

**MEMORANDUM OF UNDERSTANDING BETWEEN
THE TEXAS DEPARTMENT OF TRANSPORTATION
AND THE CITY OF HOUSTON
CONCERNING THE
NORTH HOUSTON HIGHWAY IMPROVEMENT PROJECT**

This Memorandum of Understanding ("MOU") is between the Texas Department of Transportation, an agency of the State of Texas ("TxDOT") and the City of Houston, a home-rule municipality ("City") (together, the "Parties").

RECITALS

WHEREAS, the IH 45 North Corridor from Beltway 8 North to and around Downtown Houston provides connectivity for residents and businesses within the Houston-Galveston region and to destinations within and beyond the State of Texas.

WHEREAS, portions of the IH 45 North Corridor between Beltway 8 North and the Houston Central Business District do not meet current design standards and require improvement for the safety, health, and prosperity of both the region and those who live, work, and travel along the corridor.

WHEREAS, from 2002-2005, the Metropolitan Transit Authority of Harris County ("METRO"), TxDOT, and the Houston Galveston Area Council ("HGAC") conducted the North-Hardy Planning Studies (the "planning studies") to identify and address transportation needs in the North-Hardy Corridor. The planning studies looked at the entire north Houston corridor and concluded that proposed transit and toll-road improvements could not address all of the travel needs, and that additional capacity was needed on IH 45. Since then, the scope of the NHHIP project has been consistently reflected in HGAC's own approved regional transportation plans and most recently in 2019 with the 2045 Regional Transportation Plan and the supporting Air-Quality Conformity Determination Report.

WHEREAS, the North Houston Highway Improvement Project ("NHHIP" or "Project") aims to make transportation improvements to IH 45 North Corridor. The NHHIP has three segments with Segment 1 being along IH 45 from Beltway 8 to I-610, Segment 2 being along IH 45 from IH 610 to IH 10, and Segment 3 being the Downtown Loop System comprised of IH 45, IH 10, and US 59/IH 69.

WHEREAS, consistent with the project scope outlined in HGAC's Regional Transportation Plans, TxDOT assessed alternatives and environmental impacts for the NHHIP in accordance with the requirements of the National Environmental Policy Act ("NEPA") of 1969 (42 U.S.C. 4321 et seq.). TxDOT's commitments and mitigation measures pursuant to the NEPA process are contained in the Final Environmental Impact Statement ("FEIS") and Record of Decision ("ROD") for the Project. Nothing in this MOU is intended to, or shall have the effect of, modifying the goals, actions or obligations created by, or found within, the FEIS. TxDOT's legal obligations under the NEPA process remain unchanged, and nothing in this MOU commits or obligates any party to any action outside those obligations.

WHEREAS, TxDOT prepared a FEIS compliant with NEPA and other laws to study the impacts that would be caused by the Project. The Project analyzed in TxDOT's FEIS is based on the scope and scale of the Project as it is described in the regional plans described above. TxDOT completed the environmental review process for the Project by signing the ROD on February 3, 2021.

WHEREAS, the Parties recognize that the NHHIP will provide numerous benefits to the residents of the City of Houston, including: making IH 45, IH 10, and IH 69 compliant with current design standards to improve safety and operations; addressing travel demand that is projected to increase with growing population; improving truck freight mobility; improving resiliency to weather events and reducing the chances of flooding on the roadway and in surrounding neighborhoods; accommodating and encouraging transit, high-occupancy vehicles, and the transition to electric and self-driving vehicles; and improving access and safety for cyclists and pedestrians.

WHEREAS, the FEIS for the Project identifies potentially adverse impacts to neighborhoods within the Project footprint along with mitigation efforts.

WHEREAS, as of the date of this MOU, Segment 3 of the NHHIP is included in the 2021-2024 Transportation Improvement Program and has advanced to the point of significant planning and design. Segments 1 and 2 are not yet at this stage and are appropriate for continued refinement and community engagement prior to advancement.

WHEREAS, the City of Houston provided detailed comments throughout the NEPA process, including release of the DEIS, FEIS, and ROD.

WHEREAS, the City of Houston and other agency partners have substantial interest in how the NHHIP is implemented, have engaged their stakeholders, and articulated their goals for the project in various letters to TxDOT.

WHEREAS, this MOU documents the commitments from the City and TxDOT to cooperate as described herein regarding the planning and implementation efforts of the NHHIP. NOW THEREFORE, the Parties agree as follows:

TERMS

1. TxDOT will carry out mitigation commitments outlined in the FEIS and ROD, as summarized in this section.
 - a. **Housing and Community Cohesion.** TxDOT is aware that disruptions associated with moving can affect a resident's access to a neighborhood social structure. TxDOT's goal is to help households and individuals maintain their current social support networks during and after the relocation process. For those that will be displaced due to the Project, TxDOT is making a multi-pronged effort to assist the affected individuals and minimize the disruption to businesses and communities. TxDOT will make all efforts to relocate displaced individuals to comparable housing within their communities. Additionally, TxDOT's use of early acquisition of right-of-way on many parcels provides the advantage of more time for the owner/occupant to plan for and acquire a new property.
 - i. Specific mitigation initiatives to address the direct impacts caused by housing displacements due to the proposed Project include:
 1. Providing just compensation for all relocations and displacements in accordance with the Uniform Relocation and Real Property Acquisitions Policies Act of 1970, as amended; 49 CFR Part 24, Subparts C through F; and TxDOT policies and procedures;
 2. Providing focused relocation assistance and language translation services for residential displacements (both owners and renters) and non-residential displacements, such as businesses, schools, places of worship, and non-profit facilities; and

3. Offering advance acquisition to minimize hardship to vulnerable residential and non-residential displacements to accelerate the mitigation process and provide targeted assistance for relocation.
 4. TxDOT commits to ensuring all displaced persons have access to "decent, safe and sanitary" housing, and, to that end, have entered into contract with the HHA to ensure they can replace the displaced Clayton and Kelly Units. In addition, TxDOT commits to go even further by committing an additional \$30 million to affordable housing initiatives, which will help replace housing units taken by the project.
- ii. While an impacted resident may ultimately choose the location of their new residence, TxDOT has committed to compensate displaced individuals in such a manner that they can relocate to a different residence in their current communities.
 - iii. *Enhanced Relocation Services.* TxDOT is also committed to providing enhanced relocation services in the form of consultants to work one-on-one with impacted residents during every step of the process. This includes individualized advisory services to help residents understand the relocation benefits and assistance programs. TxDOT is partnering with local community organizations to help implement these educational and outreach programs.
 1. In addition to fair market value for acquired property, qualifying owners will receive a purchase supplement as well as assistance with incidental costs necessary to purchase a comparable decent, safe, and sanitary replacement dwelling. The purchase supplement includes the amount that a comparable replacement dwelling exceeds the acquisition cost of the displacement dwelling and certain loan-related fees and costs. Supplemental assistance provides the opportunity for a displaced resident to relocate to a comparable residence in the same community even though the cost of the replacement home might be more than the acquisition cost of the

displacement dwelling. Examples of the types of compensation that may be provided in different displacement scenarios include:

- a. Residential property owner that lives in an impacted home: compensated for the land, improvements and moving costs.
 - b. Residential property owner that rents to a tenant: compensated for the land and improvements.
 - c. Tenant renting from a residential property owner: compensated for the difference between current and new rent, for 42 months and moving costs.
 - d. Multifamily property owner: compensated for the land and improvements.
 - e. Tenant in a multifamily property: compensated for the difference between current and new rent, for 42 months and moving costs.
2. The purchase supplement TxDOT provides tenants and property owners can be used as down payments for new properties, tax payments, rent, or other expenses. There is no specific supplement for property taxes. However, as part of the educational programs that will be available to those being displaced, handling property taxes and disputing valuations are topics that will be covered as essential knowledge for homeowners. In addition, individuals who are displaced will receive individualized counseling on these issues.

iv. *NHHIP Affordable Housing Revitalization Program.*

1. TxDOT has documented a commitment to fund \$30 million in direct financial assistance to the affected neighborhoods to support specific affordable housing initiatives. The eligible initiatives include construction of affordable single-family or multi-family housing and supporting programs that provide assistance and outreach related to affordable housing. TxDOT is currently in discussions with the Texas State Affordable Housing Corporation to administer the funds and is actively working to establish the specifics of the

implementation of this grant program, known as the NHHIP Affordable Housing Revitalization Program.

2. TxDOT agrees to adjust the amount of funds committed for the affordable housing initiatives in proportion to the change in the Consumer Price Index between the date this MOU is executed and the date the funds will be dispersed.
 3. To facilitate discussion of the specifics of the NHHIP Affordable Housing Revitalization Program, TxDOT assembled the IH 45 NHHIP Housing & Communities Focus Group, consisting of community leaders, related agency representatives (including but not limited to the City of Houston divisions of Planning, Housing and Public Works), decision-influencers, and proven advocates for the impacted communities. The Focus Group will help review, develop and, where appropriate, expand TxDOT mitigation programs and efforts related to housing and community impacts. TxDOT believes working with the Housing & Communities Focus Group and hearing from those who will be directly impacted by the Project will afford TxDOT the opportunity to address housing/community related issues with the appropriate sensitivity and in a culturally compatible manner.
 4. The assistance provided through the NHHIP Affordable Housing Revitalization Program will be prioritized towards the neighborhoods most impacted by the NHHIP: Independence Heights; Near Northside; Greater Fifth Ward; and Greater Third Ward.
- v. *Houston Housing Authority (HHA)*. Actions taken to mitigate impacts to Clayton Homes and Kelly Village are focused on ensuring that displaced residents of both communities are provided with multiple relocation options resulting in minimal disruptions to their lives. TxDOT is making efforts to ease the burden of relocating residents living in properties owned by the HHA that will be directly impacted by the Project, as follows:

1. 100 percent of the 296 units at Clayton Homes will be relocated, including 112 units that have been uninhabitable since Hurricane Harvey flooded them.
 2. Clayton Homes residents will not be required to relocate until such time that the land currently occupied by Clayton Homes is needed for construction of the NHHIP.
 3. TxDOT and HHA have entered into an agreement where HHA, funded by TxDOT, will construct replacement housing for displaced residents of Clayton Homes.
 4. 80 percent of the replacement housing units will be constructed within two miles of the current location of Clayton Homes to preserve community cohesion.
 5. Current residents of Clayton Homes have first rights to relocate to the newly constructed units.
 6. Displaced residents of Kelly Village will be assigned relocation specialists located onsite to assess each resident's needs and to provide a smooth transition into other housing options.
 7. Kelly Village residents will be offered Housing Choice Vouchers or be given priority to reside in other HHA units.
 8. TxDOT will purchase additional Kelly Village property to provide additional open space for those residents remaining in Kelly Village.
- vi. *Housing Loss.* In addition to mitigations and commitments described above under the section dealing with Housing and Community Cohesion, TxDOT further commits to the following measures aimed at minimizing net loss of housing with respect to the Project:
1. Consistent with Section a.v. above, TxDOT is committed to replacing the public housing units impacted by the NHHIP, resulting in a net-zero housing loss of public housing units along the NHHIP corridor.
 2. Consistent with Section a. iv. above, TxDOT is committed to working with the Texas State Affordable Housing Corporation to

develop the grant program selection criteria to incentivize applicants to leverage their financial contributions in a manner that would maximize TxDOT's committed \$30 million contribution resulting in the construction of as much affordable housing units as possible.

3. TxDOT is prepared to discuss with the City the use of portions of the Project's future surplus right of way for affordable and/or workforce housing as developed by third parties in potential partnership with the City.

b. **Drainage and Flood Mitigation.** The NHHIP will collect, convey, and detain, where necessary, the storm water runoff not only from the highways but also from adjacent properties within the Project limits that are currently draining to the highways, based on the applicable rainfall data that was available at the time of the ROD. TxDOT understands that the highway infrastructure is integrated into the overall drainage pattern of the city. TxDOT is working closely with the City of Houston and Harris County Flood Control District to identify opportunities to develop partnerships that will leverage the roles and responsibilities, as well as the resources of each entity to deliver drainage improvements within the vicinity of the Project. Working with our local partners, TxDOT is developing improvements that will reduce water elevations within the bayous so that more runoff can be accommodated with resiliency built into the system. As an example, two bypasses along Buffalo Bayou in the central business district are being developed that would accommodate more runoff during high intensity rainfall events. Specifically, TxDOT commits to the following flood mitigation measures:

- i. TxDOT will use new Atlas 14 Rainfall Data in the Project's drainage design.
- ii. Main lanes and managed lanes (including the depressed sections) are designed to accommodate the current 500-year storm event model and most recent guidelines and criteria required by the Harris County Flood Control District.
- iii. TxDOT has done significant engineering design to identify drainage improvements in all segments of the NHHIP. These improvements include

new pump stations, new detention ponds, and converting existing culverts with bridges.

- iv. TxDOT is an engineering and financial partner in the City-led Buffalo Bayou bypass north and south canals in Houston's Central Business District. TxDOT and the City are currently developing an agreement in which TxDOT would provide \$20 million to the City for the implementation of the bypass canals, which is a post-Hurricane Harvey, Federal Emergency Management Agency initiative.
- v. TxDOT is interested in finding more opportunities to leverage our improvements with those by the City and Harris County Flood Control District in the watersheds of Little White Oak Bayou and Halls Bayou.

c. Reducing the NHHIP Footprint During Detailed Design.

- i. Consistent with the requirements of all state and federal law, including NEPA and Title VI, and consistent with actions established by the ROD and FEIS, TxDOT remains committed to evaluating reasonable opportunities to reduce the project footprint in ways that would not compromise the integrity and functionality of the purpose and need of the Project, as described in the ROD. TxDOT agrees that requests to reduce the Project footprint should be evaluated with a focus on the following:
 - 1. Strengthening Houston's economy;
 - 2. Reducing flooding on and off the freeway;
 - 3. Making travel safer for all road users;
 - 4. Providing long-term capacity for all users of the roadway, including automobile, freight, and transit;
 - 5. Serving and preserving the neighborhoods along the corridor while enhancing connectivity between neighborhoods;
 - 6. Mitigating impacts to existing parks and open space while creating additional opportunity for open space; and
 - 7. Ensuring accessible evacuation routes.

- ii. TxDOT agrees to use the least amount of right-of-way as allowed and defined by law, after evaluation of the project footprint as described in Section 1.c.i.
 - iii. It is important to note that any proposals to reduce the Project footprint must not compromise safety, flooding mitigation, design standards, freight mobility and evacuation effectiveness.
- d. **Transit and MaX Lanes.** The NHHIP has been designed to be compatible with transit infrastructure in the area and TxDOT continues to coordinate with METRO. The NHHIP will address the issues identified in the studies for the freeways. The provisions below are consistent with the project scope as committed to in the FEIS and ROD. The proposed highway improvements of the NHHIP will accommodate METRO's current and future transit bus service:
- i. The proposed MaX lanes will have a flexible footprint for two-way, 24-hour/7-day-a-week operations that will include high occupancy vehicle (HOV), bus and rubber-tire high-capacity transit (e.g., Bus Rapid Transit [BRT]) and future autonomous vehicles. TxDOT will continue to work with METRO to address future needs of the region regarding transit.
 - ii. TxDOT will work with METRO to find a mutually acceptable solution to address short- and long-term impacts to existing transit facilities in Segment 3 at Wheeler Transit Center.
 - iii. TxDOT will work with METRO to find a mutually acceptable solution needed to address the replacement of the existing Downtown Connector Ramp.
 - iv. Consistent with the FEIS and ROD, single occupancy freight vehicles will be prohibited from using the I-45 MaX Lanes.
 - v. With the primary goals to move the maximum number of people and maintain consistency in regional policies, TxDOT is committed to collaborating with METRO and other regional stakeholders on the design, construction, and any potential changes in the permitted use of the I-45 MaX Lanes and to ensure that the initial construction of the NHHIP project

will incorporate safe transit/BRT operations and no re-construction or modifications of the NHHIP/MaX Lanes will be required for the same.

- vi. TxDOT will continue to coordinate with METRO during the final design phase of NHHIP to incorporate other elements of the METRONext plan, such as the University Line BRT, 2-way express bus service along I 69, and continuing to discuss intermediate stops along 1-45.
- vii. TxDOT will work with METRO to keep to a minimum the temporary disruptions to light rail and bus transit services during the construction of the NHHIP, and continue to discuss mitigation measures for disruptions to existing transit services.
- viii. TxDOT will be evaluating opportunities to refine the right-of-way footprint during detailed design. TxDOT will consider additional options for accommodating multimodal demand consistent with Article 2 concerning communications and open lines of communication.

e. Connectivity.

- i. TxDOT will analyze traffic operations and impacts on relevant City streets based on NHHIP-generated changes and continue to discuss mitigation measures for impacts on relevant City streets.
- ii. Even though there are some unavoidable permanent street closures, there will be many new local street connections which will enhance neighborhood connectivity that are only possible because of the Project.

These include:

1. Pedestrian and bicycle realms on cross-streets across the highways;
2. Hamilton Street extension behind George R. Brown Convention center;
3. Reconnecting Andrews Street in Fourth Ward;
4. Connecting Lamar Street, McKinney Street, and Walker Street to Hamilton Street;
5. Blue Bell Street across IH 45; and
6. Accommodating an envelope for future San Jacinto Street extension under IH 10.

- iii. Consistent with the requirements of all state and federal law, including NEPA and Title VI, and consistent with actions established by the ROD and FEIS, TxDOT remains committed to evaluating the feasibility of the City's requests to improve neighborhood connectivity through the following:
 - 1. New eastbound IH 10 exit to Gregg Street in Fifth Ward;
 - 2. New westbound IH 10 frontage road across IH 69 in Fifth Ward;
 - 3. Maintaining Cleburne Street across IH 69 in Third Ward;
 - 4. Maintaining Runnels Street across IH 69 in EaDo;
 - 5. New southbound IH 45 exit ramp to North Main Street in Heights and Historic Northside;
 - 6. Modified IH 69 ramps to Jackson Street and Chenevert Street;
 - 7. Providing 3-lane turn movements from Jackson to Congress;
 - 8. Evaluating City-led abandonment of "Old" Hamilton from Commerce Street to Texas Avenue; and
 - 9. Maintaining vehicular and pedestrian connection into Downtown via Houston Ave Connector.
 - 10. Evaluate adding a new North Street pedestrian/bicycle bridge over IH 45 between Heights and Historic Northside.

f. Park Space and Urban Design.

- i. The Project would not impair the activities, features, or attributes of any public parks. Even so, efforts have been made to maintain existing open space and proposed storm water detention areas are being evaluated as potential open spaces. TxDOT will coordinate with local groups and agencies to accommodate enhancements to standard landscaping and recreational use of open space in and around storm water detention areas, where feasible.
- ii. Requests to modify the placement of detention ponds and/or to modify the banks of bayou waterways will be evaluated within the context of, and taking into consideration, the significant work TxDOT, the City, and Harris County Flood Control District have collaboratively performed to-date.

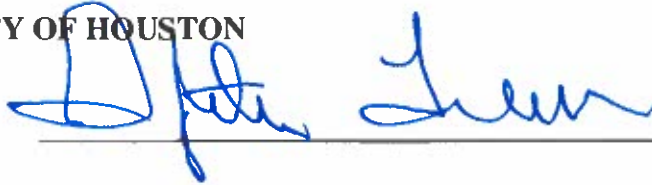
- iii. TxDOT will coordinate with the City and neighboring community groups to identify secondary open public space uses around detention areas and identify additional trail routes, while preserving the primary drainage function of the detention areas.
- iv. TxDOT will work with the City to identify opportunities for new open spaces and trail connections. TxDOT has committed to:
 - 1. Designing and building new highway components with a neutral theme so that highway elements visually recede and green landscaped components become more prominent, to the extent practicable.
 - 2. Maintaining existing open space and evaluating proposed storm water detention areas as potential open spaces. Where disturbance to the open space is unavoidable, TxDOT will work with the City to look for and develop additional open space wherever possible.
 - 3. Coordinating with local groups and agencies to accommodate enhancements to standard landscaping and recreational use of open space in and around storm water detention areas, where feasible.
 - 4. Collaborating with the City and other interested parties to create recreational spaces around storm water detention areas.
 - 5. Collaborating on new trail connections along the banks of Buffalo Bayou, White Oak Bayou, Little White Oak Bayou, and Halls Bayou.
 - 6. Collaborating on identifying amenities for the highway cap sections.
 - 7. Identifying opportunities to recognize and strengthen the history and cultures of the surrounding neighborhoods. One such opportunity is the Emancipation Trail, which would cross and is in close proximity to the Project. TxDOT will work with the entities that are in the early stages of evaluating the trail linkages and will incorporate as many elements as feasible into the NHHIP.
- 2. TxDOT agrees to continue to participate in City-led Facilitation Group process to maintain open lines of input and communication with City residents and stakeholders.

3. The City acknowledges the efforts taken by TxDOT to mitigate impacts and develop a high-quality Project that will benefit the City and its residents. The City supports TxDOT in fulfilling its commitments as summarized within this MOU and will assist TxDOT in working with project stakeholders in order to advance the NHHIP project activities described herein along with supporting the efforts of TxDOT to implement the required mitigation measures, as requested.
4. This MOU represents the parties' agreement following good faith attempts to address the concerns raised by the City regarding the NHHIP. With TxDOT's commitment to the terms enumerated in this agreement, the parties understand that the City's concerns are satisfied and the City supports the project.
5. If construction of any segment of the NHHIP is cancelled, each party's responsibilities under this MOU as to that segment shall terminate.

IN WITNESS THEREOF, the Parties have caused this MOU to be duly executed as shown below.

CITY OF HOUSTON

By: _____



Date: _____



TEXAS DEPARTMENT OF TRANSPORTATION

By: _____



Marc D. Williams, P.E.
TxDOT Executive Director

Date: _____

