of \$370,000 to \$640,000 Market Square Tower (part of the Downtown Living Initiative) has many apartments renting well over \$6,000/mo While the Gateway on Cullen (Cullen SH) apartments project was touted as "affordable student housing", the contract agreement does not require any measure or definition of affordability, nor does it reserve any percentage of the apartments exclusively for students meaning it is neither "affordable" nor "student housing". In Good Jobs First's "Show us the Local Subsidies" report, Houston's 380 agreement program received a score of 45 out of 100 for its transparency¹² noting in part that copies of most of the 380 agreement and tax abatement contracts are available on the
	 City's website The City failed to estimate the projected value of more than 1 in 4 subsidized projects Regular reports on the progress of the development projects, compliance or financial impact not available to the public, if they exist at all¹³
Community Input and Engagement	 No overarching requirement for public hearings in advance of a council vote on a particular development Multiple community-initiated lawsuits involving City-subsidized developments
Enforcement	 Only one project has been formally audited and although found to be in noncompliance having failed to create the 125 new jobs promised, the City adapted the agreement and did not clawback any of the \$2M tax break¹⁴ The process and responsible party for auditing, compliance and performance review of subsidized projects is unclear

Best Practices in Economic Development from around

exas

Jurisdictions from around the country as well as national policy think tanks, non-profits and economists have plenty of best practices to offer the City of Houston.¹⁵ Here we choose to share few best practices from our own Lone Star State.

Dallas

- Has a Strategic Engagement Plan developed in 2013, which "aims to expand employment and the size of the labor force, lower the unemployment rate, broaden and diversify the City's tax base, and assist in the development of sustainable communities by demonstrating improvement in key community indicators"¹⁶
- Easily accessible progress reports on economic development goals with milestones¹⁷
- Has citywide and council district specific fact sheets on economic development as well as a monthly newsletter¹⁸

San Antonio

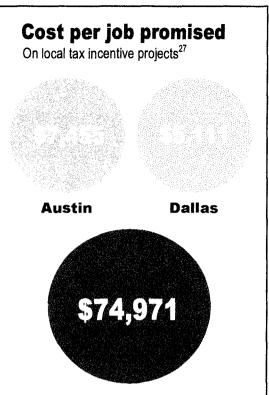
- Clear enforcement plan and staffing through the Operations and Monitoring Division¹⁹
- Clarity regarding eligibility and expectations, including job quality requirements²⁰
- Local hire requirement of at least 25

percent of new employees at the project location from residents of the City of San Antonio or Bexar County

- Living wage requirement (defined as federal poverty level for a family of four), an "all industries median hourly wage" requirement for 70% of project employees after the first year, and additional consideration for 'high wage jobs' (defined as above the average Bexar County weekly wage as reported by BLS)
- Sliding scale application fee based on size of the company
- Recapture provisions and schedule

Austin

- Austin's 380 agreement program earned a score of 95 out of 100 for transparency in Good Jobs First's "Show Us the Local Subsidies" Report, the second-highest score in the study. Online databases include recipient names, addresses, wage and job information for each subsidy, payments and maps^{21 22}
- Clarity regarding eligibility and expectations, including
- Living wage requirement (or prevailing wage, whichever is higher)
- Local hire requirement of at least 75% of new full-time positions, and at least 10% 'economically disadvantaged workers'
- Workers' Compensation and OSHA 10 training for construction workers
- Compliance with the City's
 disadvantaged business program
- Health insurance for all full-time employees and extend benefits to



Houston

domestic partners of employees

- "Ban the box" protection for applicants with criminal records
- Unique incentive programs like the "Create Content Incentive Program" for media production companies based on a percentage of wages paid to local employees and the Family Business Loan program¹ for qualified small businesses that are expanding and creating jobs

San Marcos

• Requirement for job-based incentives to pay a 'family living wage' of at least \$15.00 per hour plus benefits including health insurance²⁴

El Paso

- Wage requirement equal to or greater than the current **El Pa**so Median County Wage as defined by BLS and required health insurance benefits with a minimum 50% employer contribution²⁵
- Additional consideration for projects committing to additional job quality standards such as wages 2x higher than the county median, companies utilizing a career and skills training program, and/ or hiring veterans
- Clarity regarding ineligible projects and uses
- Periodic reporting²⁶

Recommendations

for the City of Houston

As the fourth-largest and most diverse city in the country, Houston is well situated to lead and raise the bar for economic development in the South. Unfortunately as this community report card underscores, the city's economic development goals, systems and minimum standards are decades behind most municipalities and failing the working families and neighborhoods that power the city's economy.

As Houstonians, we expect City officials to represent the entire community not just business interests and to use all the tools at their disposal to advocate for struggling families and neighborhoods. While Mayor Turner cannot be held responsible for the tax deals under prior administrations, he is responsible for both his action and inaction. The Mayor has the power to champion sound public policy reforms to ensure a return on investment for tax breaks for communities and the responsibility to evaluate the work product of the Chief Development Officer, Andy Icken, and the Mayor's Office of Economic Development.

The City of Houston should start by aligning its economic development goals with Mayor Turner's vision for complete communities that make up a city in which all Houstonians can thrive. This means defining targeted goals particularly aimed to focus on marginalized populations and neighborhoods with higher poverty and unemployment rates. From there, policy should be enacted to ensure all tax incentive projects advance the City's Economic Development goals. The City of Houston should pass a strong Financial Policies Ordinance to ensure that the City's Economic Development Programs and tools are used effectively to make proactive strategic and responsible investments that:

- 1. Promote a healthy local economy by ensuring all projects provide family-sustaining wages and benefits
- 2. Open paths to self-sufficiency by prioritizing targeted local hire on City-subsidized projects for neighborhoods with higher-than-average poverty and unemployment and individuals with criminal records
- 3. Build a skilled workforce through apprenticeship programs
- Expand affordable housing through all Citysubsidized residential economic development projects
- Value community input by requiring public hearings for projects seeking tax breaks or incentives
- 6. Uphold accountability and fair competition by allocating resources for effective enforcement and regular and systematic transparency

For Houston neighborhoods and communities that have historically experienced disinvestment and chronic unemployment and underemployment, implementing such policies can create lasting stability for families and a pathway to revitalize the local economy.

Mayor Turner cannot afford to make the mistakes of past administrations. The City should not provide tax breaks that disproportionately benefit developers while creating minimum wage jobs with no benefits, or further gentrify historically Black and Latino neighborhoods. Houston is a world-class city and all struggling Houston families deserve a fair shot at getting ahead.

> Learn more a rouston4all.om

Take Action

If you're still asking yourself, "my city gives tax breaks for *what?!*" we invite you to take action by signing a petition directed to Mayor Sylvester Turner and City Council Members supporting this report's public policy recommendations at <u>www.houston4all.org</u> and by calling your council members:

Brenda Stardig (District A) - 832-393-3010 Jerry Davis (District B) - 832.393.3009 Ellen Cohen (District C) - 832-393-3004 Dwight Boykins (District D) - 832.393.3001 Dave Martin (District E) - 832.393.3008 Steve Le (District F) - 832.393.3002 Greg Travis (District G) - 832.393.3007 Karla Cisneros (District H) - 832.393.3003 Robert Gallegos (District I) — $\underline{832.393.3011}$ Mike Laster (District J) — $\underline{832.393.3015}$ Larry Green (District K) — $\underline{832.393.3016}$ Mike Knox (at large) — $\underline{832.393.3014}$ David Robinson (at large) — $\underline{832.393.3013}$ Michael Kubosh (at large) — $\underline{832.393.3005}$ Amanda Edwards (at large) — $\underline{832.393.3012}$ Jack Christie (at large) — $\underline{832.393.3017}$

Program Name **Chapter 380 Agreements** Tax Abatements To encourage new development and the growth of existing development and To promote state or local economic development and to stimulate to stimulate new job growth and investment in the City OR location of highemployment facility in distressed or neglected part of the City; providing business and commercial activity in the municipality. Specifically **Stated Purpose** towards: development and diversification of economy; elimination of affordable housing; prevent a company from relocating out of Houston. // Sub-categories of abatements include: brownfield development; LEED; unemployment and underemployment; development or expansion of commerce. deteriorated/ demolished property. // Abatement cannot last for longer than 10yrs. "City Officials" // Application states to be submitted to Economic **Decision-Maker** Director of the Planning and Development Department or designee **Development Division Manager** Recipient of 380 agreement must be a tax-exempt organization. Eligible project must include: construction of substantial new property City will give more favorable consideration to applicants committing to **Requirements for** improvements at least \$2.5M in value; documented equity of at least community benefits, such as MWDBE, local purchasing, local hiring, **Developers Seeking Funds** \$500K; and either create 25 new full-time jobs OR create affordable employee health benefits. If LEED, abatement can be increased. or transitional housing. **Criteria can be superceded by Planning and **Development Director.** Applicants submit letter describing project and it's projected impact on City, a business plan, an environmental survey, property survey, **Application & Approval** preliminary plans for improvements, financial statements, application Case by case basis. (Assuming Council must vote to approve, though don't Process fee of \$500. // Applications reviewed by City staff // see where that is stated) Recommendations considered at committee hearings and Council meetings. General note regarding reporting requirements; and section on default/ recapture indicates any failure to comply with agreement (including timely No known mechanisms. Though 380 agreements have been audited, job creation) could be grounds for default, but must give opportunity to cure Oversight no reporting or oversight mandated after project approved. the issue. If not cured, then city can recover taxes due and assess 12% interest. Even at that point, City can continue negotiating with given company. City exempts part of the increased value in real property from taxation. **Funding Source** Combined Tax Increments. Funds that would otherwise be in City budget. Link for more info http://www.houstontx.gov/ecodev/380-Agreements http://www.houstontx.gov/ecodev/Tax-Abatements Mechanism for Policy Council action or EO to amend Ordinance 99-674 (passed 1999). Amend code of ordinances Chap. 44 - Art. IV Change http://www.houstontx.gov/ecodev/380/99-674OrdinanceEcoDev.pdf

Houston Economic Incentive Programs

City of Houston Economic Development Projects (2004 - 2016)

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90000 Out Fead Day Solution Day	Approval Date	-	Recipient	Address (for mapping purposes)	Jobs		Housing Price			Project Description
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Name 1990North ControlNorth Radie (Sub Control)North Radie (Sub Contro)North Radie (S		Oak Farms Dairy		3417 Leeland St, Houston, TX 77003	0	n/a	n/a	\$21,275,000	None stated	Project for improvements of industrial dairy facility and maintenance of 538 jobs
Unit Model Depute Standing Low Unit Model Depute Standing Low Depute Low<	ammended		Harris County Improvement District No.4	13710 Park Row Dr, Houston, TX 77084	o	n/a	n/a	\$20,843,660	\$20,843,660	Public Works (water and sewer and a roadway). AKA Energy Corridor
Control Control <t< td=""><td>10/16/13</td><td>Bayou Greenways 2020</td><td></td><td>1019 Commerce St, Houston, TX 77002</td><td>0</td><td>n/a</td><td></td><td>None stated</td><td>\$52,035,000</td><td>Public/private parks project</td></t<>	10/16/13	Bayou Greenways 2020		1019 Commerce St, Houston, TX 77002	0	n/a		None stated	\$52,035,000	Public/private parks project
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Land Loc The Control Loc The Control Loc Loc <thloc< th=""> <thloc< th=""> <thloc< th=""></thloc<></thloc<></thloc<>	6/11/12	Warehouse & Office Expansion			0	n/a	n/a	\$70,000,000	\$9,081,620	Roadway/infrastructure around new office/warehouse buildings
00171Ownerse (Large marked) (Large marked)02002001000			Inc.		200			\$160,000,000	\$4,430,000	Construction of hotel, conference center and performance venue
gings Creage Grow, Used Park Inform Home, Luit Only Example (Housing, TY, 7004) Cite None also S20,000 Three (primarily angle-finally residued a statistic): 11171 Butchmed Kroge Roop The (Life 140 Butchmed Kroge Roop The (Life Roop The (Life) Roop The (Lif	8/31/12	Downtown Living Initiative	Houston Downtown Management District	example)	0	2500	\$4,711/mo	None stated	\$75,000,000	Commercial/Industrial development.
Brance Brance Construction Construction Construction Sint Rating and Balance Sint Ratin Rating and Balance		100 Acres/ Kolbe Farms		5718 Kansas St, Houston, TX 77007 & 1620 Upland Lakes Dr, Houston, TX 77043			homes range \$370K to over			
Bit No. Bit No. <t< td=""><td>11/1/11</td><td>Studemont Kroger</td><td>Kroger Texas, LP</td><td>1440 Studemont St, Houston, TX 77007</td><td>170</td><td>n/a</td><td></td><td>None stated</td><td>\$2,500,000</td><td>Construction of grocery store/gas station</td></t<>	11/1/11	Studemont Kroger	Kroger Texas, LP	1440 Studemont St, Houston, TX 77007	170	n/a		None stated	\$2,500,000	Construction of grocery store/gas station
Order Not Late Market Race Land Ansociated GPLLQ 7700 (and amrounding in subground a finite system) 00 0n	8/13/12				475	278	\$6,000/mo, 2BR starting at	\$210,000,000	\$19,449,756	Construction of high-end mixed use
29/12 CH2M Egentom CH2M Egentom CH2M Egentom 14/07 (s). Mary Lane, Housen, TX 7700 33 n/n n/n 452,000,00 110,000 Tensin segntifing entiting particles and stating a jobel entry prestice 2714/2011 BSK Congass Statum Dynamo Statum, LG 2200 Test Ave, Houden, TX 7700 0 n/n Nn 452,000,000 150,0000 Construction of statum for MLS beam 2714/2011 HES Calptale HEB, LP 3111 Wooddage Dr., Subs 50, Housen, TX 7700 25 n/n n/n 450,000,000 140,0000 Legentom statum is entry for statum is					500	n/a	n/a			Construction of residential & commercial development.
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21/42/07 BIA Compare Statum Optimino Statum, ILC 2020 Treas Aw, Hougin, TX, 77003 0 nin ma Pair Society Compare Statum		CH2M Expansion				n/a	n/a			
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BBACCH1 Trest Surgitude Trest Surgitude Substrate	2/14/2011	BBVA Compass Stadium	Dynamo Stadium, LLC	2200 Texas Ave, Houston, TX 77003	0	n/a	n/a	\$85,000,000	\$17,500,000.00	Construction of stadium for MLS team
1/3/12 Schumberger Texthology Corp. 1000 Ender Perkeys, Houten, TX 77007 400 n/n n/n None stated None stated Expansing operations at existing the to include frammal service HQ 12/1015 Miles Que Muscle Handles Wolf Perkeys, Low 200 131 1000 Construction of multice hall and wolfspale counts 12/115 Studemont Auction Studemont Verture LP 1011 IStudemont 0 400 Unitionam - not hall and barry of the Association of multice hall and only perked to a stated 465:000 equere for a state in a mole stated 11/2155 Guide Scipter Gareer Muscum of Fine Asto MHY 1001 Bissocie 48, Houten, TX 77005 0 n.n n/e \$20,000,000 None stated 465:000 equere for a state state for a st		-	HEB, LP	77087	-	n/a	n/a			Keep grocery store open
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12/10/15 Horise Road Sanitary Sever/ Development Program Harris County Improvement District No.12 Knight R d & Buffalo Space County Manifold Priode County 12/16/16 None Stated State Sanitary Sever/ Improvement District No.12 Knight R d & Buffalo Space County Manifold Priode Priode Priode Priode Manifold Priode					_	L				
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12/16/15 Hallburton Hallburton Hallburton Hallburton Frage Hallburton Hallburton Frage Hallburton Hallburton<	12/16/15	Gateway on Cullen	Cuilen SH Apartments		5	531	\$1,025/mo; 1BR starting	\$22,000,000	\$1,091,561	"student housing" with 531 bed capacity, 444 parking spaces, 175 bike rack spots
6/3/14 Aspen Heights Breckenridge Group Houston TX LP 1905 Cullen Bivd, Houston, TX 77023 Uncompleted Uncompleted Uncompleted uncompleted "student housing" with 531 bed capacity, 444 parking spaces, 175 bike rack spots 8/7/13 Chevron Chevron USA 2013 1600 Lousiana St, Houston, TX 77002 1752 n/a n/a None stated None stated 50-story office building and 4-story 'commons' 5/14/13 CyrusOne Data Center CyrusOne LLC 5150 Westway Park Bivd, Houston, TX 77002 3 n/a n/a s90,000,000 None stated Flagship data center with data storage capacity for clients 5/23/12 Reserve at Garden Oaks BVSW Garden Oaks 3405 N. Shepherd Dr, Houston, TX 77002 2 136 3BR \$1,860mo \$8,000,000 \$255,520 rennovate a residential facility 3/10/04 Ammended Chevron Chevron USA 2004 1500 Louisiana St, Houston, TX 7702 500 n/a n/a \$45,000,000 \$3,541,920 Construction of new office building 3/23/11 Office Building Emerson Process Management LLP 6005 Rogerdale Dr., Houston, TX 77003 0 n/a n/a n/a \$1,306,383 Project for improvements of industrial dairy facility		L		Houston, TX 77032						
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SY4Y13 Cyrusche Data Gener Chrusche Data Gener	8/7/13	Chevron	Chevron USA 2013		1752	n/a	n/a	None stated	None stated	50-story office building and 4-story 'commons'
3/10/04 Ammended 3/23/11 Chevron Chevron USA 2004 1500 Louisiana St, Houston, TX 77002 500 n/a n/a \$45,000,000 \$3.541,920 Construction of new office building 3/23/11 Office Building Emerson Process Management LLLP 6005 Rogerdale Dr., Houston, TX 77072 96 n/a n/a \$13,850,000 None stated Office building for company and affiliates 9/11/0 Oak Farms Dairy Southern Foods Group / Dean Foods 3417 Leeland St, Houston, TX 77003 0 n/a n/a norepeat \$1,308,383 Project for improvements of industrial dairy facility 7/3/07 Action Box #2 Malor Real Estate Limited Partnership LTD & Action Box Company INC 6207 N Rosslyn Rd, Houston, TX 77024 0 n/a n/a None stated Corporate HQ and manufacturing facility for corrugated boxes 7/7/04 Memorial Hermann Memorial City Memorial Hermann Medical Plaza LP & Memorial Hermann Hospital System 921 Gessner Rd, Houston, TX 77024 0 n/a n/a None stated None stated Outpatient surgery and imaging center, offices, retail space, parking	5/14/13	CyrusOne Data Center	CyrusOne LLC		3	n/a		\$90,000,000	None stated	Flagship data center with data storage capacity for clients
Ammended 3/23/11 Chevron USA 2004 1500 Louisiana St, Houston, TX 77002 500 n/a n/a \$45,000,000 \$3,541,920 Construction of new office building 3/23/11 Office Building Emerson Process Management LLP 6005 Rogerdale Dr., Houston, TX 77002 96 n/a n/a \$13,850,000 None stated Office building for company and affiliates 12/16/10 Office Building Southern Foods Group / Dean Foods 3417 Leeland St, Houston, TX 77002 96 n/a n/a \$13,850,000 None stated Office building for company and affiliates 91/1/0 Oak Fams Dairy Southern Foods Group / Dean Foods 3417 Leeland St, Houston, TX 77002 0 n/a n/a \$13,850,000 \$1.582,460 Corporate HQ and manufacturing facility for corrugated boxes 7/3/07 Action Box #2 Mailoy Real Estate Limited Partnership LTD & Action Box company INC 6207 N Rosslyn Rd, Houston, TX 77091 25 n/a n/a \$8,921,500 \$1.582,460 Corporate HQ and manufacturing facility for corrugated boxes 7/1/04 Memorial Hermann Medical Plaza LP & City Memorial Hermann Hogical System 921 Gessner Rd, Houston, TX 77024 0 n/a n/a None stated None stated Outpatient s		Reserve at Garden Oaks	BVSW Garden Oaks	3405 N. Shepherd Dr, Houston, TX 77018	2	136	3BR \$1,860/mo	\$8,000,000	\$255,520	rennovate a residential facility
9/1/10 Oak Farms Dairy Southern Foods Group / Dean Foods 3417 Leeland St, Houston, TX 77003 0 n/a n/a norepeat \$1.308,383 Project for improvements of industrial dairy facility 7/3/07 Action Box #2 Malloy Real Estate Limited Partnership LTD & Action Box Company INC 6207 N Rosslyn Rd, Houston, TX 77091 25 n/a n/a \$8,921,500 \$1.582,460 Corporate HQ and manufacturing facility for corrugated boxes 7/7/04 Memorial Hermann Memorial City Memorial Hermann Hospital System 921 Gessner Rd, Houston, TX 77024 0 n/a n/a None stated Outpatient surgery and imaging center, offices, retail space, parking	Ammended						n/a			
7/3/07 Action Box #2 Malloy Real Estate Limited Partnership LTD & Action Box Company INC 6207 N Rosslyn Rd, Houston, TX 77091 25 n/a n/a \$8,921,500 \$1.582,460 Corporate HQ and manufacturing facility for corrugated boxes 7/7/04 Memorial Hermann Memorial City Memorial Hermann Medical Plaza LP & Othermann Hermann H		Office Building					and the second se	\$13,850,000		
// Study Action Box Company INC 620/ N Rossyll Rd, Houston, TX 77024 0 n/a n/a n/a None stated None stated Outpatient surgery and imaging center, offices, retail space, parking	9/1/10	Oak Farms Dairy		3417 Leeland St, Houston, TX 77003	0	n/a	n/a	norepeat	\$1,308,383	Project for improvements of industrial dairy facility
City Memorial Hermann Hospital System 921 Gessner Ro, Hodston, 1X 77024 0 11/a 11/a None stated Volle stated Outpatient stated Outpatient stated Outpatient states and the states of the	7/3/07		Action Box Company INC	6207 N Rosslyn Rd, Houston, TX 77091	25	n/a	n/a	\$8,921,500	\$1,582,460	Corporate HQ and manufacturing facility for corrugated boxes
4,641 5,480 \$1,654,936,160 \$347,938,443	7/7/04			921 Gessner Rd, Houston, TX 77024	_		n/a		1	Outpatient surgery and imaging center, offices, retail space, parking
		a the state of the state of the			4,641	5,480		\$1,654,986,160	\$347,938,443	말했던 것 그 않은 것 같아. 집에 가장 것 같은 것 같아. 것 같아. 것

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Tax Breaks for what?

A Community Report on the City of Houston's Economic Development Deals

End Notes

- ¹ Mayor Turner's Economic Opportunity Transition Team Report (p. 8)
- http://www.houstontx.gov/mayor/transitionreports/economic_opportunity.pdf
- ² Kuffner, Charles. "RUDH files suit over 380 agreements" Off the Kuff Blog (20 October 2011) <u>http://offthekuff.com/wp/?p=40668</u>
- ³ Doster, Adam. "How White Oak Music Hall Hit a Series of Flat Notes with Its Northside Neighbors" Houstonia Magazine (14 April 2017) <u>https://www.houstoniamag.com/articles/2017/4/14/white-oak-music-hall-near-northside-conflict</u>
- ⁴ Moran, Chris. "A tax break so nice, the city gave it twice" Houston Chronicle (3 July 2012) http://www.chron.com/news/houston-texas/article/A-tax-break-so-nice-the-city-gave-it-twice-3682890.php
- ⁵ Good Jobs First. "Key Reforms: Clawbacks" <u>http://www.goodjobsfirst.org/accountable-development/key-</u> reforms-clawbacks
- ⁶ Elliot, Diana and Emma Kalish. "The Cost of Eviction and Unpaid Bills of Financially Insecure Families for City Budgets" The Urban Institute (January 2017)
- ⁷ "The 2016 Distressed Communities Index," Economic Innovation Group. <u>http://eig.org/wp-content/uploads/2016/02/2016-Distressed-Communities-Index-Report.pdf</u>
- ⁸ Texas Women's Foundation and the Center for Public Policy Priorities. "Economic Issues for Women in Texas: Houston Metro Area"
- ⁹ Pulsinelli, Olivia. "Houston's home market sees increase in sales, prices and inventory in April" Houston Business Journal (10 May 2017) <u>http://www.bizjournals.com/houston/news/2017/05/10/houston-s-home-market-sees-increases-in-sales.html</u>
- ¹⁰ Zaveri, Mihir and Mike Morris. "Measures to control flooding falling short as area grows" Houston Chronicle (23 December 2016) <u>http://www.houstonchronicle.com/news/houston-texas/houston/article/Measures-tocontrol-flooding-falling-short-as-10816611.php</u>
- ¹¹ Requests to the Economic Development Division Office, Council members of the Budget and Fiscal Affairs Committee, and extensive searching on the City of Houston's website produced no such reports.
- ¹² Martin, Joe. "Houston's tax incentive programs receive mediocre review in new report" Houston Business Journal (10 March 2017) <u>http://www.bizjournals.com/houston/news/2017/03/10/houstons-tax-incentive-programs-receive-mediocre.html</u>
- ¹³ Council members' offices confirmed that neither the full council body nor council committees have received progress reports on economic development.
- ¹⁴ Moran, Chris. "A tax break so nice, the city gave it twice" Houston Chronicle (3 July 2012) <u>http://www.chron.com/news/houston-texas/article/A-tax-break-so-nice-the-city-gave-it-twice-3682890.php</u>
- ¹⁵ Key resources available from the Pew Center, Good Jobs First, the National Employment Law Project, the W.E. UpJohn Institute for Employment Research, and the Partnership for Working Families.
- ¹⁶ http://www.dallasecodev.org/DocumentCenter/View/1338
- 17 http://www.dallasecodev.org/489/Strategic-Engagement
- 18 http://www.dallasecodev.org/488/Publications
- ¹⁹ https://www.sanantonio.gov/EDD/About-Us
- ²⁰ https://www.sanantonio.gov/Portals/0/Files/EDD/2017-2018AbatementGuidelines.pdf
- ²¹ http://www.austintexas.gov/economic-development-compliance
- ²² Martin, Joe. "Houston's tax incentive programs receive mediocre review in new report" Houston Business Journal (10 March 2017) <u>http://www.bizjournals.com/houston/news/2017/03/10/houstons-tax-incentive-programs-receive-mediocre.html.</u> Article references this report: <u>http://www.goodjobsfirst.org/showusthesubsidizedjobs</u>
- ²³ http://www.austintexas.gov/sites/default/files/files/EGRSO/FBLP_Flyer.pdf
- ²⁴ Locklear, Mike. "How's \$15 sound? San Marcos sets new minimum for companies seeking tax breaks" News 4 San Antonio. (17 February 2016) <u>http://news4sanantonio.com/news/local/hows-15-an-hour-sound-san-marcos-sets-new-minimum-for-companies-seeking-tax-breaks</u>
- ²⁵ https://www.elpasotexas.gov/~/media/files/coep/economic%20development/coep%20incentives%20policy%2 0%20guidlines%20%20criteria%20%201510071520%204677523w%20exhibits/coep%20incentives%20polic y%20%20guidlines%20%20criteria%20%201510071520%204677523w%20exhibits.ashx?la=en
- ²⁶ Staff report. "City: Economic development brings in \$309M in investment" El Paso Herald Post (20 October 2015) http://elpasoheraldpost.com/city-economic-development-brings-in-309m-in-investment/
- ²⁷ Data on Austin and Dallas from report "The Failed Promise of the Texas Miracle: Corporate Subsidies in the Lone Star State" by Workers' Defense Project (2015).