

BUFFALO BAYOU **east sector**

Investment Framework Report | August 2016



BUFFALO BAYOU PARTNERSHIP

BUFFALO BAYOU
east sector
Investment Framework Report



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INTRODUCTION & EXECUTIVE SUMMARY

existing conditions

future of the east sector

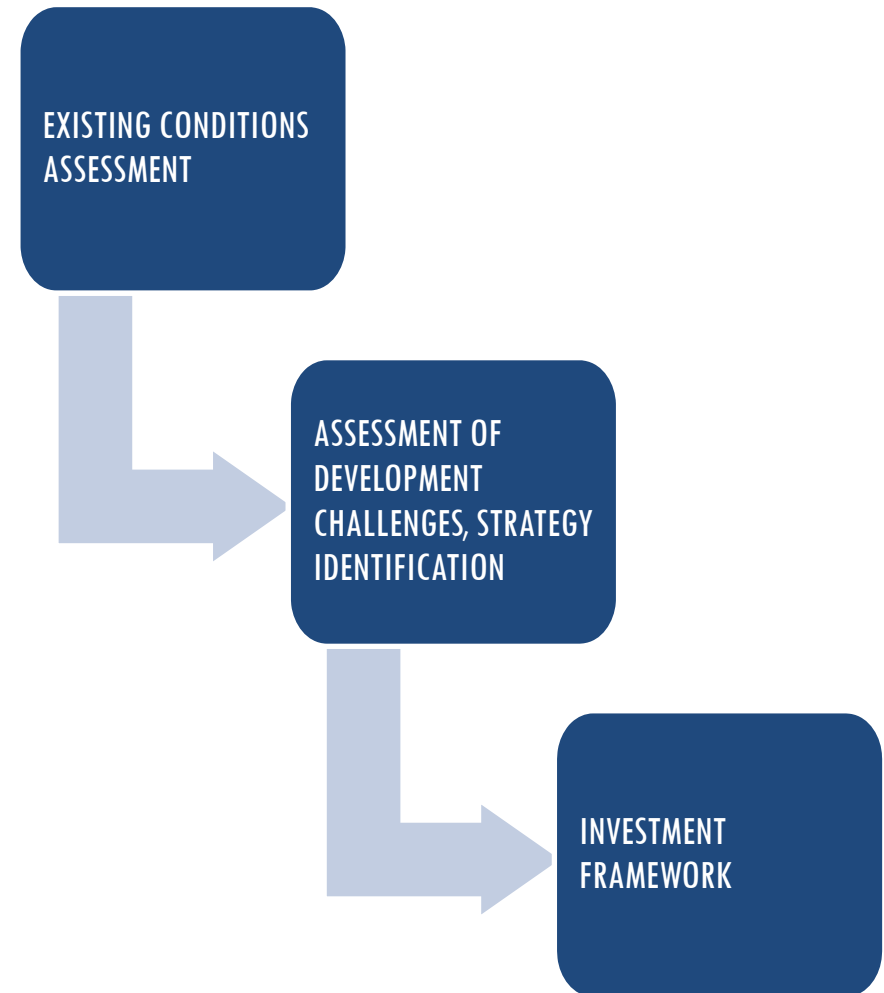
tools & strategies

implementation & next steps

| PROJECT BACKGROUND & PURPOSE |

This report provides an investment and implementation framework to guide the actions of Buffalo Bayou Partnership (BBP) as the organization seeks to set the stage for long-term investment in the East Sector. The findings and recommendations contained in this report are the result of three phases of work:

- First, the team completed an **Existing Conditions Assessment** to explore the physical, real estate, and socioeconomic context of the East Sector and its environs to identify key challenges and opportunities at area-wide and site-specific levels. This phase of work included interviews with key stakeholders and analysis of existing data.
- In Phase Two, the team conducted an **Assessment of Development Challenges and Strategy Identification**, based on findings from the Existing Conditions Assessment. The team identified key challenges and strategies for open space and neighborhood investments responsive to the distinct characteristics of the East Sector and goals of Buffalo Bayou Partnership.
- This final **Investment Framework Report** summarizes and synthesizes findings and proposes a series of concepts and recommendations for revitalization of the East Sector waterfront and surrounding communities. The report provides an actionable framework for BBP and potential partners and delineates near-term next steps for the organization.



| A TRANSFORMATIVE VISION FOR THE EAST SECTOR |

With planned future development throughout Houston's East Sector, the Buffalo Bayou Partnership (BBP) seeks to establish a pioneering precedent: parks and open space as a catalyst for inclusive growth and neighborhood revitalization. The vision for the East Sector is one that creates a blueprint for investment in economically-disadvantaged communities here in Houston, and a national model for inclusive economic development around parks and open space.

The existing Buffalo Bayou Park contributes to a legacy of transformative parks and open spaces in Houston, and provides a strong starting point for contributing to the strength of the East Sector. Together, BBP, the City and civic leadership reinvented the identity of the Bayou and delivered a new type of open space amenity to Houstonians. The park now successfully knits together a series of open spaces, neighborhoods and cultural assets, and has catalyzed significant new investment. The creation of a successful waterfront park and open space along the eastern stretches of Buffalo Bayou, nonetheless, now requires that BBP approach the effort of extending the park system eastward in a new way, recognizing a different context and a new set of challenges, and focusing on three important objectives: authenticity, connectivity and inclusivity.



AUTHENTICITY

Utilizing existing assets to create unique park spaces that reflect the cultural and industrial legacy of the East Sector.



CONNECTIVITY

Rethinking how parks and neighborhoods interact, activating and connecting the waterfront and surrounding communities.



INCLUSIVITY

Creating a model where investment in open space can serve as a catalyst for inclusive growth and neighborhood revitalization.

| AUTHENTICITY |

Create open spaces that reflect the cultural and industrial legacy of the East Sector.

BBP seeks to create an identity that is authentic to the East Sector, the communities surrounding the Bayou, and the area's cultural and industrial heritage. Building on the success of Buffalo Bayou Park, BBP has an opportunity in the East Sector to leverage the value created through successful investments elsewhere along the Bayou and the industrial heritage of the neighborhoods to create a high quality and distinguished park experience. New trails and open spaces should reinforce the identities of various neighborhoods through a common aesthetic and physical vocabulary, and BBP should aim to create a waterfront park that is authentic to Houston and the East Sector, creating a park system that serves local and regional communities.

BBP should aim to create open spaces that serve the local community and can also become regional destinations. Through local events, design, programming, and physical preservation, BBP can deliver character-rich authentic open spaces that are reflective of the culture, aspirations, and visions of surrounding neighborhoods. The scale, location, and potential for diverse waterfront experiences also create an opportunity for new, exciting cultural and recreational destinations that will attract visitors from the region and showcase the assets of the East End and Fifth Ward communities.



| CONNECTIVITY |

Rethink how parks and neighborhoods interact, activating and connecting the waterfront and surrounding communities.

CONNECT

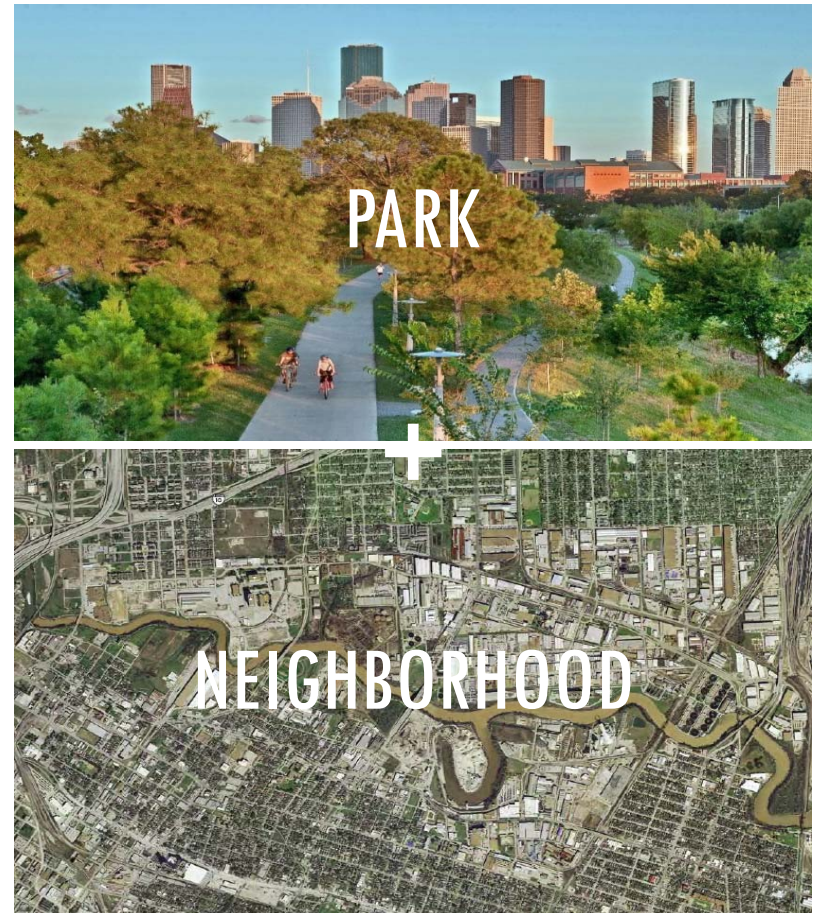
Knit together neighborhoods and existing parks that are currently disconnected from their waterfront. BBP must work to overcome challenges presented by large waterfront parcels, legacy industrial uses, and existing infrastructure to improve connectivity to the Bayou, along the Bayou, and across the Bayou.

ACTIVATE

Bring activity to the waterfront by catalyzing development that will help activate new open spaces on a large scale. Rather than use isolated approaches to invest in parks, infrastructure, and private development, BBP and its partners must approach these components as a cohesive whole. This means facilitating residential and commercial development that is complementary to open space transformation and creating new uses that draw people from the neighborhood and the region to waterfront destinations.

SUSTAIN

Leverage value creation to sustain future parks and open spaces. BBP can use revenues from new development through TIRZs, special assessments, or other value capture mechanisms to finance park and infrastructure development, fund operations and maintenance, and sustain a large-scale open space and neighborhood vision. Development becomes not only a tool for activating the waterfront and bringing existing communities closer to the water's edge, but also a means of providing a revenue stream for the long-term health of East Sector parks and open spaces.



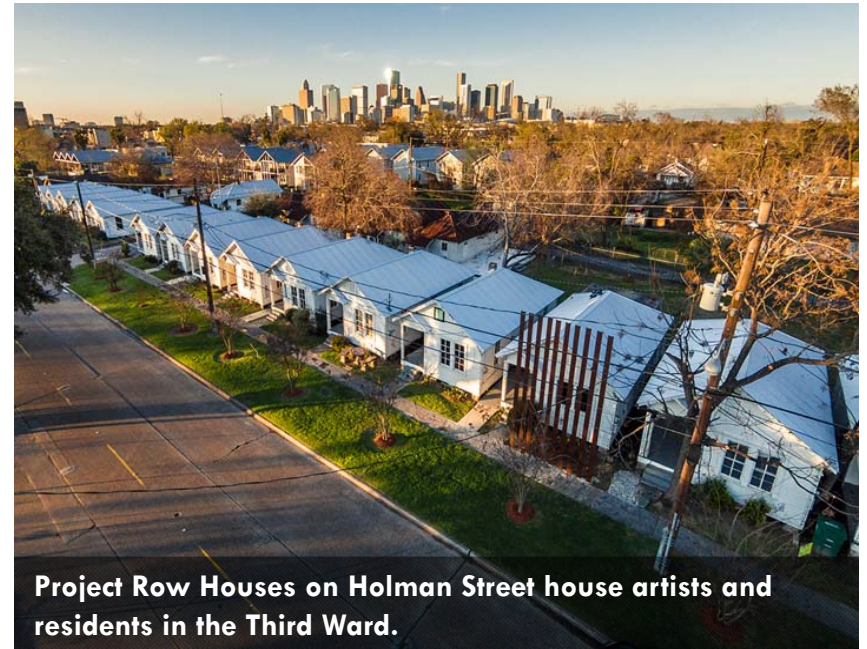
| INCLUSIVITY |

Catalyze investment and growth that does not leave current residents and businesses behind.

Parks have enormous potential to create value, essential to the long-term viability and success of the East Sector. BBP understands the tremendous potential that parks can have in creating identity, catalyzing development and transforming communities, as it has seen from the past investments in Buffalo Bayou Park and other signature open space projects nationwide. There is a symbiotic relationship between these elements, as real estate value can help finance the construction, operations and maintenance of signature urban parks and open space.

But new investment also brings new challenges, as rising land values can lead to displacement of residents and businesses. Many successful parks have acted as catalysts and created enormous value but have fallen short of ensuring the preservation of existing communities as part of those efforts. By viewing intervention along the Buffalo Bayou in the sector as part of a broader neighborhood approach, BBP will ensure that plans for the future of Buffalo Bayou Park in the East Sector balance growth and value creation with neighborhood preservation and social cohesion.

Inclusive growth is a central tenet of BBP's approach in the East Sector, providing an opportunity to set a national precedent for how open space can be a powerful catalyst for sustainable and inclusive development. A new model for inclusive growth requires that BBP and its partners rethink the tools and strategies that have been used to deliver public goods in the past, creating new approaches to financing and delivering parks, infrastructure and neighborhood preservation. It also requires BBP to revisit the role it plays beyond park development to serve as a thought leader, convener, and active participant in directing the redevelopment process.



Project Row Houses on Holman Street house artists and residents in the Third Ward.

| APPROACHES & CONCEPTS |

Interaction and connection between the Bayou and neighborhoods is at the core of BBP's vision.

The East Sector's Bayou and its environs should connect and activate the waterfront with enhanced amenities, as well as improve the relationship between smaller-scale upland communities and proposed new development along the Bayou. Interventions can promote a diverse, yet integrated, network of activity nodes along the future waterfront, with pockets of active and passive open space, new residential and commercial development, and cultural uses that connect with and benefit existing neighborhoods. BBP should consider a range of approaches, each to be tailored to the particular location and the specific implementation needs.

4
Miles of Bayou

700+
Acres of Waterfront Land

A spectrum of BBP involvement:

Investments in Waterfront Parks and Open Space

Create unique waterfront open space destinations that embrace the East Sector's industrial identity.

Link to the broader trail network and surrounding communities.

Core Recommended Investment Activities

Invest in open space as a value generator for adjacent development.

Enhance neighborhood access and improve adjacent urban fabric.

Draw visitation through diverse waterfront programming.

Investments in Neighborhood Development and Preservation

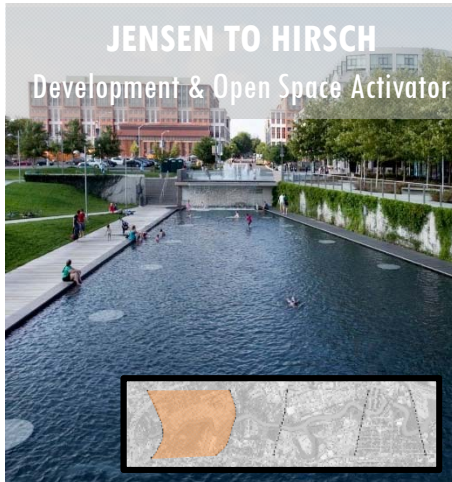
Acquire and assemble land to create nodes of park and development.

Selectively dispose of land, and consider development partnerships, to directly influence character of surrounding development.

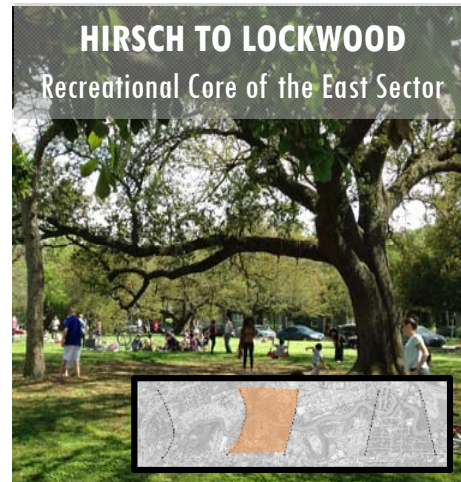
| FUTURE OF THE EAST SECTOR |

BBP seeks to cultivate a well-connected, inclusive, and character-rich waterfront community in the East Sector.

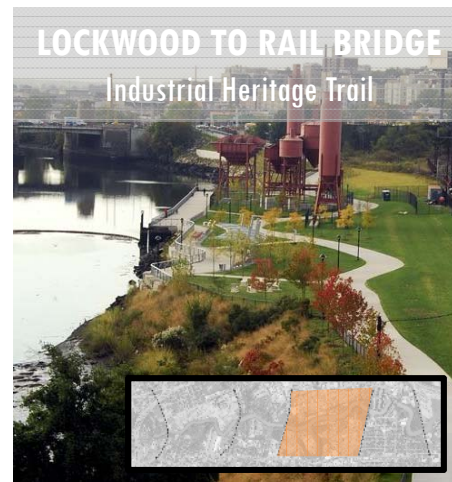
Each section of the East Sector requires a distinct vision and role for BBP to play in shaping the future of the park and neighborhood.



BBP's role in the **Jensen to Hirsch / North York** section will be **to create signature open space and catalytic development along the waterfront that will activate the East Sector.** Given the area's high land values and plans for large-scale growth, BBP should seek to develop partnerships to maximize shared value creation between new development and open space.



Between **Hirsch and Lockwood**, **BBP should seek to establish a park & open space core anchored by a vibrant park district.** BBP and partners hold significant land and influence, which should be expanded on through further land acquisition. This creates the opportunity for open space development and strategic land disposition, which may expand BBP's role from park steward to development partner.



From **Lockwood to the Terminal Street Rail Bridge**, **extending a linear park through the existing industrial fabric will create unique connections and destinations.** This area will likely remain industrial in the long-term, as characterized by active and heavy set-in-place uses. BBP will need to further study the feasibility of adequate connections in this section to create a continuous waterfront trail.



The easternmost section from the **Terminal Street Rail Bridge to the Turning Basin likely requires the least near-term intervention by BBP**, as the area benefits from the strongest connections between its neighborhoods and the existing waterfront parks. Future investments to enhance and connect Buffalo Bend Nature Park and Hidalgo Park can further reinforce a strong eastern node for the park system in the future.

| TOOLS & STRATEGIES |

BBP and its partners can leverage available tools to support investment in the East Sector.

To implement the park, development, and neighborhood concepts for the East Sector, Buffalo Bayou Partnership and its partners should leverage a set of policy, real estate, neighborhood growth, and financing tools. The tools and strategies recommended herein are intended to be selected and deployed based on the particular location and project need; the approach BBP may take along one stretch of the Bayou may be different from that of another. Although the application of some tools will be the primary responsibility of BBP, particularly on land owned by the organization, some require the active participation of local public and private partners to implement initiatives beyond the waterfront land controlled by BBP.

Implementation tools and strategies can address the following:

PARK FUNDING | BBP should consider tools that leverage the value created by new development to fund capital investment and operations for new parks and open space, including TIRZ revenues and the City's \$700/unit dedicated park fee levied on new development.

DEVELOPMENT FEASIBILITY | BBP and its partners should pursue incentive mechanisms to improve the feasibility of development at a higher level of density and quality than is currently occurring in the market. For select parcels, BBP should consider an active role in land assemblage, targeted disposition for development, and the potential pursuit of development partnerships.

DESIGN INFLUENCE | Design guidelines can be leveraged to help define and improve the urban context to promote consistent, high-quality development that is Bayou-oriented and conducive to open space activation and connectivity. Guidelines could be required for parcels sold by BBP or its partners, as well as for projects receiving TIRZ funding or other incentives.

NEIGHBORHOOD INVESTMENT & PRESERVATION | Tools can help area-wide investments, support continued affordability, and assist local residents and businesses to avoid large-scale displacement.

Summary of tools	SCALE		POTENTIAL USE			
	Project-Specific	Area-Wide	Park Funding	Dev. Feasibility	Design Influence	Neigh. Investment
Tax Increment Reinvestment Zones Finance park and neighborhood improvements with incremental taxes.						
Development Incentives Leverage existing city programs to promote desirable development.						
Acquisition Exert control over park and real estate development through land assembly.						
Disposition Generate revenue and influence development with strategic disposition.						
Development Partnership Partner with landowners or developers to facilitate park creation or complementary development.						
Design Guidelines & Requirements Establish and impose design controls through deed restrictions and standards on BBP-owned property.						

| IMPLEMENTATION |

A Phased Approach

A phased approach to implementation prioritizes early visioning and due diligence activities to provide a foundation for large scale planning and project implementation. Three areas of efforts will cut across and inform these efforts:

1. **Fundraising** — BBP's ongoing fundraising efforts will need to align with land acquisition activities and planning needs.
2. **Land Assembly** — The market downturn and early stages of planning present opportunities for continued strategic land acquisition to establish BBP control and influence development at key nodes.
3. **Advocacy** — To support broader neighborhood revitalization needs, BBP can continue to establish itself as a convener, thought leader, and coordinator for a coalition of nonprofit & City partners committed to its vision for the East Sector.

Years 1-5

VISIONING & DUE DILIGENCE

- Branding & visioning for open space & new residential and commercial development
- Strategic fundraising, land acquisition & trail easements
- Landowner outreach & site due diligence
- Programming & activation planning
- Partnership-building & planning

A visioning process will establish a new physical vocabulary for the eastern Buffalo Bayou, building excitement. Ongoing acquisition and partnership-building activities, supported by targeted due diligence, should advance land assemblage goals. Fundraising efforts should be advanced.

MASTER PLANNING & COMMUNITY ENGAGEMENT

- Community engagement on open space & neighborhood needs
- Conceptual Master Plan for park & new development
- Disposition planning & development of design controls

A large-scale public planning process informed by community engagement will build excitement and define the physical context of the waterfront and its immediate vicinity, addressing park and new development. Development of a targeted land disposition approach for BBP properties should begin to lay a foundation for catalyzing activity on the waterfront in future years.

PRIORITY PROJECT IMPLEMENTATION

- Implementation of near-term priority open space investments
- Completion of continuous trail connection
- Neighborhood development & preservation policy planning & implementation in cooperation with partner organizations

Implementation of near-term catalytic waterfront projects with focused attention to neighborhood preservation interventions and maintenance of ongoing fundraising and implementation momentum.

introduction & executive summary

EXISTING CONDITIONS

future of the east sector

tools & strategies

implementation & next steps

| EXISTING CONDITIONS |

Introduction

The East Sector is defined by a rich industrial legacy and diverse communities impacted by varying degrees of economic and physical investment. Investment in open space and development can leverage the unique assets of the East Sector, but must overcome a lack of neighborhood and waterfront connectivity, areas of long-term disinvestment, and a challenging market for investment in high-quality real estate.



NEIGHBORHOOD ASSETS

Neighborhood assets include rich cultural and industrial legacies and strong civic and community organizations, which provide a foundation to build upon.



CONNECTIVITY

Communities are removed from the waterfront due to current and legacy industrial uses, a lack of connective infrastructure, and limited waterfront recreational spaces along the Bayou.



SOCIOECONOMIC CONDITIONS

East Sector socioeconomic conditions largely reflect long-term disinvestment, with low educational attainment, high poverty rates, and limited access to quality-of-life amenities.



DEVELOPMENT CONTEXT

Development conducive to density, waterfront activation, and connectivity faces feasibility gaps due to land values, limited infrastructure, financing challenges, contamination, and competing uses.

| EXISTING CONDITIONS |

Local Assets

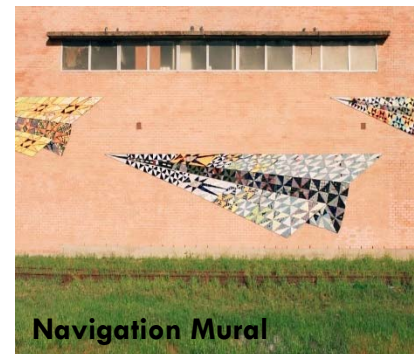
The East End and Fifth Ward benefit from a strong cultural, social, and industrial heritage. Both neighborhoods are steeped in rich cultural legacies – from the music of the Fifth Ward to the cuisine of the East End – and grew as a result of the area’s strong industrial history and neighborhood fabric.

New assets are drawing Houston residents and development east of Downtown, including BBVA Compass Stadium, Navigation Esplanade, and Lyons Avenue improvements. These anchors have begun to create activity and attract investment. This trend is reinforced by higher land values to the west, which is pushing demand for affordable development further eastward.

The Harrisburg light rail line ties the neighborhoods south of the Bayou to Houston’s transportation network. Navigation Boulevard and Lyons Avenue have also seen recent reinvestment in commercial, cultural, and entertainment spaces.

Strong community organizations provide a network for partnership and civic involvement. Organizations such as the Greater East End Management District and Fifth Ward Community Redevelopment Corporation have made significant progress in engaging the community and investing in infrastructure. These groups provide a targeted approach to addressing the neighborhoods’ most pressing needs.

Portions of the East Sector benefit from close proximity to Downtown Houston. Development momentum generated by adjacency to this major cultural, recreational, and employment hub has encouraged the extension of denser and more walkable development eastward.



| EXISTING CONDITIONS |

Land Assets



BBP, the City of Houston, Harris County Precinct Two, and Port of Houston Authority control more than 140 acres of land around key nodes in the East Sector. These parcels have significant waterfront presence and provide East Sector communities with recreational amenities and present opportunities for BBP to enhance and expand existing open space nodes and influence waterfront development.

As indicated on page 27, BBP also controls waterfront easements and trails on the East Sector waterfront. The serious recent floods in Houston, and the damage they have caused to Buffalo Bayou Park and the East Sector banks of the Bayou, have highlighted the significant impact that flooding and erosion will have on the development of waterfront land and the planning and design of waterfront trails.

| EXISTING CONDITIONS |

Parks and Open Space

The area has a network of existing trail and park assets to connect and build upon. Currently, the level of access, amenity offerings, and maintenance varies significantly, and these spaces largely do not embrace waterfront proximity or access. BBP has the opportunity to help integrate isolated neighborhood assets into a broader interconnected vision for the East Sector.

Existing trail networks lack connectivity and continuity, creating a need to improve linkages between existing green spaces, area trails, and the greater Houston trail system. While continuous trail connectivity is nearly complete between Jensen and Lockwood on the south side of Buffalo Bayou, some areas remain unpaved and industrial uses disrupt continuous access across the East Sector.

Legend

Open Space

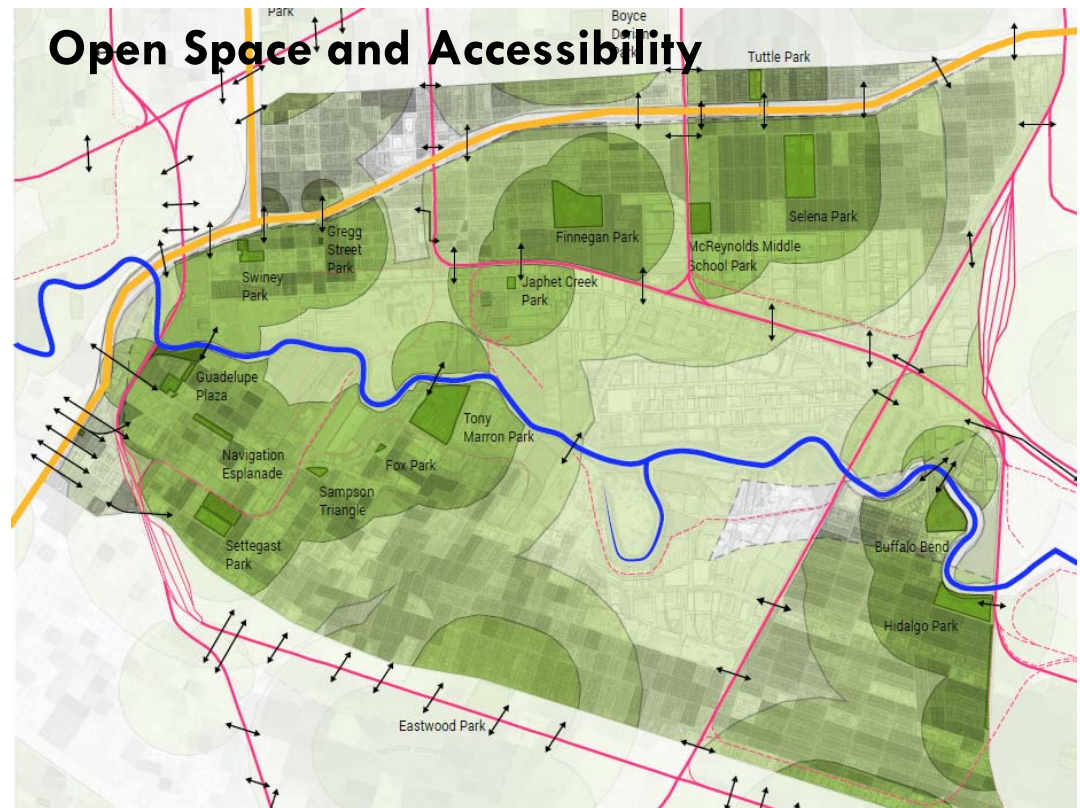
- Parks
- 1/4 mile buffer (all parks)
- 1/2 mile buffer (parks > 1 ac)
- 1 mile buffer (parks > 15 ac)

Population Density (2010)

- 0 - 1000 people / sq mi
- 1001 - 5000 people / sq mi
- 5001 - 10000 people / sq mi
- 10001 - 15000 people / sq mi
- over 15001 people / sq mi

Accessibility

- Major Railway Barrier
- Minor Railway
- Inactive or Removed Railway
- Water Barrier
- Highway Barrier
- Through Roads



- Existing trails built on BBP/COH land or permanent easement
- Easement with no trail
- Existing trails with no formal easement

| EXISTING CONDITIONS |

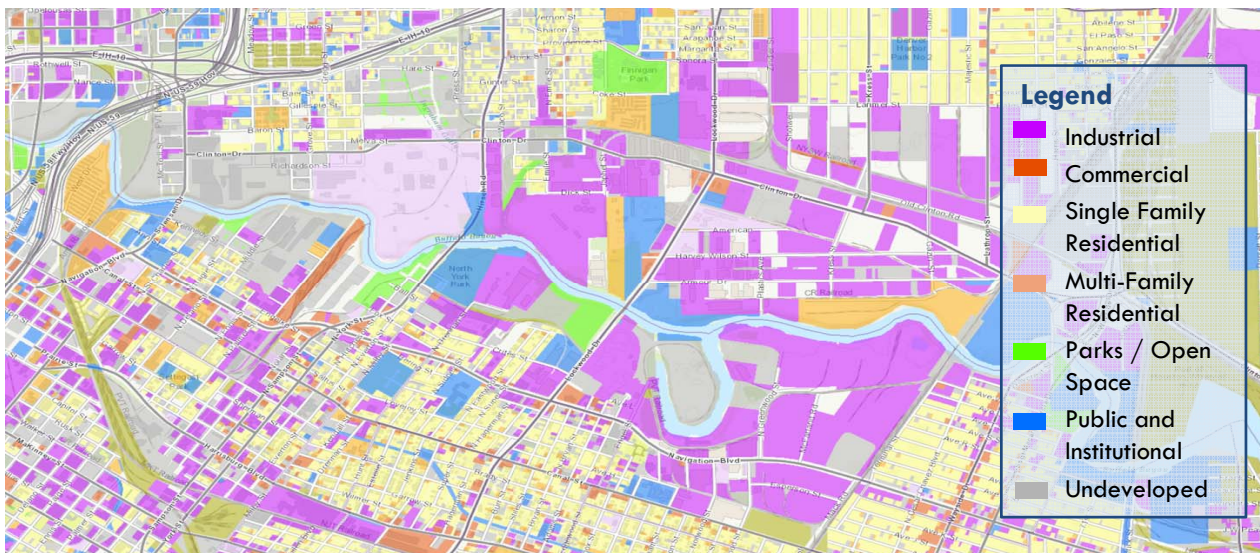
Neighborhood Connectivity

The area has a heavy concentration of both active and inactive industrial uses that present challenges to waterfront redevelopment. In the western portion of the East Sector, many industrial parcels are in the process of transitioning to other uses. East of Lockwood Drive, however, dense concentrations of industrial uses separate communities from the waterfront and limit connectivity for residents. Active nodes of industry serve as important employment hubs and legacy industrial uses contribute greatly to the unique identity of the East Sector landscape.

While the East Sector has strong existing neighborhoods, the population is largely removed and disconnected from the waterfront. Aside from Magnolia Park, existing neighborhoods remain largely separated from the Bayou, divided by incompatible industrial uses and lack of roads and continuous trail connectivity.

The grid network in the East End is fragmented and underdeveloped, presenting barriers to access to the waterfront, across the Bayou, to existing open spaces, and between communities. This impairs public access and visibility of the waterfront. Development along the Bayou has the potential to improve overall connectivity within the neighborhood, offering additional linkages and infrastructure to help visitors traverse the East Sector.

Right: Lack of connectivity and underdeveloped street grids hinder access to the waterfront.



| EXISTING CONDITIONS |

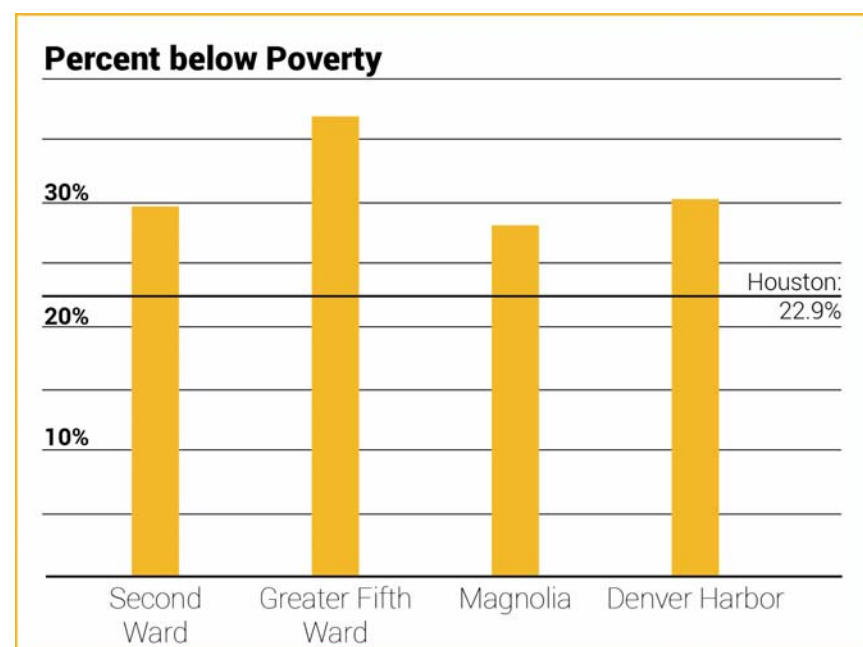
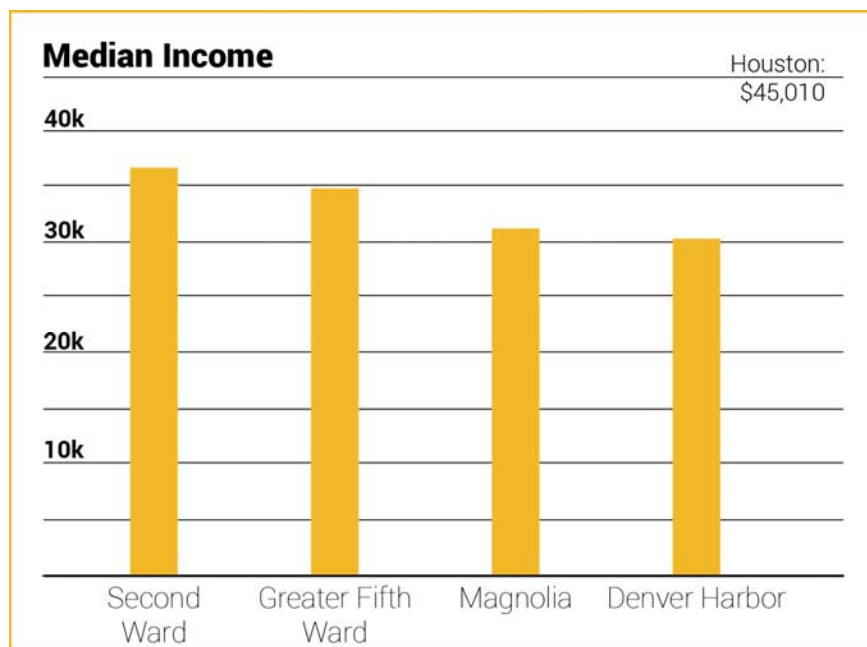
Socioeconomic Conditions

The East Sector has a high poverty rate, reflecting a neighborhood with significant needs. This impacts the local population's ability to respond to changes in housing and land value. Development of new affordable housing, and preservation of existing housing, are key considerations in mitigating gentrification.

Educational attainment is lower than average, exacerbating limited economic mobility. The degree of educational attainment is one of the many interrelated considerations that impacts neighborhood planning in the East Sector and reflects the results of long term disinvestment in the East End and Fifth Ward. A transformative approach to park and neighborhood investment may bring renewed focus to the area and

encourage investment from both the public and private sectors to improve economic and social opportunity.

Area residents have limited access to essential amenities, affecting quality of life. The area lacks retail and is considered a food desert, having not met market thresholds to attract grocery store investment. BBP has the opportunity to increase the visibility of the East End and Fifth Ward communities and create a viable location for retailers, benefiting both residents as well as visitors.



| EXISTING CONDITIONS |

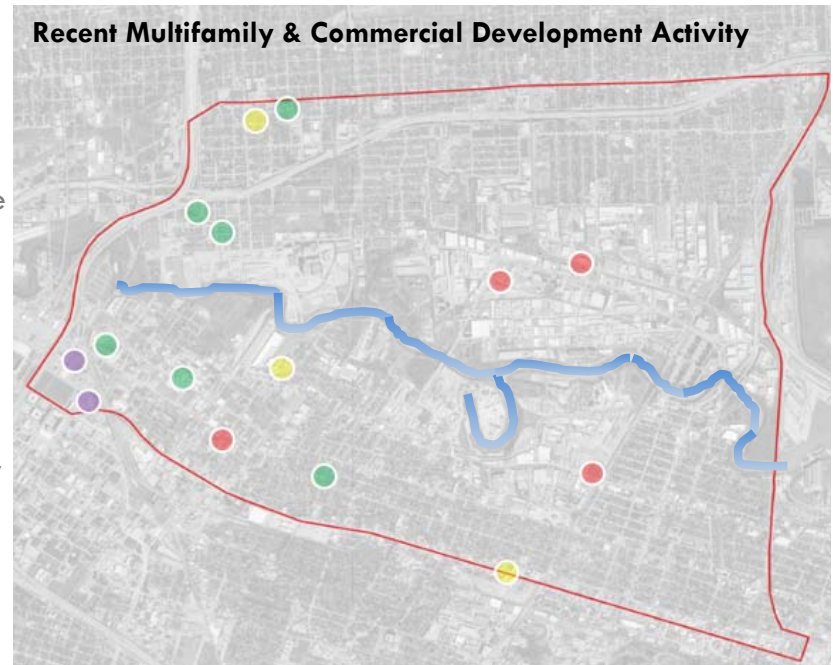
Development Activity

Recent development is largely limited to townhouses and affordable apartments.

There have been 25 townhouse projects in the past 16 years, particularly clustered in the western portion of the East Sector. All but one of the six multifamily projects constructed in the same time frame are affordable housing projects, reflecting challenging market conditions for denser market-rate development. Commercial development has been similarly limited. The Supreme Court's 2015 ruling in the case of Texas Department of Housing and Community Affairs vs. Inclusive Communities Project may affect the application of federal affordable housing tax credits to projects located in areas with high minority populations, further challenging available resources for affordable housing development in the East Sector.

Much of the recent isolated townhouse development does not align with BBP's vision for the East Sector waterfront. Many of the townhomes are largely isolated, do not activate the Bayou edge, are not oriented towards the Bayou or street activity, and restrict opportunities for future value creation, waterfront access, and neighborhood connection.

Much of the existing building stock in the East Sector is in poor condition. While some buildings are beyond feasible repair, the majority of these buildings are in average or below average condition and will require new investment and funding sources to be preserved and enhanced. There has been limited pursuit of industrial building preservation and creative reuse to date, which can be a driver of investment and activation in post-industrial landscapes.



Townhomes on Clinton Dr.



Townhomes on Commerce St.

| EXISTING CONDITIONS |

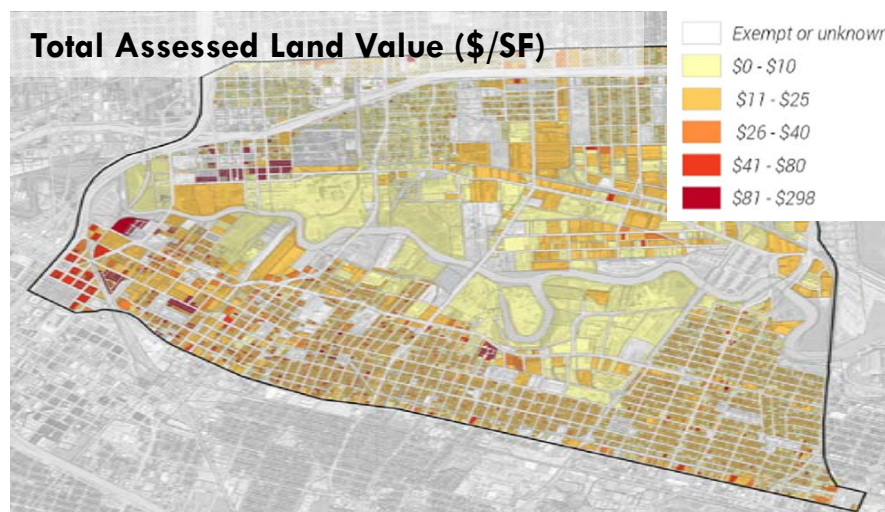
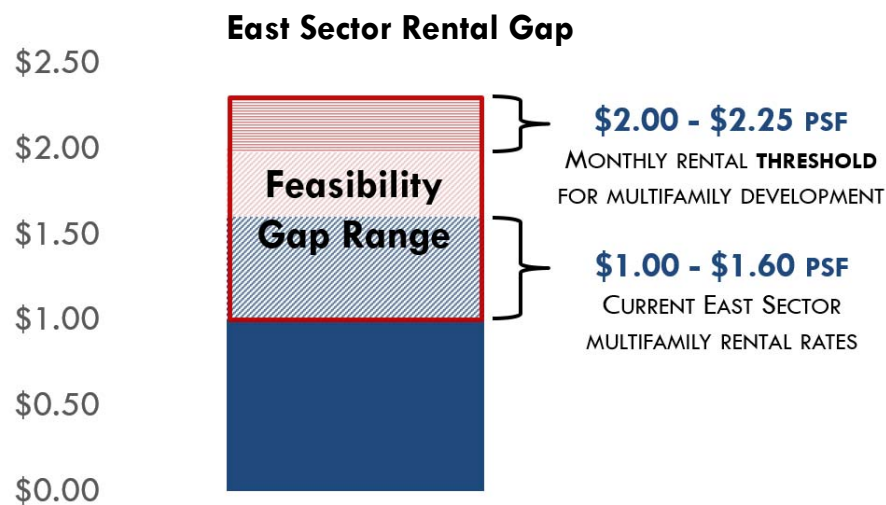
Development Feasibility

Land values in the study area vary widely depending on location and land use. Sales prices of industrial land along the Bayou range from \$7 to \$23 dollars per square foot. Market inquiry shows that typical recent land purchases by townhome developers have averaged \$30 to \$35 dollars per square foot.

Current rental rates fall significantly short of market feasible rental thresholds for multifamily development. Outreach to developers and preliminary residual land value analysis indicate that market rents of at least \$2-\$2.25 per square foot are required to support denser multifamily development, and even higher for development on sites with challenging conditions or development of the level of design quality required for true placemaking along the waterfront. Public subsidy and incentives will be necessary in the short term to encourage favorable development typologies.

The waterfront's large parcel areas, limited or unknown utility service, and disrupted street grid can create significant challenges for redevelopment. These limitations hinder the potential for private development and investment, and increase the cost burden to developers in the area. Investments in basic infrastructure, potentially through TIRZ support, will likely improve development feasibility on some sites in the East Sector.

Environmental contamination and remediation further compound feasibility challenges. The unknown extent of ground pollution is a major risk that further limits development potential. Preliminary analysis demonstrates that a combination of land value creation and subsidy will be required for challenging sites in need of remediation and infrastructure, necessitating partnerships and price adjustments to mitigate potentially prohibitive costs of development.



| EXISTING CONDITIONS |

Planning Context

In addition to Buffalo Bayou Partnership through its 2002 Master Plan, organizations on both of the Bayou’s banks have taken an active role in planning for their community’s futures. In 2013, the American Leadership Forum (ALF) in Houston created its first Community Development

Class, which comprised leaders from the Fifth Ward, East End and Buffalo Bayou Partnership, as well as leaders involved in development on a broader scale in Houston. From this interaction, the leadership in the adjacent neighborhoods cemented their relationship and desire to work towards key goals together, with the redevelopment of industrial properties and the development of recreational amenities on Buffalo Bayou as a key “bridge” between the historically African-American and Hispanic communities on each side of the Bayou. This cooperation has led to one major cooperative planning process, the Fifth Ward / Buffalo Bayou / East End Livable Centers Plan (2015) and new opportunities for major partnerships in redevelopment and recreational amenities.

Other major planning projects in the East Sector have included the efforts detailed below. BBP’s work will build on this rich legacy of analysis and planning.

BUFFALO BAYOU PARTNERSHIP	DEVELOPED IN PARTNERSHIP	FIFTH WARD COMMUNITY REDEVELOPMENT CORPORATION/TIRZ 18	GREATER EAST END MANAGEMENT DISTRICT	CITY OF HOUSTON	HOUSTON METRO	URBAN LAND INSTITUTE
<ul style="list-style-type: none"> Buffalo Bayou and Beyond Master Plan (2002) 	<ul style="list-style-type: none"> Fifth Ward/Buffalo Bayou/East End Livable Centers Study (2015) 	<ul style="list-style-type: none"> Fifth Ward Housing Study (2011) Fifth Ward Bicycle and Pedestrian Study (2011) The Fabulous Fifth – AIA R/UDAT (2012) Greater Fifth Ward Framework Plan (2015) 	<ul style="list-style-type: none"> East End Livable Centers Plan (2009) East End Master Plan (2011) East End Mobility Study (2012) 	<ul style="list-style-type: none"> Urban Corridors Plan (2009) PlanHouston (2015) Houston Bike Plan (2016) 	<ul style="list-style-type: none"> METRO System Reimagining (2015) 	<ul style="list-style-type: none"> East End Technical Assistance Panel (2016)

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existing conditions

FUTURE OF THE EAST SECTOR

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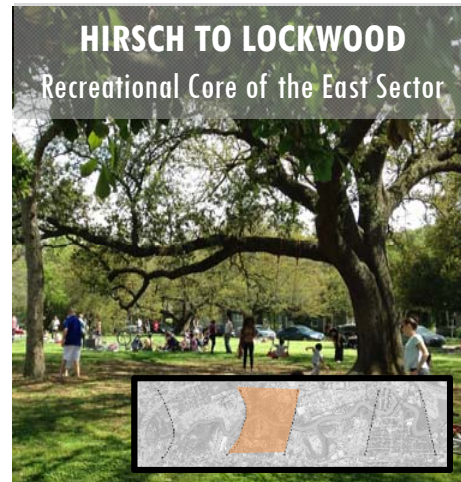
| OVERVIEW |

BBP seeks to cultivate a well-connected, inclusive, and character-rich waterfront community in the East Sector.

Each section of the East Sector requires a distinct vision and role for BBP to play in shaping the future of the park and neighborhood.



BBP's role in the **Jensen to Hirsch / North York** section will be **to create signature open space and encourage catalytic development that will activate the East Sector**. Given the area's high land values and plans for large-scale growth, BBP should seek to develop partnerships to maximize shared value creation between new development and open space.



Between **Hirsch and Lockwood**, **BBP should seek to establish a park & open space core anchored by a vibrant park district**. BBP and partners hold significant land and influence, which should be expanded on through further land acquisition. This creates the opportunity for open space development and strategic land disposition, which may expand BBP's role from park steward to development partner.



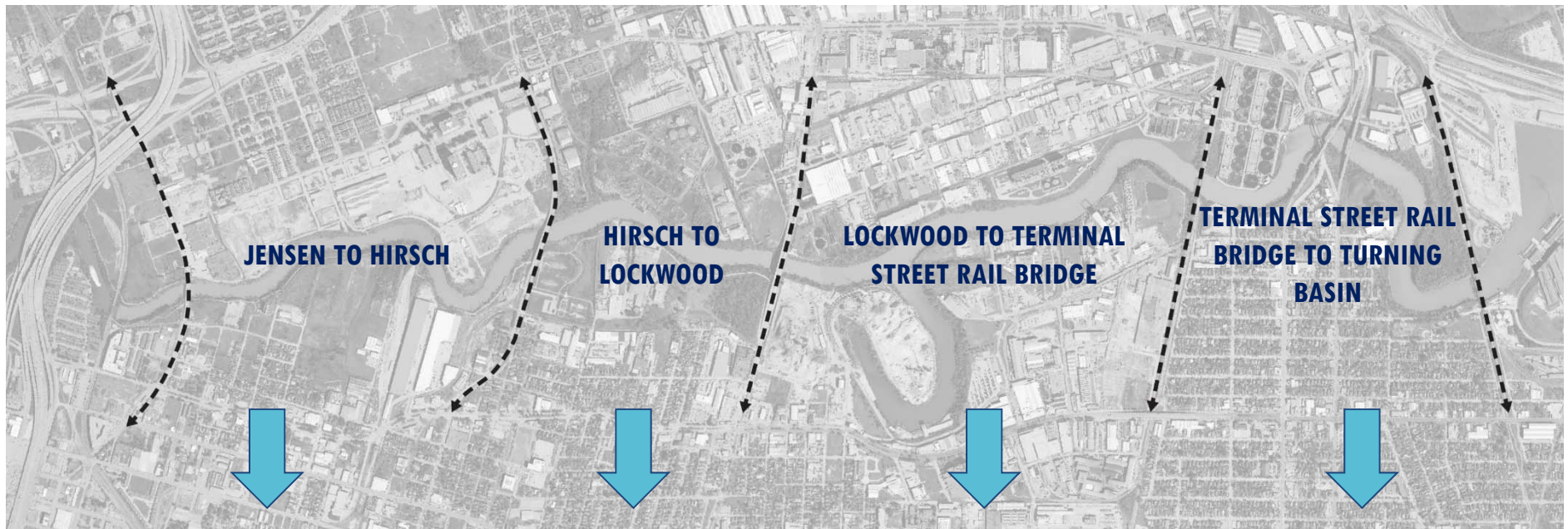
From **Lockwood to the Terminal Street Rail Bridge**, **extending a linear park through the existing industrial fabric will create unique connections and destinations**. This area will likely remain industrial in the long-term, as characterized by active and heavy set-in-place uses. BBP will need to further study the feasibility of adequate connections in this section to create a continuous waterfront trail.



The easternmost section from the **Terminal Street Rail Bridge to the Turning Basin likely requires the least near-term intervention by BBP**, as the area benefits from the strongest connections between its neighborhoods and the existing waterfront parks. Future investments to enhance and connect Buffalo Bayou Nature Park and Hidalgo Park can further reinforce a strong eastern node for the park system in the future.

| OVERVIEW |

Key investment approaches vary by Bayou section.



APPROACH

Invest in open space as a value generator for adjacent private development

Connect to and build off of commercial activity from nearby nodes and corridors

Draw visitation early through diverse waterfront programming

Create a central node of consolidated waterfront open space

Acquire, assemble, and potentially dispose of land to directly influence surrounding development

Enhance neighborhood access and improve adjacent urban fabric

Create a unique destination leveraging the East Sector's industrial identity

Focus on establishing a linear trail instead of a larger park node

Track and respond to changing market conditions in the long-term planning of the park, seeking opportunistic acquisition where possible

Link to the broader Houston trail network and surrounding communities

Develop a long-term park enhancement strategy to reinforce a strong eastern anchor for the park system

| OVERVIEW |

Approaches across the East Sector must consider the interaction of open space and neighborhoods.

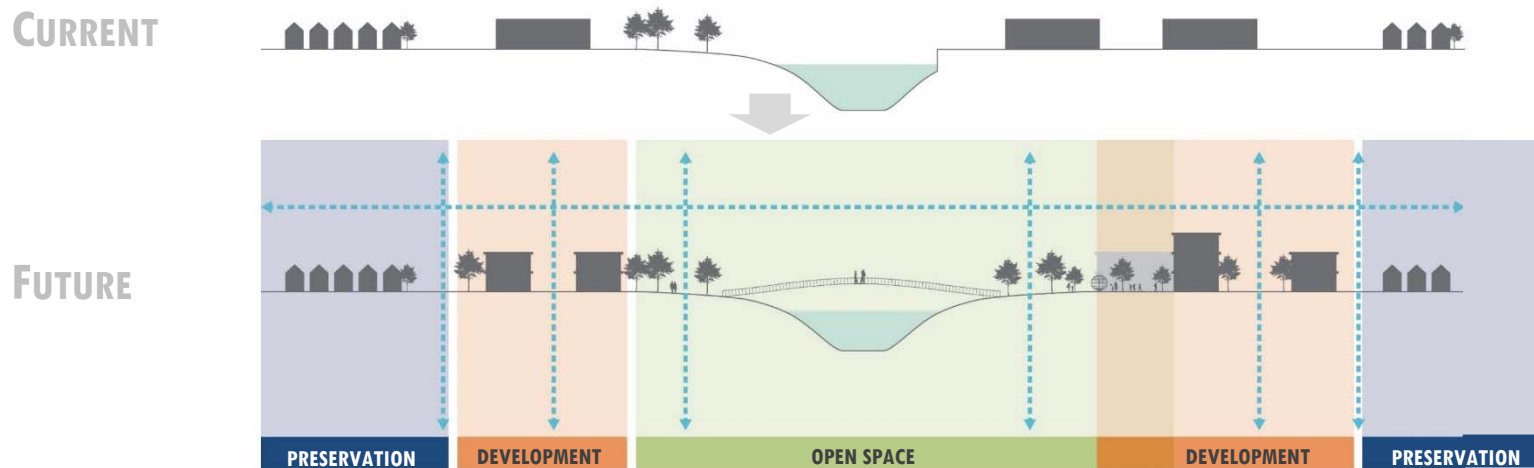
The following pages summarize concepts for **open space creation, park-oriented development, connectivity, and neighborhood preservation** in each of the four key segments of the East Sector. These recommendations are based on three district-wide goals aimed at strengthening the East Sector:

- **Creating a distinct identity for the park and Bayou area**
- **Supporting inclusive neighborhood development and preservation**
- **Bringing activity to the waterfront and connecting neighborhoods**

For each section, we identify existing conditions that impact future use potential, and have put forth recommendations based on perceived achievability informed by cost of implementation, physical feasibility, community priorities, long-term land use, available partnership

opportunities, and timeline. BBP should conduct detailed investigations into these issues to support formal prioritization and decision making in future planning efforts. Our approach focuses on the creation of concentrated nodes of park and development activity, linked by an interconnected waterfront trail network.

The diagram below depicts one approach to future park and neighborhood integration, which seeks to improve the relationship between smaller-scale upland communities and proposed residential, retail, and other activation-oriented development along a continuous waterfront. In this typology, the waterfront open space serves as the core, with a flexible area for adjacent new development, which could include large-scale recreational or cultural facilities, or new residential and commercial development. This zone offers a transition to the surrounding neighborhoods, seeking to link them to the waterfront and create an effective transition between existing and new urban fabric.



| OVERVIEW |

Site ownership and development conditions inform acquisition priorities and investment strategies.

Ownership and land use patterns along Buffalo Bayou inform a series of conceptual recommendations that drive the vision for the future parks and development sites of the East Sector. Waterfront parcels can be categorized as follows:

BBP or Publicly-Owned

1. DEVELOPMENT PARTNERSHIP BBP and/or City-controlled sites hold the greatest opportunity to influence the creation of waterfront open space, public and private development, and access.

Privately-Owned

2. FORESEEABLE BBP PARTICIPATION Strategic parcels suggest opportunities for prioritizing acquisition or partnership for the purposes of assembling new parkland or future development sites.

3. OPPORTUNISTIC BBP ACTION These sites hold strategic importance and acquisition should be explored, though near-term acquisition and intervention potential remains unclear.

4. POTENTIAL FOR BBP INFLUENCE OF FUTURE DEVELOPMENT Large-scale development sites are likely to progress without BBP involvement, but merit approaches to how BBP may influence development activity to be compatible with its vision for the Bayou.

5. LONG-TERM INDUSTRIAL USES Heavy industrial sites unlikely to become opportunities for action, except in the case of long-term market transformation.



| OVERVIEW |

Existing and planned trail and bicycle routes reflect connectivity challenges and opportunities.



A central goal in the near- and long-term is the creation of a continuous trail network that stretches from the Turning Basin to Shepherd Drive. This will be achieved through strategic land acquisition, as well as the less costly acquisition of trail easements in perpetuity on private land.

Additionally, trail connectivity to the surrounding neighborhoods is critical to integrating Bayou trails and open space with existing communities and providing access for bicycle commuters and people seeking recreational opportunities. In 2015 and 2016, the City of Houston created a new Bicycle Master Plan, which seeks to establish

a network of “high-comfort” bicycle facilities throughout the City. These facilities are being developed with a goal of providing a level of separation from vehicular traffic such that a parent will feel confident having children bicycling on them. As such, they will serve as useful feeders and parallel routes to the Bayou trails. The Houston Bike Plan proposes phasing new improvements into planned projects, key short-term connections, and long-term recommendations. This language has been maintained in this plan. In some cases, BBP may choose to partner with the City of Houston to develop specific projects on a shorter timeline in order to provide key connections to open space and recreational opportunities.

| JENSEN TO HIRSCH |

Development & Open Space Activator



APPROACH

- *Establish BBP's role in developing high-quality open space as a value generator to influence orientation and design of new mixed-use development.*
- *Leverage proximity to high-activity corridors & nodes, such as EaDo, Downtown, Navigation, and the Harrisburg rail, to connect nodes of energy to the waterfront.*
- *Create an identity and draw visitation to the waterfront through temporary and permanent active destinations and programming.*

BBP's primary role in this segment should be as park builder, integrating parks into planned and existing developments and creating value for the surrounding community. This requires thoughtful investment in park planning and design, as well as rigorous collaboration with adjacent landowners and developers to shape the integrated growth of the district.

With large assemblages of developable land on both sides of the Bayou, BBP should seek to collaborate with adjacent developers, including Cathexis and Pinto, to deliver complementary new parkland that can serve as an amenity to large-scale waterfront development, and influence how such development occurs in a manner complementary to the waterfront. BBP can also seek to improve neighborhood and waterfront connectivity through enhanced access, wayfinding, and paths to existing nodes of activity along Navigation Boulevard and other major corridors.

Proximity to EaDo and Downtown Houston position this area as the next frontier of East Sector development. As waterfront development progresses, BBP should seek to draw people to the Bayou by supporting activity that attracts visitation and promotes extended stays through active uses and interim programming.



Downtown view from Jensen Dr.



Navigation Esplanade



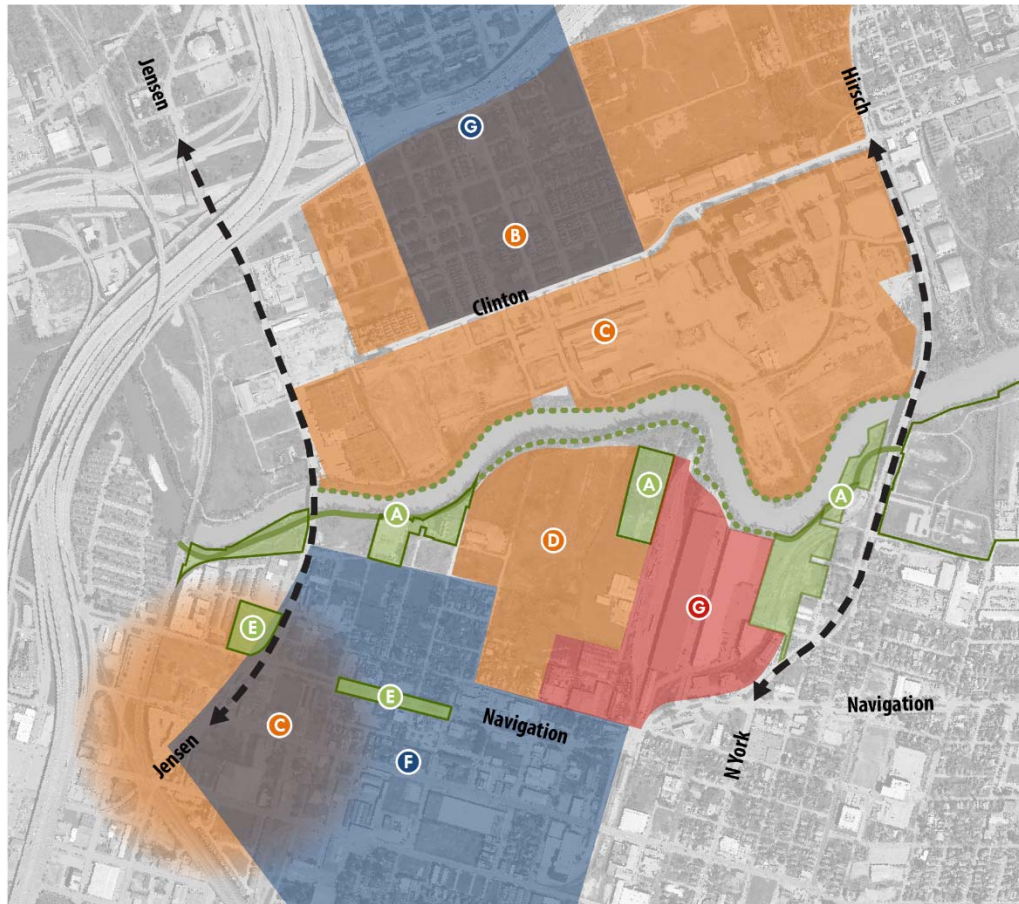
Recent townhome construction



KBR/Cathexis Site

| JENSEN TO HIRSCH |

Existing Conditions



- Open Space ● Connection ● Development ● Neighborhood Preservation
- Industrial City/BBP-owned — Existing trail - - - Key connection

- A BBP and the City already control a significant portion of the right of way, along with select waterfront parcels, providing a foundation for continued park development and expansion.
- B The area commands the highest rental and land values in the study area, driving up the cost of land acquisition, reflected in townhome development momentum, though many new buildings are oriented away from the Bayou.
- C The Cathexis-owned 136 acres along the north side presents an important opportunity for BBP to influence large-scale waterfront development. Absorption of such a large development will take years, and the developer will need to create a unique environment to attract residents and generate value, positioning waterfront open space as an important component of district success.
- D Pinto's large assemblage will largely define the environment south of the Bayou, but the timeline and intentions of the owner are unknown.
- E Greater East End Management District has recently made improvements on Navigation Boulevard and Guadalupe Plaza.
- F Existing neighborhoods are disconnected from the Bayou, separated by vacant, inactive and/or industrial uses.
- G Industrial uses adjacent to the North York Boat Launch site may present challenges to continuous trail access in the near-term.

The diagram shows a cross-section of a composite material. It consists of a blue matrix material and several white, elongated fibers. The fibers are oriented horizontally and are separated by the matrix material. The fibers have a slightly irregular, wavy shape, suggesting they are not perfectly straight. The matrix material is a solid blue color, and the fibers are a solid white color. The overall structure is a repeating pattern of matrix and fibers.



| JENSEN TO HIRSCH |

Development & Open Space Activation Concepts



- 4 Create open space as an amenity to future development at the Cathexis site.** Engage with the Cathexis site development team to explore the potential role of open space and waterfront access to a long-term development plan, including continuous trail easements, upland trail connectivity, and the creation of integrated park "nodes" throughout the site. Explore the potential for a signature park node on the Cathexis "peninsula."
- 5 Create open space as an amenity to future development at the Pinto sites.** With limited ability to compete with townhome development for land, prioritize easement acquisition and expansion and seek dedication of select waterfront land for the development of new open space that takes into account the potential for flooding and erosion. Engage with Pinto and future developers as assembled land is disposed to discuss the role of the park in development, orientation and activation of development to the waterfront, and other relevant considerations.
- 6 Preserve the fabric of existing neighborhoods.** With community stakeholders and partners, consider implementing minimum lot size designations in existing residential neighborhoods to preserve the neighborhood fabric. Consider pursuit of a historic district designation for the 2nd Ward community, centered on Settegast Park, potentially in pursuit of a historic warehouse district. Create a new community entity that can pursue a community based approach to neighborhood planning.
- 7 Impose development standards & invest in public improvements.** Work with the Fifth Ward and Harrisburg TIRZs to help shape standards for connectivity and waterfront access on large development sites (e.g. Cathexis, Pinto). Assist in the development of design standards and potential for TIRZ reimbursements for parks or public realm amenities by developers.
- 8 Improve Bikeway/Green Corridors connections.** Work with the City to create high-comfort bicycle connections along Gregg Street to the north. Consider additional improvements to connect the Silos site south to Navigation Boulevard, with street location dependent on upcoming development and park activation opportunities.
- 9 Enhance Bayou crossings.** Work with the City to develop high-comfort bicycle and pedestrian connections across Jensen and Hirsch St. Bridges.

| HIRSCH TO LOCKWOOD |

Recreational Core for the East Sector



APPROACH

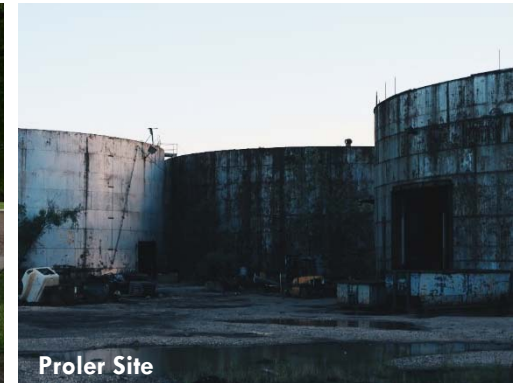
- Explore acquisition of privately-owned parcels to create a central node of consolidated open space for the waterfront.
- Develop a long-term plan for the potential disposition and development of excess portions of BBP land to facilitate desirable growth that aligns with community needs and vision, shaping the interplay between open space and development.
- Take an active role in improving the existing urban fabric of surrounding neighborhoods by reinforcing connections to the waterfront and promoting neighborhood preservation.

With the greatest concentration of BBP and public land ownership, the Hirsch to Lockwood section has the potential to become a central node of open space, anchoring a cohesive district that integrates new development and well-preserved neighborhoods, bringing communities closer to the Bayou. With existing open space assets such as Tony Marron Park, and lower land values that make acquisition and park expansion more feasible than to the west, this area can serve as a foundation for BBP to establish a center of active, destination-oriented open space.

Excess land owned by BBP can create opportunities for new integrated development adjacent to the park, activating the site and subsidizing park development and operations. To the south, BBP should seek to maximize impact through near- and long-term strategies to achieve continuous waterfront connectivity, overcome obstructions to waterfront access, and enhance connectivity to neighborhoods. To the north, BBP can partner with adjacent land owners, including owners of the Proler site, as sites are positioned for redevelopment.



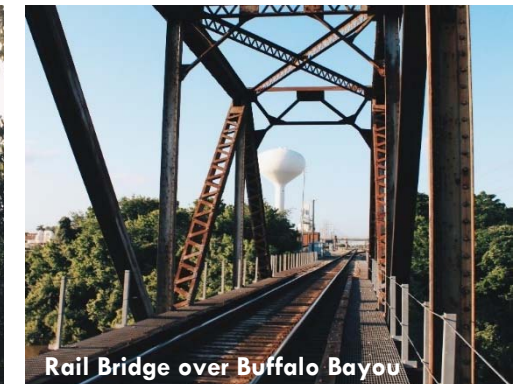
Tony Marron Park Playground



Proler Site



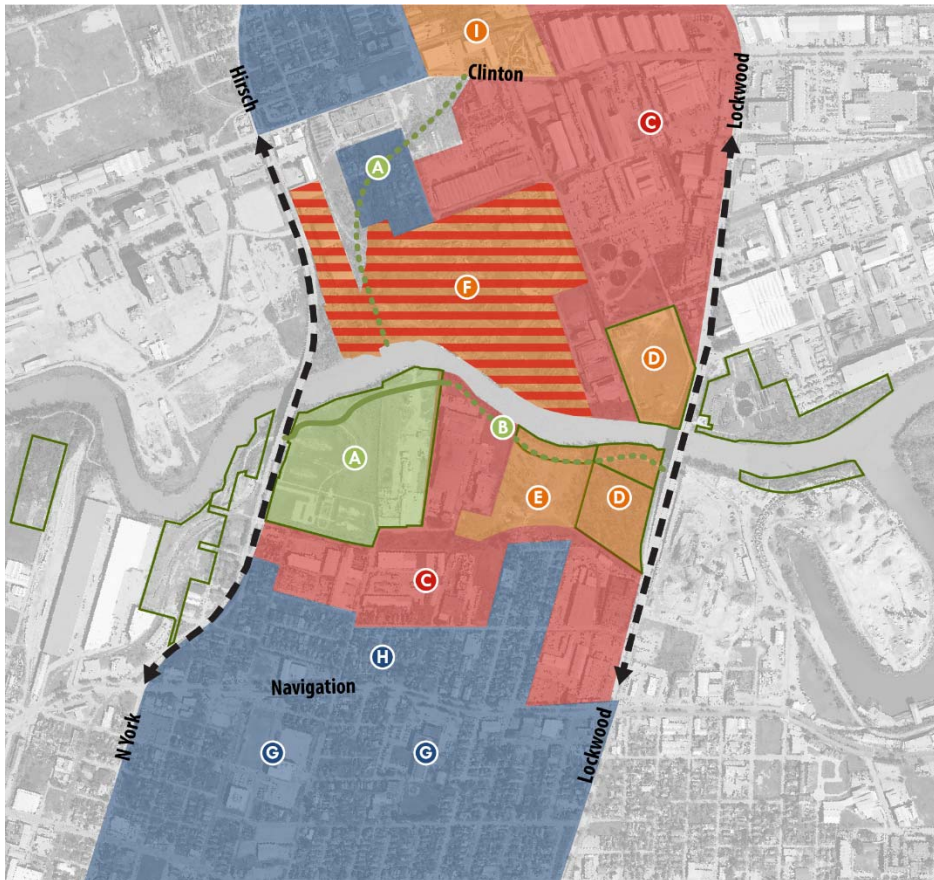
Industry along the waterfront



Rail Bridge over Buffalo Bayou

HIRSCH TO LOCKWOOD |

Existing Conditions

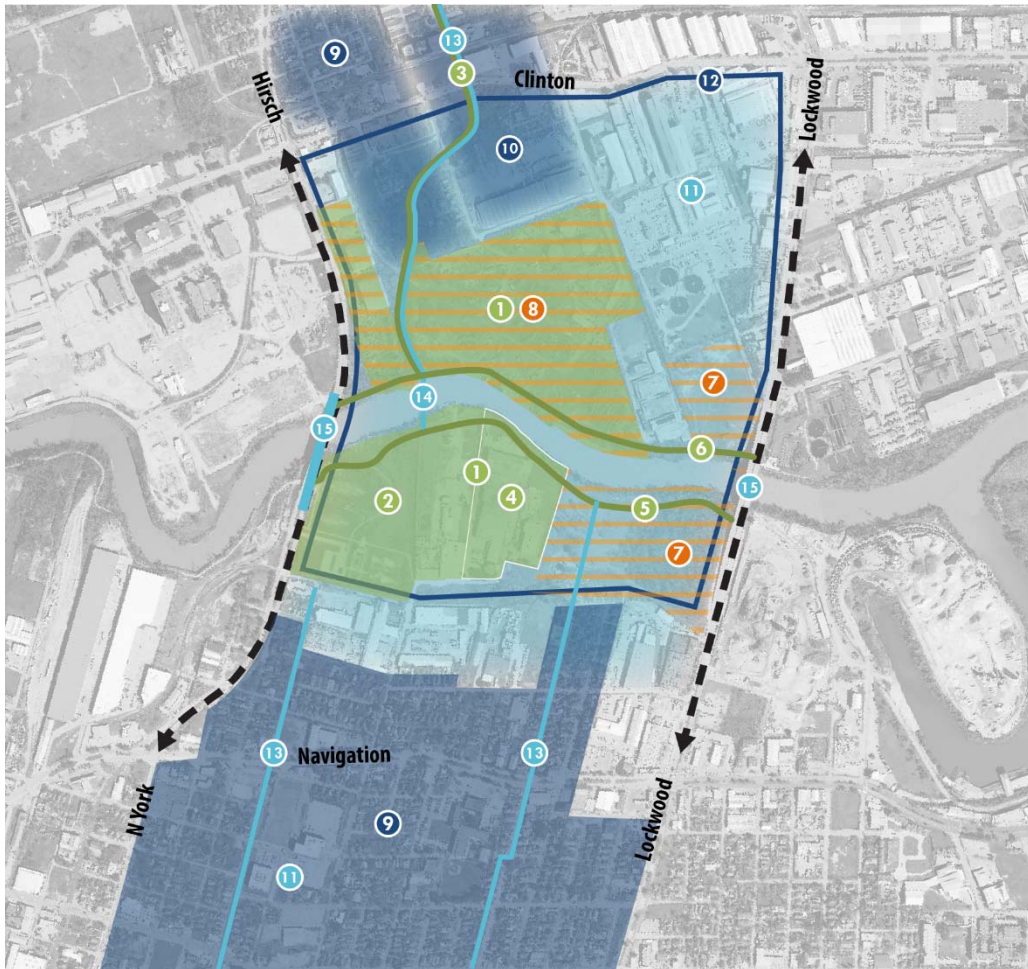


- Open Space
- Connection
- Development
- Neighborhood Preservation
- Industrial
- City/BBP-owned
- Existing trail
- - - Key connection

- A** Current BBP and City ownership includes open space amenities such as Tony Marron Park and Japhet Creek, which offer existing valuable, yet limited, waterfront access under current conditions.
- B** BBP currently holds easements across the southern waterfront, but will need to seek easements for the right-of-way across the northern industrial parcels held by Proler and American Bag Manufacturing, Co.
- C** Private industrial uses separate the upland communities from the waterfront on both sides of the Bayou. The industrial and manufacturing area north of Proler include The Silos (a converted entertainment space) and warehouses with creative reuse potential.
- D** City of Houston and Buffalo Bayou Partnership own properties that hold sufficient land area that can potentially accommodate new development, open space, and/or cultural uses in the future.
- E** A vacant property adjacent to existing BBP-owned property.
- F** The Proler site is the single largest consolidated development opportunity along the northern waterfront not already under developer control. The owner of the site is preparing to bring the site to market for potential redevelopment opportunities, presenting BBP with the opportunity to consider participating in redevelopment.
- G** HCC Southeast College and the Neighborhood Centers Ripley Campus serve as important community and educational resources in the neighborhood.
- H** Upland neighborhoods are currently separated from the waterfront.
- I** Industrial structures may have adaptive reuse potential that maintains the neighborhood's industrial character.

HIRSCH TO LOCKWOOD

Recreational Core Concepts



- 1 **Establish recreational core of the East Sector.** Building on existing BBP and public ownership, explore acquisition of key parcels, including the Proler site to the north and the vacant property to the south, to create a recreational core that would combine new open space, cultural, residential and commercial amenities to form the heart of recreational activity in the East Sector.
- 2 **Expand Tony Marron Park.** In partnership with the City, improve access and amenities (e.g. soccer fields) at Tony Marron Park to better serve the community and ensure continued ongoing maintenance and investment.
- 3 **Use Japhet Creek as an open space connector.** Leverage Japhet Creek as a rare existing green connection between the waterfront and Fifth Ward neighborhoods, by improving the creek area and incorporating a trail on the east side from the Bayou up to Schwiekhardt Street and Finnegan Park.
- 4 **Explore long-term control of the Dan Loc site.** While the site is likely to remain industrial for a period of time, track the status of the property and explore the potential for a sale/lease-back or a long-term option for purchase.
- 5 **Improve trail connectivity (south).** Maintain and enhance full waterfront connection on the south side of the Bayou, consistent with current BBP plans.

| HIRSCH TO LOCKWOOD |

Recreational Core Concepts



- 6 Improve trail connectivity (north).** Absent site control, pursue long-term easement across Proler parcel as site approaches transition, and seek waterfront easement along American Bag Manufacturing parcel to achieve full east-west connection on both sides of Bayou.
- 7 Integrate open space and development.** Bring activity to the waterfront by leveraging BBP's existing land holdings and potential future acquisitions to create new residential and commercial development opportunities that can be creatively integrated with open space. Study development and park integration as part of a future master plan, and pursue development opportunities through selective land disposition or development partnerships. Evaluate the application of design and affordability standards as potential deed restrictions on portions of BBP property to be sold or redeveloped.
- 8 Explore roles for BBP in redevelopment of Proler site.** In addition to the recommendations of #7 above, undertake due diligence to understand the potential opportunities and challenges around taking title and/or entering a redevelopment partnership for the redevelopment of the Proler site.
- 9 Preserve existing neighborhoods.** Implement, in cooperation with neighborhood partners, minimum lot size designations in existing residential neighborhoods to preserve the neighborhood fabric. Evaluate and deploy tools to encourage homeownership and home improvements in neighborhoods, to stem impacts of future land value appreciation and improve neighborhood conditions.
- 10 Pursue commercial reuse opportunities.** Building upon the strength of cultural assets such as The Silo, evaluate the reuse of warehouse buildings north of Proler, along Dick Street and other key locations, to encourage innovation and artist uses in the district, in coordination with actions to build the identity and activation of the commercial neighborhood.
- 11 Improve neighborhood connectivity to the waterfront.** Take an active role in shaping and improving the urban fabric by defining neighborhood connections to and from the waterfront, improving the street network, and encouraging long-term conversion of industrial uses to smaller-scale blocks for residential use.
- 12 Impose development standards & invest in public improvements.** Work with the Fifth Ward and Harrisburg TIRZs to help shape standards for connectivity and waterfront access on large development sites (e.g. Proler). Assist in the development of design standards and potential for TIRZ reimbursements for parks or public realm amenities by developers.
- 13 Improve Bikeway/Green Corridors connections.** Work with the City to create high-comfort bikeways on Schweikhardt, Milby and Eastwood Streets. Connect Schwikhardt to the Japhet Creek Trail, Milby to the Tony Marron Park Trails, and Eastwood to the Buffalo Bayou Trail.
- 14 Study bridge feasibility.** Undertake a preliminary feasibility study for a pedestrian bridge across the Bayou, potentially connecting Tony Marron Park and the Japhet Creek Trail or other core nodes in the vicinity.
- 15 Enhance Bayou crossings.** Work with the City to develop high-comfort bicycle and pedestrian connections across Lockwood and Hirsch St. Bridges. (See Livable Centers study for a design of both bridges.)

| LOCKWOOD TO TERMINAL RAIL BRIDGE |



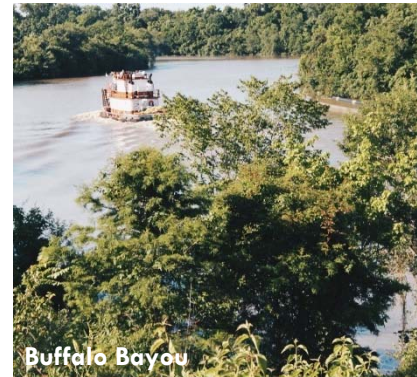
Industrial Heritage Trail

APPROACH

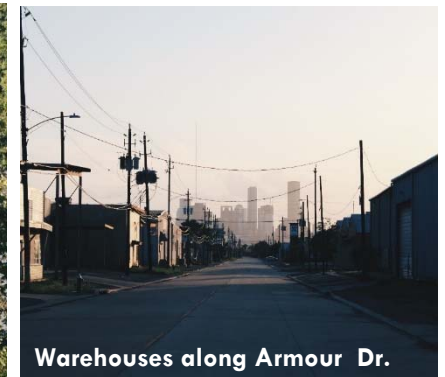
- *Identify near-term and longer-term interventions to focus on connectivity and linear trail creation in lieu of larger nodal open space.*
- *Leverage the unique experience of traversing an active and decaying industrial landscape to create a one-of-a-kind destination that distinguishes the East Sector and its industrial heritage.*
- *Recognize challenges of existing industrial uses and the lack of existing residential population near the waterfront while ensuring a flexible approach that can respond to changing industrial market conditions; monitor land and pursue strategic acquisitions when warranted.*

BBP should seek to leverage and preserve the industrial identity of this neighborhood with a focus on linear trail connectivity. The Lockwood to Terminal Street Rail Bridge section of the Bayou showcases Houston's great industrial heritage that remains active to this day. With dense industrial uses occupying both the northern and southern shores of the Bayou, this area serves as an important employment node for Houston residents and stands to remain industrial for the foreseeable future. Heavy, set-in-place uses including the City's 69th Street Wastewater Treatment Plant, large-scale concrete facilities on Turkey Bend, and other warehouse and manufacturing uses. These sites present challenges to park development in terms of safety, access, and remediation. The abandoned Northside sewage treatment plant now owned by BBP, however, offers a distinctive and authentic waterfront setting for creative place-making in conjunction with the recreational core of the park network.

Building a linear waterfront connection through this area will require further study to chart out pathways compatible with recreational and industrial uses either along the Bayou or through existing industrial neighborhoods. Future interventions should remain flexible and responsive to changing market conditions, and BBP should opportunistically pursue acquisition of key parcels if they can serve a strategic purpose and do not pose overly burdensome financial risk.



Buffalo Bayou



Warehouses along Armour Dr.



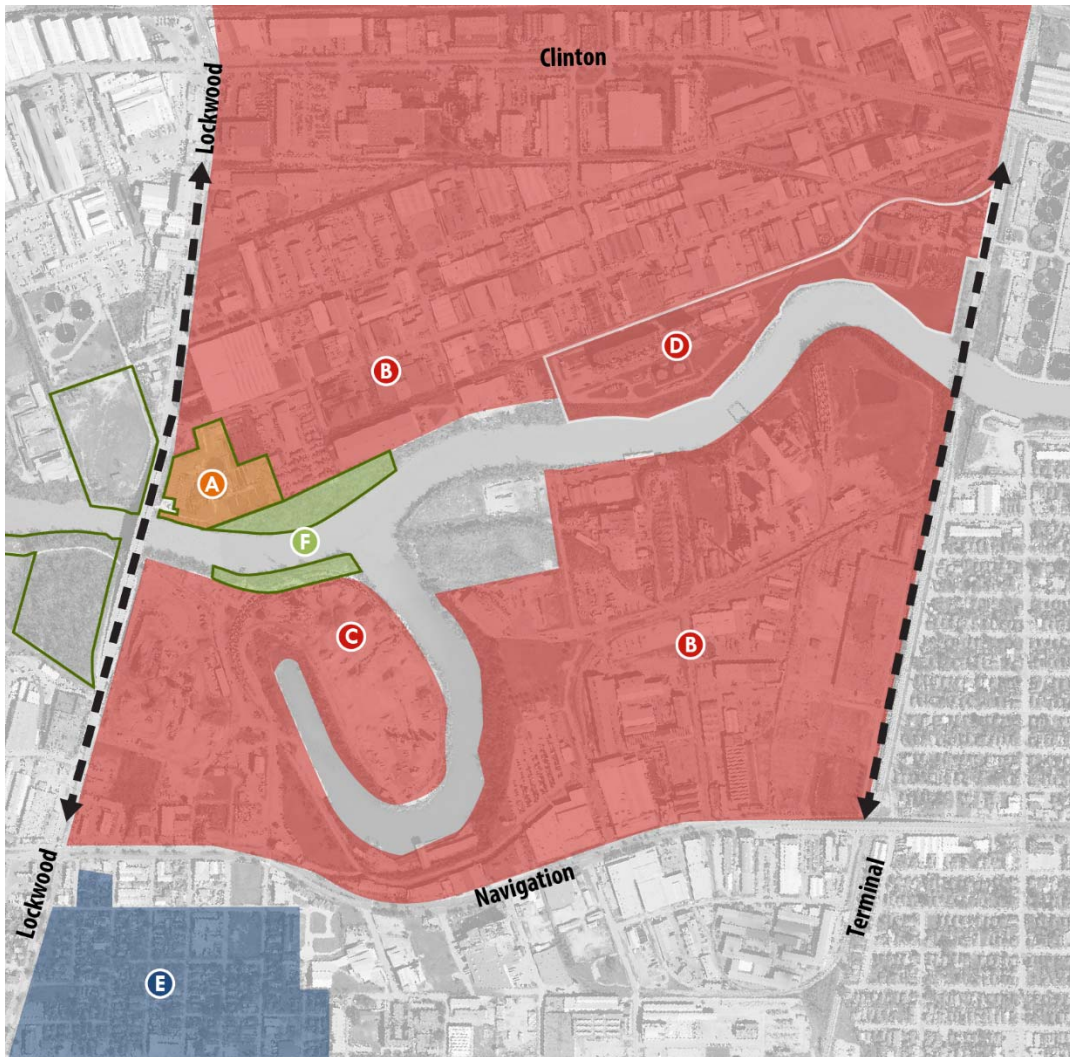
Concrete Plant



Wastewater Treatment Plant

| LOCKWOOD TO TERMINAL RAIL BRIDGE |

Existing Conditions



- A** The former sewage plant is one of the most distinctive parcels that Buffalo Bayou Partnership owns. It should be preserved to incorporate recreational uses while recognizing the industrial heritage of the area.
- B** Active industrial uses define waterfront and neighborhood character. The active and decaying industrial uses create a unique waterfront experience that should be embraced.
- C** The concrete facilities at Turkey Bend will likely operate on the waterfront in the long term, presenting a barrier to securing a continuous land-based waterfront trail to the south, outside of the City-owned waterfront parcels (F).
- D** The density of industrial uses limits access to waterfront. Active industrial uses such as the active City-owned sewage treatment facility may present challenges for waterfront access due to security and safety concerns. Potential contamination and environmental issues on current or former industrial land may render future development resource-intensive due to remediation costs.
- E** The area's limited residential population is far removed from the waterfront.
- F** The City of Houston / Harris County Flood Control District owns two facing waterfront parcels, along a narrow portion of the Bayou, which may present linkage opportunities to connect the north and south sides.

LEGEND: ● Open Space ● Connection ● Development ● Neighborhood Preservation ● Industrial

City/BBP-owned

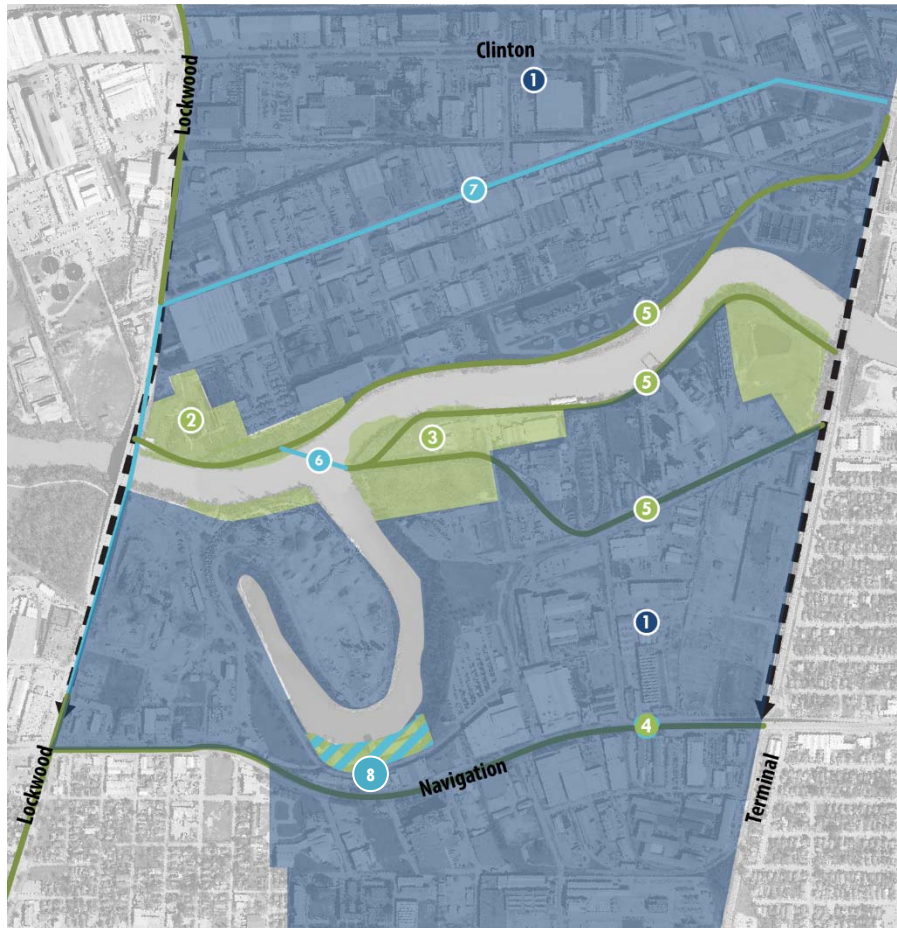
— Existing trail

- - - Key connection

| LOCKWOOD TO TERMINAL RAIL BRIDGE |



Linear Park Concepts



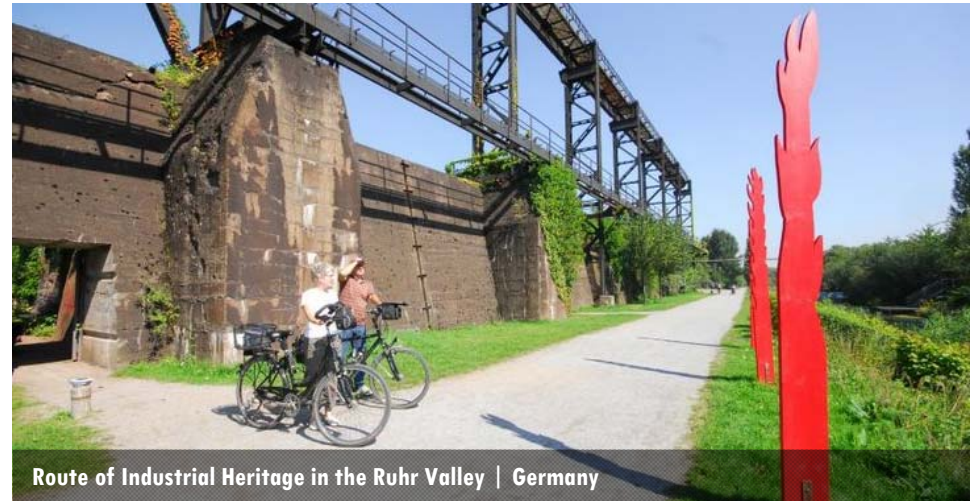
- 1 **Create trail connections & embrace industrial heritage.** Recognizing the long-term barriers of existing industrial uses along the waterfront and in surrounding upland areas, focus this section of the park on trail connectivity and leverage the unique experience of traversing a decaying industrial landscape, while preserving industrial uses and jobs.
- 2 **Creatively reuse Northside sewage treatment plant.** Continue to evaluate concepts for creative reuse of the site to establish a destination and node of activity on both this parcel and the western portion of the site located in the Hirsch to Lockwood section, particularly as development occurs to the west and waterfront connections are improved. Examine in coordination with the western portion of the Northside treatment plant site.
- 3 **Consider opportunistic acquisitions.** Recognizing the need for flexibility in approach as market conditions develop over the long-term, maintain ongoing monitoring of conditions and undertake opportunistic acquisition where affordable and beneficial to the future of the park, such as potential bridge crossings.
- 4 **Improve trail connectivity (near-term).** Identify opportunities to create near-term connections around or through industrial neighborhoods along Navigation and Lockwood, integrated with the City's bike plan, where possible. Cooperate with the City to identify funding to ensure projects are undertaken in the short term.
- 5 **Improve trail connectivity (long-term).** Study the feasibility of multiple trail routings along the south side of the Bayou, including the potential for (i) a boardwalk and/or (ii) a trail along the existing freight rail route south of the active industrial properties. Both potential routes will likely require a trail bridge over the active freight rail line. Engage with the City to discuss options for secure public access along the wastewater treatment plant site to the waterfront.

| LOCKWOOD TO TERMINAL RAIL BRIDGE |

Linear Park Concepts



- 6 **Study bridge feasibility.** Undertake a preliminary study for a pedestrian bridge from the public easements adjacent to the former Sewage Treatment Plant to the east side of Turkey Bend. Explore the acquisition of the parcel fronting on the east side of Turkey Bend at the south side of Buffalo Bayou.
- 7 **Develop parallel bicycle routes.** Work with the City to develop high-comfort bicycle facilities along Harvey Wilson Drive.
- 8 **Explore the potential re-use of the Watco site** for waterfront access from Navigation Boulevard and understand the potential for the site in the context of the broader framework.



Route of Industrial Heritage in the Ruhr Valley | Germany



Gasworks Park | Seattle

| TERMINAL RAIL BRIDGE TO TURNING BASIN |

Reintegration with Communities

APPROACH

- *Link existing open spaces and communities to each other and the broader East Sector through linear park development and partnerships to deliver new programming and activation.*
- *Consider long-term strategies to intensify programming and upgrade park amenities to create a stronger anchor destination in the eastern end of the park network.*

The active parks in this area anchor recreational activity for proximate neighborhoods, requiring minimal near-term intervention. This area remains heavily industrial to the north, while the south is home to Magnolia Park, a strong residential neighborhood already connected to the Bayou.

In the long-term, BBP and its public partners should seek to enhance Hidalgo Park, Buffalo Bend Nature Park, and select Port of Houston Authority lands, to continue servicing and strengthening surrounding neighborhoods. Offering new park amenities and activities, such as upgraded bike and pedestrian paths, can help to increase waterfront activity. BBP's role will be to activate and improve existing park land, leverage investment by the Port and proposed Maritime Museum, and creatively enhance open space access within the existing neighborhood, to create a true park destination in the farthest reach of the East Sector.



Magnolia Park home



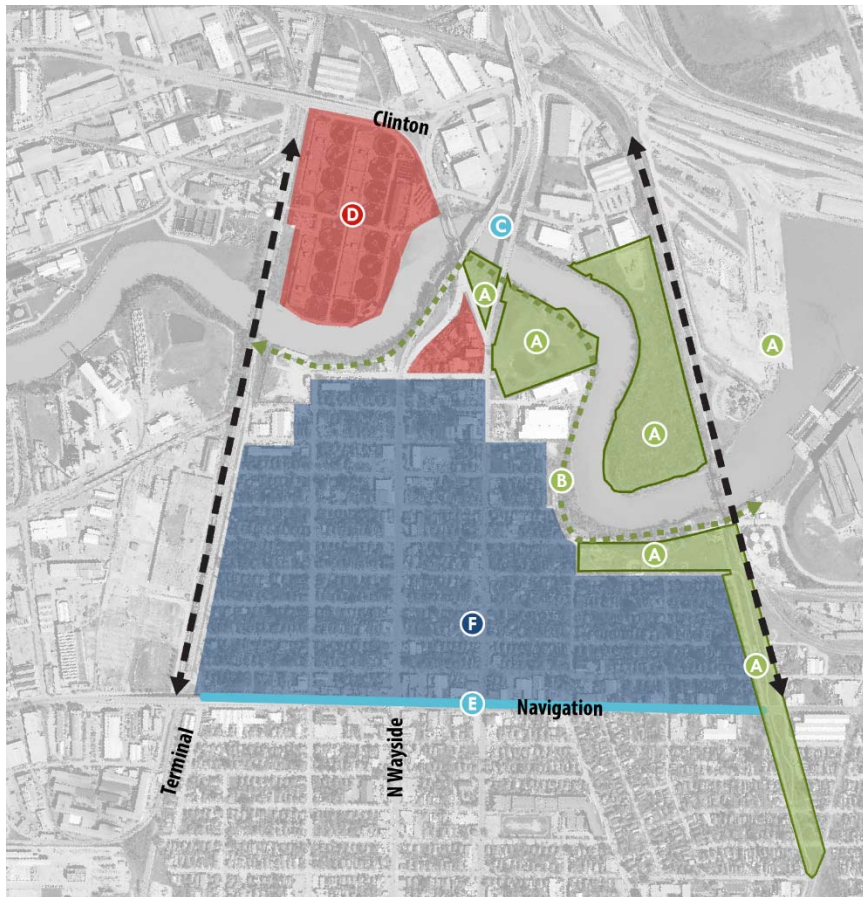
Hidalgo Park Gazebo



Buffalo Bend Nature Park

| TERMINAL RAIL BRIDGE TO TURNING BASIN |

Existing Conditions



- Open Space ● Connection ● Development ● Neighborhood Preservation
- Industrial City/BBP-owned — Existing trail - - - Key connection

- A** BBP, the City and Port of Houston Authority, and partners control a significant cluster of waterfront park land, much of it programmed for neighborhood use.
 - Buffalo Bend Nature Park – BBP and the Harris County Precinct 2 recently opened this 10-acre greenspace including hiking and bike trails and natural wetlands. Recent investment in this green space suggests minimal additional action in the near-term.
 - Hidalgo Park – A historic neighborhood park, with active recreation and playgrounds.
 - Port of Houston Authority Turning Basin – A portion of land on the Turning Basin peninsula is currently greenspace and holds the potential for future operation as a park. To the east of this site, Port activity and a boat tour operate adjacent to this greenspace, and plans for a maritime museum are underway.
- B** With the exception of the planned connection south of the Nature Park to Hidalgo Park, these parks have limited connection to the greater trail network and limited trail connections feed into the waterfront from the surrounding neighborhoods.
- C** The configuration of the Wayside bridge is a significant obstacle to connectivity, and does not currently allow for pedestrian access.
- D** Active wastewater treatment facility is currently a barrier to trail use and access on the north side of the bayou.
- E** Navigation Boulevard is an active corridor with small commercial destinations within the community.
- F** This area contains a strong residential neighborhood that enjoys the closest proximity and access to the waterfront in the East Sector.

| TERMINAL RAIL BRIDGE TO TURNING BASIN |

Reintegration Concepts



- 1 **Complete trail connectivity.** Complete easement acquisition to connect Buffalo Bend Nature Park and Hidalgo Park and integrate these parks with the broader trail network.
- 2 **Shape the future of Buffalo Bend Nature Park.** Consider a long-term transition to become a more actively programmed park, creating a strong node to attract people eastward.
- 3 **Maximize neighborhood value of Hidalgo Park.** Consider how BBP can support the ongoing programming of Hidalgo Park to provide the greatest value to the local neighborhood and promote an active eastern node.
- 4 **Assess options for Port of Houston Authority peninsula.** Work with the Port to obtain long-term optionality for use of the unused land, and stay apprised of progress on the proposed Maritime Museum as a potential visitor draw.
- 5 **Shape Avenue W triangle.** Explore opportunities to influence the redevelopment at the Avenue W triangle, which could serve as an important connection in the future if a waterfront connection between Lockwood and the Rail Bridge is pursued.
- 6 **Preserve existing neighborhoods.** Implement minimum lot size designations in existing residential neighborhoods to the south to preserve the neighborhood fabric. Evaluate and deploy tools to encourage homeownership and home improvements in neighborhoods, to stem impacts of future land value appreciation and improve neighborhood conditions.
- 7 **Improve Bikeway/Green Corridors Connections.** Work with the City to create high-comfort bicycle connections along Ssgt. Marcario Garcia, Wayside and Cesar Chavez and Avenue R.
- 8 **Explore Wayside Bridge reconfiguration.** As a long-term initiative, work with partners to assess potential reconfiguration opportunities for the bridge to accommodate pedestrian connectivity.
- 9 **Assess bridge connection.** With Maritime Museum planners and developers, consider cross-Bayou vehicular and/or pedestrian connection.

introduction & executive summary

existing conditions

future of the east sector

TOOLS & STRATEGIES

implementation & next steps

| INTRODUCTION TO TOOLS & STRATEGIES |

To implement the park and neighborhood development concepts for the East Sector, BBP and its partners must leverage a diverse set of policy, investment, and financing tools. The tools and strategies summarized in this section, with additional detail in the Appendix, are intended to be selected and deployed based on the particular location and project need; the approach BBP may take along one stretch of the Bayou may be different from that of another. Although the application of some tools will be the primary responsibility of BBP, particularly on land owned by the organization, some tools require the active participation of local public and private partners to implement.

	SCALE		POTENTIAL USE			
	Project-Specific	Area-Wide	Park Funding	Dev. Feasibility	Design Influence	Neigh. Investment
Tax Increment Reinvestment Zones						
Development Incentives						
Acquisition						
Disposition						
Development Partnership						
Design Guidelines & Requirements						

*See additional tools – affordable housing, community land trusts, and minimum lot size designations -- in Appendix

Implementation tools and strategies can address:

PARK FUNDING | BBP’s success in creating the existing Buffalo Bayou Park and other capital projects was a result of effective physical and financial planning, leveraging TIRZ revenues to fund park operations and maintenance, and engaging the public and private sectors in fundraising activities. In the context of the East Sector, BBP will need to again consider these tools, such as TIRZs and impact fees generated from new development without dedicated parkland (\$700 per new unit, to be spent within a given park district), but also create new opportunities for development to increase revenue streams over time.

DEVELOPMENT FEASIBILITY | As discussed in “Existing Conditions,” present market and site conditions have limited new development that is supportive of BBP’s vision for a new open space network and a revitalized, connected and inclusive surrounding neighborhood. A series of tools are needed to improve the feasibility of development at higher density and quality, integrated with the park.

DESIGN INFLUENCE | While the lack of zoning in Houston limits regulatory means of influencing design on a district basis, a series of tools can be leveraged to help define and improve the urban context. Design guidelines and recommendations can promote consistent, high-quality development that is Bayou-oriented and conducive to open space activation and connectivity. Design guidelines may be required as part of restrictive covenants placed on land sold by BBP, or tied to the provisions of particular development incentives or options on land control.

NEIGHBORHOOD INVESTMENT & PRESERVATION | Creating a great trail and open space network will provide important community amenities, but long-term realization of the vision will require investment in neighborhood infrastructure, connectivity, affordability, and quality-of-life amenities. Tools can help area-wide investments, support continued affordability, and help residents and businesses to avoid large-scale displacement.

| TOOLS & STRATEGIES |

Tax Increment Reinvestment Zones

Tax increment reinvestment zones, or TIRZs, are “special zones created by City Council to attract new investment in an area.” TIRZs help finance costs of infrastructure and redevelopment in areas that may otherwise not attract sufficient market development in a timely manner. Incremental property taxes above the existing baseline at the time a TIRZ is created can be bonded against, set-aside in a fund to finance public improvements, or support operation of improvements. TIRZ Project Plans are developed by each TIRZ and approved by the City Council and define each TIRZ’s priorities for public improvements over the life of the TIRZ and ensure that the plans for public improvement are consistent with the projected tax increment that will be available to the TIRZ. There are two TIRZs that operate in the East Sector: the Fifth Ward TIRZ (TIRZ 18), and the Harrisburg TIRZ (TIRZ 23). These TIRZs have seen limited incremental tax generation to date, and the interventions of BBP and its partners can help create conditions for new investment to spur long-term incremental value creation. See the Appendix for a map of area TIRZs.

Applications

Fifth Ward TIRZ Funding Partnerships. The Fifth Ward TIRZ boundaries were expanded in 2015. Relevant priorities indicated for financing within the Project Plan include developer reimbursements for infrastructure improvements. These could be leveraged to improve public access through new development sites to the waterfront, as well as “undertake area park and recreation development to establish a natural activity center along the Bayou that acts as a focus for economic development and improves public health and well-being.” The Fifth Ward TIRZ sets aside additional funds for affordable housing development above and beyond the citywide TIRZ affordable housing set-aside program. Coordination with this TIRZ and the Fifth Ward CRC will be valuable to determine how funds could contribute to inclusive development and neighborhood preservation.

Harrisburg TIRZ Funding Partnerships. The Harrisburg TIRZ Project Plan also includes many relevant priorities and public improvement plans that can be coordinated with and provide potential funding for BBP’s priorities. The Project Plan includes an emphasis on “Parks and Related Amenities” and “undeveloped/ underdeveloped land immediately adjacent to the Buffalo Bayou.”

Implementation Considerations

Available Levels of Funding Annually. The Fifth Ward TIRZ is estimated to realize \$341,258 in revenue in FY 2016. Harrisburg TIRZ is estimated to realize \$1,019,050 in FY 2016. As indicated in the table below, current area TIRZ revenues significantly lag more accretive zones. While the TIRZs can be important resources, BBP will need to treat these funds as one source of leverage in a larger fundraising process for their initiatives, and will need to explore deeper action to encourage new investment, in turn creating new tax increment.

TIRZ	TIRZ Revenue (2015)
Uptown	\$36.7 M
Midtown	\$25.8 M
Main St. Square	\$20.7 M
Upper Kirby	\$9.2 M
Harrisburg	\$0.5 M
Fifth Ward	\$0.1 M

| TOOLS & STRATEGIES |

Developer Incentives: 380 Agreements & Tax Abatements

Developer incentives will be critical tools for fostering the type of inclusive multifamily development that BBP, partners, and other organizations would like to see in the East Sector. Two types of incentives are available at the City of Houston to facilitate affordable and mixed-income multi-family development: 380 agreements and tax abatements. Although both are technically authorized as economic development incentives at the state level, both programs have been successfully utilized to support targeted housing development in some Houston areas. Through careful consideration and partnerships, BBP could support individual projects' tax abatement applications and/or participate in an effort to implement a strategically designed 380 agreement for specific sites or areas adjacent to future park development.

APPLICATIONS

380 agreements. Chapter 380 of the Texas Local Government Code authorizes municipalities to offer loans and grants of city funds or services in order to stimulate economic development. The Downtown Living Initiative (DLI) is the best-known recent application of a Chapter 380 agreement to housing, whereby the DLI aimed to correct market failures that made housing and commercial development in Houston's downtown economically challenging. The DLI offered developers the lesser of \$15,000 per unit in subsidy, or 75% of the incremental City of Houston property tax and the Houston Downtown Management District incremental assessment paid per unit over a 15-year period. While the City's current financial situation makes outlays like this one more difficult, and there has not yet been a program specifically designed for the East Sector, BBP and its partners should pursue opportunities for facilitating the use of 380s for mixed-income multifamily development at target Bayou sites to address specific market failures.

City tax abatements. Some exemptions on City taxes are available to non-profit Community Housing Development Organizations for the management of affordable housing developments after they are placed into service, for a period of 10 years or less. Private for-profit affordable housing developers may also be considered for tax exemptions under the City's ordinance, assuming their project serves "an important public purpose, such as providing affordable housing that could lead to redevelopment of a blighted area or attracting additional development." The ordinance also notes that "transit-oriented development within 1,500 feet of transportation corridors, such as existing and planned Metro rail stops, multi-modal centers, and bus transfer stations" may be eligible for an enhanced abatement for no more than 10 years and up to 90%. Previous affordable housing projects receiving tax abatements include a 531-bed student housing facility adjacent to the University of Houston, which received a 90% abatement for 10 years in 2015.

IMPLEMENTATION CONSIDERATIONS

380 agreements: design and timing. A potential 380 agreement should be based in a market study that clearly identifies the financial gaps inherent in developing multifamily, mixed-income property in the East Sector under current market conditions. 380 agreements may also become more feasible when the City resolves current financial issues due to the energy downturn.

Tax abatements: reinvestment zone. Projects must be located within a Tax Abatement Reinvestment Zone. In practice, these Reinvestment Zones are usually approved by Council as part of the tax abatement application process and encompass only the properties at issue in the tax abatement application.

| TOOLS & STRATEGIES |

Acquisition

BBP holds the greatest degree of potential control over future park and real estate development on the land it currently holds or may acquire in the future. While acquisition of all waterfront land in the East Sector could maximize control, such an effort would be cost prohibitive at this time, with privately-owned waterfront parcels totaling approximately 575 acres. Even at relatively low land values of \$10 to \$15 per square foot, full acquisition could range from \$250 to \$500 million. Nonetheless, targeted acquisition can enhance the potential for delivering compelling open spaces and, coupled with targeted disposition, creating a framework for new residential and commercial development.

APPLICATIONS

Continued acquisition of waterfront easements will help achieve perpetual control over the waterfront experience and connectivity.

➡ *In the East Sector, this includes easements where there is current trail, but no guarantee of long-term control, such as the Pinto assemblage south of the Bayou and an easement along the Proler Property. BBP should also explore expansion of existing easements to respond to flooding and erosion impacts.*

Targeted parcel acquisition of additional land may be strategically beneficial for creating park and neighborhood connections, facilitating new development complementary to an active waterfront, or supporting BBP waterfront operations. Furthermore, assembled land can be disposed of later with design restrictions, providing influence over the Bayou development context, and can be a reliable source of significant income for the Partnership as property values appreciate.

➡ *This may include negotiated acquisitions at discounted value of portions of large development sites, such as the Cathexis “peninsula,” or opportunistic acquisition of industrial land as it goes to market.*

Option agreements or purchase and lease-back transactions could provide flexibility for intervention on land with a longer-term horizon for real estate or open space development, particularly active commercial and industrial parcels. Agreements would be negotiated to allow current uses to stay onsite, but provide BBP or its partners with optionality as neighborhoods transition, as well as hedge against the unpredictability of market dynamics and potential cost appreciation in the long term.

➡ *Discussions with industrial users, particularly those in the western portion of the East Sector that disrupt waterfront connectivity, could explore long-term options to promote BBP control should industrial uses transition.*

IMPLEMENTATION CONSIDERATIONS

Cost

With the wide range in land values from in the East Sector from \$7 to \$30+ per square foot, the cost implications of an acquisition strategy can vary widely. BBP should seek to compete on properties that are of strategic importance and can be obtained for a reasonable value.

Time

Land values have consistently appreciated in the East Sector, though they continue to lag core markets and may face downward pressure under the current real estate slowdown in Houston. While sites currently owned or targeted by townhome developers may be difficult for BBP to compete on, current market values and the market slowdown may present opportunities for lower-cost acquisitions in the near-term.

Liability

BBP will need to continue the rigorous due diligence that to-date has ensured that the remediation needs and liability concerns for new land purchases are manageable, especially for opportunistic acquisition of industrial land over the long-term. This is particularly critical for future parkland deeded to the City, which must be remediated to a residential standard.

| TOOLS & STRATEGIES |

Disposition

Buffalo Bayou Partnership's 40 acres of land provide opportunities not only to develop parks and open spaces, but also to generate revenue and influence park-adjacent development through strategic disposition.

APPLICATIONS

Market-rate land sales can provide revenue to BBP for further investment in land or open space and, with deed restrictions that transfer with title, can provide a means of attaching design requirements to influence site planning, design quality and orientation of future development with the existing neighborhood and new open space. As discussed in the "Existing Conditions" section of this report, current market land values in the East Sector have supported the development of primarily scattered-site townhomes; additional subsidy will be required to deliver higher-quality and/or denser development that can effectively activate the waterfront.

Discounted land sales, while less financially accretive to BBP, would increase the feasibility of development complementary to active waterfront uses, including mixed-income and workforce housing and other residential, commercial, and cultural uses. More considerable site plan, design and program (e.g. mixed-income housing) requirements may also require discounts to land value.

➡ *For example, BBP may consider selling portions of a property at a discount to attract development that adds density to the waterfront while promoting permeability and connectivity between existing neighborhoods and the waterfront.*

Ground leases of Bayou-owned land for development could allow BBP to participate more directly in long-term value appreciation in the area and support ongoing operation of open space. Ground leases should be undertaken with a close eye on implications for development product and project financing; as an example, for-sale housing products may be challenging under a ground lease structure.

IMPLEMENTATION CONSIDERATIONS

Vision Disposition of BBP land should align with a broad park and neighborhood vision for the East Sector, **not merely revenue maximization**, to ensure that community needs are met and park development considers the interaction of neighborhood and parkland.

Time BBP has taken a long-term view in the East Sector, and land disposition strategy will likely change over time as market conditions shift and opportunistic land acquisitions progress. Therefore, BBP's land assembly and disposition strategy should remain flexible and responsive.

Value Analysis indicates that for multifamily or retail and commercial product of the quality desired in the East Sector to be feasible, significant discounts on land may be required. For example, under average residential rents today, market-rate multifamily development is infeasible. However, as park and neighborhood investments occur and market rents increase, offering land at \$0 to \$10 per square foot (below the \$30 to \$50 that townhome developers are paying) could unlock denser, higher-quality development, which becomes even more feasible when combined with additional financial incentives.

| TOOLS & STRATEGIES |

Development Partnerships

BBP may consider partnering directly with landowners and developers to facilitate park investment, site preparation, and development complementary to an active and vibrant waterfront. While acquisition of easements, land, or long-term options provide BBP the most direct control over development of open space and real estate, large-scale land control is infeasible for portions of the East Sector.

APPLICATIONS

Park development partnership. BBP has proven itself a highly capable park developer. Open space will be an important element of the development of large East Sector sites, both to improve access to the waterfront, but also to create a new amenity for residents and in turn generate value for new development. BBP may engage with developers of large private waterfront sites to negotiate participation in the buildout of waterfront open space.

➔ *This approach could include BBP receiving land outright for park development (a preferred approach) or long-term use agreements for park buildout and operation with strict controls on future uses of the park areas.*

Site improvement. Contamination concerns and lack of infrastructure may hinder development of some waterfront parcels. For sites that BBP seeks to acquire or influence, where manageable environmental concerns or basic infrastructure deficits need to be addressed, investment in site preparation could help unlock development and avoid the City overextending resources. BBP's partnership with the City Brownfields Program can help offset costs.

➔ *When pursuing opportunistic acquisitions of land for future park and/or real estate development, if due diligence indicates barriers to development that may be ameliorated with moderate investment and limited liability concerns, BBP may seek to partner with a developer or horizontal infrastructure developer to facilitate site preparation and unlock feasibility.*

Horizontal development partnership. On key strategic sites, BBP may consider a more active partnership role in horizontal development to allow larger-scale influence over park and real estate development.

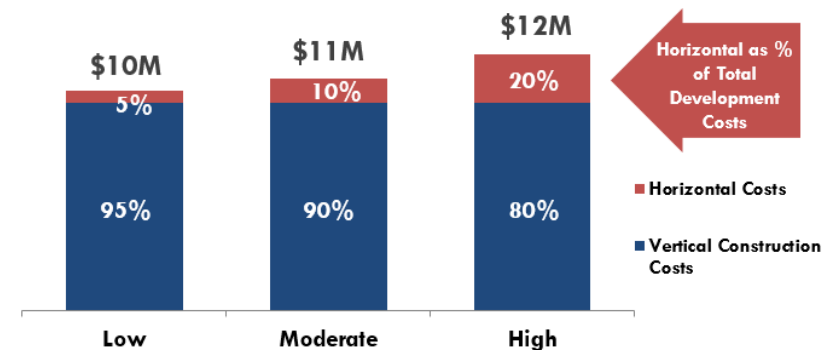
➔ *For example, on the Proler site this role might include participating in land planning, site preparation, and/or remediation. The chart at right indicates that the costs of preparing challenging sites requiring high levels of site preparation can present a burden for developers, as high horizontal costs occupy a high percentage of total development costs. Partnering on horizontal development can help reduce barriers to development and encourage integrated park and real estate development.*

IMPLEMENTATION CONSIDERATIONS

Risk & Return Participation in horizontal development through capital investment, contribution of land, or other means involves taking on significant additional capital risk beyond land assembly or park development. However, participating in value generation can provide financial benefits over a longer time horizon, and increase control.

Capacity Partnering with effective and capable partners will be crucial, but taking a more active role in real estate will likely involve the addition of new management and staff capacity at BBP, and hiring development advisory consultants.

Participating as a horizontal development partner can improve feasibility by reducing infrastructure and site prep costs to the developer



Typical Range of Site Preparation Costs: \$500K - \$2M per acre

| TOOLS & STRATEGIES |

Design Guidelines and Requirements

Creating a vibrant urban fabric that complements waterfront activation will require cohesive real estate and public realm design that addresses the interaction between park and neighborhood. Existing tools provide some means of influencing the design of new development in the East Sector, particularly on land owned by BBP.

APPLICATIONS

Deed restriction. On land that BBP owns and disposes, design guidelines may be attached to deed restrictions that run with the land, allowing BBP to define use, frontage, orientation, and other key design items that relate to how development interacts with open space. Deed restrictions provide BBP the most direct means of influencing design of real estate and the public realm on land around key parcels.

➔ *BBP's properties, given their size and excess capacity, or future lands that may be acquired will present opportunities for disposition of land with deed restrictions. Design guidelines attached to title will be consistent with future planning efforts and the waterfront context sought by BBP.*

District standards. Management Districts and TIRZs can set standards within their district boundaries that apply specific area requirements for design elements already regulated by the City of Houston. This may include setbacks, parking requirements, and other streetscape or public realm requirements, but not items that would otherwise be unregulated, such as use, height, and bulk. Standards of this type are relatively untested in Houston, but may be applicable in East Sector context pending development of a cohesive partnership between BBP and various neighborhood districts.

IMPLEMENTATION CONSIDERATIONS

Enforceability While future planning efforts will likely define a design vocabulary for open space and real estate in the East Sector that may be adopted by landowners or developers, only design guidelines attached to deed restrictions or legal district standards will be enforceable. This reality highlights the importance of a thoughtful land acquisition strategy that considers both land needs for parks and open space, but also the potential for future disposition.

Development Feasibility The market for real estate development in the East Sector has been challenging, and deed restricted design guidelines could affect developer interest and/or land values. Such guidelines should be properly vetted with developers to understand potential additional costs imposed by the guidelines.

Design Prior to disposing of land with deed restrictions or applying district guidelines and standards, the design modes for open space, real estate, and the interaction between the two will need to be defined through a visioning and planning process that incorporates community and stakeholder input.

| PARTNERSHIPS |

Potential area partners bring a range of core capacities and areas of focus.

ORGANIZATION	PURPOSE OR MISSION	ASSETS	CORE ABILITIES	TERMINATION	PARTNERSHIP CONSIDERATIONS
Fifth Ward TIRZ / Community Redevelopment Corporation	To establish a framework and create conditions for redevelopment to occur that will stabilize a declining tax base, establish the basis for a consistency of land uses and strengthen the character of residential and commercial development.	Property Value/ Increment (TIRZ), Bonds (TIRZ), Grants (CRC)	Historic Preservation, Roadway/Sidewalk Construction, Water/Sewer Construction, Brownfield Remediation, Demolition Costs, Area Park and Recreation Redevelopment, Gateway Improvements, Streetscape, Landscape and Lighting Improvements, Bus Stop/Shelter Improvements, Land Acquisition, Development, Redevelopment and Affordable Housing	The TIRZ will terminate in 2040. The CRC does not terminate.	TIRZ project plan includes potential funding or reimbursements for recreational opportunities along the Bayou and includes the Cathexis site. The TIRZ and CRC will have to balance investments along the Bayou with investments on Lyons Avenue, the historic center of the community. Partnerships that leverage the historic culture of the community and provide benefits to existing community members will be looked on most favorably by the TIRZ board, while projects that attempt to "rebrand" areas or significantly change the community's demographics will be challenged. The TIRZ and CRC are very interested in mixed-use, mixed income projects and can use funds for land acquisition and affordable housing subsidy. There is also a strong desire for improved food access.
Greater East End Management District (GEEMD)	The GEEMD was established by state legislature as a tool for economic development and revitalization of the area. The GEEMD works with rate payers, the community, and government partners to ensure that the District is a dynamic and distinct community.	Assessments from commercial property owners, and grants	Security and Public Safety, Business Development, Visual and Infrastructure Improvements, Services and Maintenance, Communications and Marketing	The current Assessment Plan expires in 2023. The District has no termination date.	The GEEMD has been successful at leveraging its funding to secure federal grants for infrastructure, especially for bicycle and pedestrian improvements. GEEMD's knowledge and capacity can be utilized to secure funding for East Sector investments. The District can also serve public safety roles and has the most active economic development program in the East Sector. This can be leveraged by creative reuse projects for existing industrial buildings and/or BBP owned projects.

| PARTNERSHIPS |

Potential area partners bring a range of core capacities and areas of focus.

ORGANIZATION	PURPOSE OR MISSION	ASSETS	CORE ABILITIES	TERMINATION	PARTNERSHIP CONSIDERATIONS
Harrisburg TIRZ (23)	Harrisburg TIRZ is an investment tool for new construction and the redevelopment of the area.	Property Value/ Increment (TIRZ), Bonds (TIRZ)	Design and construction of public utilities including water, wastewater and stormwater systems; Design and construction of major and minor roadways and streets including improvements/ enhancements; Cultural and Public Facility Improvements; and Economic Development.	The TIRZ will terminate in 2040.	Harrisburg TIRZ will be most useful in connectivity partnerships to provide additional infrastructure to new development/redevelopment areas, particularly for affordable and workforce housing development.
City of Houston	"... City Council shall ...enact and enforce all ordinances necessary to protect life, health and property; to prevent and summarily abate and remove nuisances; to preserve and promote good government, order, security, amusement, peace, quiet, education, prosperity and the general welfare of said City and its inhabitants..."	Taxes, Fees, Assessments, Fines, Grants	Mayor's Office of Economic Development (TIRZ, 380, DPC) Planning and Development Department (Chapter 42, MTFP) Public Works and Engineering (CIP, Rebuild Houston) Housing and Community Development (CDBG) Parks and Recreation, Brownfields Redevelopment Program, and Sustainability Office	N/A	The City of Houston's individual departments can play major roles in the Partnership's plans, particularly related to the application of development incentives in the East Sector. For the Partnership's purposes, high level coordination with the Mayor's office should be the major entry point to other departmental resources, however requesting specific contacts within each department and bringing the departments together regularly will be useful.

| PARTNERSHIPS |

Potential area partners bring a range of core capacities and areas of focus.

ORGANIZATION	PURPOSE OR MISSION	ASSETS	CORE ABILITIES	TERMINATION	PARTNERSHIP CONSIDERATIONS
Harris County Flood Control District	Provide flood damage reduction projects that work, with appropriate regard for community and natural values. The District accomplishes its mission by devising flood damage reduction plans, implementing the plans, and maintaining the infrastructure.	Primarily dedicated ad valorem property tax, set at 3.3 cents per \$100 valuation.	Planning, Capital Improvements, Property Acquisition and Management.	N/A	HCFCFCD can be an important partner in any project that contains elements that will mitigate flood risk, especially given their renewed focus on the East Sector due to recent flooding. The District has a strong ability to acquire land and manage and maintain stormwater infrastructure. They will partner with other organizations on their land to provide other amenities, including trails and other recreational facilities, but will not pay for those improvements.
Port of Houston Authority	The Port of Houston Authority manages a 25-mile-long complex of 150-plus private and public industrial terminals along the Houston Ship Channel. The eight public terminals are owned, managed and leased by the Port of Houston Authority. Each year, more than 200 million tons of cargo move through the Port of Houston.	As of 2006 the Port of Houston Authority had an Annual revenue of \$186M and a net income of \$42M from operations.	Port operation	N/A	Due to recent flooding, the proximity of the East Sector to the Ship Channel, and land owned by the Port, there are opportunities for potential partnership on the development of open space. The Port's bonding power, significant land holdings, and environmental commitments and obligations offer potential synergies to explore further.

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IMPLEMENTATION & NEXT STEPS

| IMPLEMENTATION |

Four Areas of Action

Buffalo Bayou Partnership's goals for the East Sector waterfront and neighborhoods reflect a long-term commitment to invest in open space and catalyze inclusive growth and revitalization. Transitioning from this current phase of information gathering, analysis, and strategic discussions to a new phase of implementation will require concerted action by BBP and its partners. We outline four areas of implementation, and provide both a high-level five-year framework for action, complemented by a detailed plan for each of the four areas over the coming two years.

ORGANIZATIONAL PLANNING & PARTNERSHIPS

BBP and its board should continue strategic discussions related to resource availability, organizational capacity, and mission to inform ongoing investment in open space, acquisition, and development. At the same time, true progress necessitates close partnership with area organizations and community members, which has already begun and will need to continue to coalesce. BBP can continue to lead on waterfront development, and convene and coordinate partners to support broader neighborhood planning initiatives.

PARK & NEIGHBORHOOD PLANNING

Initiate a series of planning processes to further define the vision for the open spaces, critical adjacent development sites, and the broader East Sector. These efforts will define the interaction between neighborhoods and open space, and the design vocabulary that will become the groundwork for long-term implementation. Both components should be studied as a cohesive whole. Discreet early planning efforts will transition into a more public process with thoughtful outreach to waterfront landowners and the broader community.

FUNDRAISING, LAND ACQUISITION & INVESTMENT

Fundraising is needed to support planning, due diligence and ongoing acquisition, complementing significant capital investments to date. Additional fundraising efforts will focus on resources for initiation of key projects. A financing strategy will need to be developed for capital investments and long-term sustainable operations of open space and infrastructure.

DUE DILIGENCE

Undertake due diligence activities to understand specific site challenges, waterfront uses, and acquisition and development potential to inform future investments and interventions. Due diligence may include technical studies of environmental conditions, development feasibility analysis, assessment of infrastructure needs, and other areas of study to inform acquisition strategy and area planning.

| IMPLEMENTATION |

A Phased Approach

A phased approach to implementation prioritizes early visioning and due diligence activities to provide a foundation for large scale planning and project implementation. Three areas of efforts will cut across and inform these efforts:

1. **Fundraising** — BBP's ongoing fundraising efforts will need to align with land acquisition activities and planning needs.
2. **Land Assembly** — The market downturn and early stages of planning present opportunities for continued strategic land acquisition to establish BBP control and influence development at key nodes.
3. **Advocacy** — to support broader neighborhood revitalization needs, BBP can continue to establish itself as a convener, thought leader, and coordinator for a coalition of nonprofit & City partners committed to its vision for the East Sector.

Years 1-5

VISIONING & DUE DILIGENCE

- Branding & visioning for open space & new development
- Strategic fundraising, land acquisition & trail easements
- Landowner outreach & site due diligence
- Programming & activation planning
- Partnership-building & planning

A visioning process will establish a new physical vocabulary and aesthetic to guide development of the eastern Buffalo Bayou, building excitement. Ongoing acquisition and partnership-building activities, supported by targeted due diligence, should advance land assemblage goals. Fundraising efforts should be advanced.

MASTER PLANNING & COMMUNITY ENGAGEMENT

- Community engagement on open space & neighborhood needs
- Conceptual Master Plan for park & new development
- Disposition planning & development of design controls

A large-scale public planning process informed by community engagement will build excitement and define the physical context of waterfront and its immediate vicinity, addressing park and new development. Development of a targeted land disposition approach for BBP properties should begin to lay a foundation for catalyzing activity on the waterfront in future years.

PRIORITY PROJECT IMPLEMENTATION

- Implementation of near-term priority open space investments
- Completion of continuous trail connection
- Neighborhood development & preservation policy planning & implementation in cooperation with partner organizations

Implementation of near-term catalytic waterfront projects with focused attention to neighborhood preservation interventions and maintenance of ongoing fundraising and implementation momentum.

| NEXT STEPS |

Organizational Planning & Partnerships

Near-Term

Define BBP Mission & Role | BBP's role must evolve to achieve the organization's goals for the East Sector. The leadership and board of BBP, prior to and during more in-depth vision planning, will need to clarify:

- The organization's goals for the area and the implications of those goals on the Partnership's broader mission;
- The organization's scope of focus, including geographic focus for open space investment and potential for participation in broader neighborhood planning and investment.

Convene & Coalesce Neighborhood Partners | BBP should serve as a thought leader and convener for area organizations, leading waterfront and open space planning while convening partners equipped to lead neighborhood initiatives. BBP, its partners, and its advisors should determine the most effective organizational and governance structure for delivering:

1. An engaging, visionary, and actionable planning process;
2. An inclusive community engagement process;
3. Productive engagement with potential public and private funders;
4. Investment in open space and neighborhood intervention.

Advocate for COH Partnership | Continue engaging with City of Houston on potential opportunities for partnership including:

- Funding for land acquisition and park development;
- Affordable housing subsidies and TIRZ funding;
- Site-specific or area-wide development incentive programs;
- City investment in connectivity, such as proposed Bike Plan improvements.

Mid-Term

Begin Formalization of Potential Development Partnerships | Depending on due diligence process undertaken with Sims and other landowners, advance formal negotiations of deal structure, including financial terms, timeline, and horizontal development roles.

Engage with Area TIRZs | Actively discuss priority projects with the Harrisburg and Fifth Ward TIRZs to identify joint areas for investment based on community needs, financial plans, and potential value generation.

| NEXT STEPS |

Park and Neighborhood Planning

Near-Term

Vision Planning & Branding | Through an RFP/Q process, engage a long-term design partner to lead an initial exercise to articulate a vision, identity, and brand for the East Sector waterfront, establishing a new vocabulary and aesthetic for the future park and neighborhood. This should be undertaken in conjunction with the program planning and activation task described below. A vision planning and branding process should culminate in a concise, visual document to generate excitement and serve as the starting point for more rigorous master planning.

Program Planning & Temporary Activation | Undertake a programming and activation evaluation to understand the needs and desires of (a) the local communities and (b) the broader region, related to specific park, open space, recreational and cultural amenities. A team may:

- Identify creative temporary activation and programming strategies throughout the corridor to begin establishing an identity for the waterfront, attracting visitors and building excitement. Specific attention should be given to near-term initiatives that can be deployed at sites such as the Silos site and the Northside Sewage Treatment facility site;
- Assess potential major recreational and cultural anchors that build upon local community culture and invite regional visitation, and evaluate potential locations in the East Sector based on a rigorous community engagement process and address key implementation considerations.

Mid-Term

Community Engagement | Along with key partners, including the Greater East End Management District and Fifth Ward Community Redevelopment Corporation, begin a community engagement process integrated closely with a conceptual master plan. Engagement should:

- Solicit input regarding community open space, infrastructure, and connectivity needs;
- Generate support for an inclusive vision for waterfront open space and neighborhood building.

Conceptual Master Plan | Supplement the vision planning design team with real estate and planning expertise team to initiate the creation of a larger-scale plan. The plan should go beyond that of a typical park master plan to also consider the integration of development opportunities and connections to the immediate neighborhoods.

- Further refinement of a vision and program for the park and East Sector;
- Conceptual design of a continuous trail network, open space nodes, and key park facilities, maintaining the area's cultural and industrial heritage;
- Approaches to the integration of parks, new development and existing neighborhoods, and conceptual plans for key sites;
- A funding, governance and phasing strategy for buildout and operations;
- Preliminary public realm, building design, infrastructure, and streetscape design requirements to inform potential deed restrictions on land that BBP may choose to sell.

| NEXT STEPS |

Fundraising, Land Acquisition & Investment

Near-Term

Raise Funds for Planning & Investment | Ensure sufficient fund availability to support proposed area planning efforts, due diligence, and continued land acquisition.

Explore Cathexis & Pinto Acquisitions or Partnerships | Enter discussions with developers of Cathexis site and Pinto waterfront parcels to explore opportunities for donations or discounted sale of targeted land for park development. Conversations should consider potential value creation from high-quality open space development, integration of waterfront open space amenities into current or future master plans, and potential financial and tax benefits to partnership with BBP.

Prioritize Easement Acquisition | Approach landowners between Jensen and Lockwood from which BBP has not already obtained a waterfront easement to ensure perpetual and complete waterfront connection in the sections where such an approach is most achievable in the near-term, particularly Jensen to Lockwood and between Buffalo Bend Nature Park and Hidalgo Park. Complete trail development where needed.

Mid-Term

Monitor Land Availability & Pursue Ongoing Opportunistic Acquisitions | On an ongoing basis with the assistance of broker contacts, monitor waterfront land that becomes available for purchase in the East Sector. Especially while Houston's real estate market is in a slowdown, BBP should actively consider acquisition of land that becomes available through the following lenses:

- Achievement of continuous waterfront access;
- Future park or open space development;
- Potential for future disposition, with deed restrictions;
- Operational needs for BBP activities in the East Sector.

BBP may explore not only potential for fee simple land acquisition, but the legal and development implications of other transaction structures, such as ground leases and purchase/leasebacks.

Fundraise for Priority Open Space Projects | Raise funds for full design and implementation of priority projects identified in the Conceptual Master Plan, such as signature park investments or Bayou crossings. Engagement with potential local public funding sources, such as the Harris County Flood Control District and Port of Houston Authority, should complement outreach to foundation and corporate communities.

Develop Park & Infrastructure Financing Plan | Consider potential capital and operational funding needs and sources to develop a plan to fund open space and neighborhood investments proposed in the Conceptual Master Plan.

| NEXT STEPS |

Due Diligence

Near-Term

Due Diligence on Proler and Other Potential Key Sites | Engage with Sims Metal Management leadership to explore potential partnership on development of the Proler site. Based on results of initial conversations, gather team of technical experts to initiate a joint due diligence process to include:

- Investigation of environmental contamination;
- Identification of infrastructure, utility, and access needs;
- Preliminary market analysis;
- Conceptual site plan development;
- Development feasibility analysis;
- Potential partnership structures to consider.

The same technical due diligence may be applicable to other strategic sites with owners amenable to partnership, as identified through ongoing owner outreach.

Disposition Planning | For BBP-owned sites with land in excess of what is identified as necessary for open space investment, undertake additional market analysis and land planning to determine feasible configurations of development and open space. This effort will continue throughout the master planning process and project implementation, informed by park and neighborhood vision and market conditions, among other factors.

Mid-Term

Bridge and Trail Feasibility Studies | Engage structural engineering and planning teams to analyze potential cross-Bayou pedestrian crossings in alignment with the recommendations of prior planning efforts. This effort should occur as part of the Conceptual Master Plan and may include:

- A bridge near Lockwood to connect Cathexis site with south bank of Bayou;
- A bridge near Turkey Bend to facilitate waterfront connectivity through industrial core;
- A boardwalk along industrial core to achieve continuous waterfront access across industrial waterfront.

Ongoing Due Diligence of Potential Properties for Acquisition | BBP should continue to consider potential environmental liability concerns prior to property acquisition. As new waterfront land comes onto the market in the East Sector, BBP may investigate past uses and, if acquisition is under serious consideration, conduct preliminary analysis of site environmental conditions. The feasibility of reuse of existing structures should also be considered during analysis of potential acquisitions for conversion to residential, commercial, or creative spaces for area activation.

Appendix

Promoting Affordable Housing Development & Preservation

Implementation Considerations

Developer Partnerships. Quality for-profit and non-profit developers are critical to achieving the level of urbanism and neighborhood benefit that BBP envisions for the East Sector. While many developers have used subsidy funds to develop properties in Houston, two upcoming developments stand out for their strong design values that prioritize strong urban environments. The St Elizabeth's development by the Fifth Ward CRC is in the very early stages of development; this project will repurpose and preserve an important historic building on Lyons Avenue as a major mixed-income affordable housing asset for the Fifth Ward community. In addition, the ITEX Group's Villages at Palm Center development is combining CDBG-DR funds, LIHTC equity, and Section 8 project-based vouchers to create a mixed-use, mixed-income project that helps to anchor a key corner in the OST/South Union neighborhood. BBP may also consider exploring partnerships with other leading affordable housing advocates and developers, such as the Local Initiatives Support Corporation and Avenue CDC.

Multifamily and Single-Family Options. The available sources of funding for multifamily affordable development are far greater and more diverse than those dedicated to single-family affordable development or single-family rehabilitation. For example, the Housing and Community Development Department's (HCD) 2016 Annual Action Plan calls for funding a total of 50 single-family rehabilitation projects throughout the entire City of Houston (though this number may change in future Action Plan years). Therefore, one critical focus for BBP and its partners will be figuring out how to incorporate inclusive development in both new multi-family projects as well as single-family, neighborhood preservation-oriented projects.

Spotlight: Housing Counseling Partnerships to Promote Homeownership

Based on BBP's and its partners' interest in inclusive neighborhood preservation for residents at a variety of income levels, HUD-certified housing counseling agencies may be an important part of a future neighborhood master planning process. Housing counselors are a critical component of any neighborhood preservation strategy that includes a goal to increase homeownership for low- to moderate-income families. Housing counseling agencies provide pre-mortgage counseling for issues ranging from credit improvement prior to buying a home, HUD-certified pre-mortgage counseling for first-time homebuyers, renting, defaults, foreclosure prevention, and reverse mortgages. Housing counseling assistance is often critical to help low- to moderate-income families access and maintain homeownership. The FHA estimates that 30% more homebuyers who receive counseling prior to purchase of a home are able to successfully pay their mortgage and remain in their home long-term.

In addition, housing counselors can assist existing residents to access rehabilitation loans for their properties so that they can remain in their homes long-term and realize the benefits of neighborhood improvement and property appreciation. FHA 203(k) loans are a resource for housing rehabilitation that is available to new buyers and existing homeowners who are ready to refinance with an FHA-insured mortgage. These loans allow up to \$35,000 to be added to the purchase price or refinanced principal of a home to assist buyers in making renovations to their properties.

Community Land Trusts

Community Land Trusts (CLTs) are shared-equity housing models in which a non-profit owns the land underneath a single-family home, or a long-term interest in a multi-family or mixed-use property. Through a ground lease arrangement or a development agreement, the CLT non-profit is able to ensure long-term affordability of the properties in which they have an interest. CLTs also provide “stewardship” services to residents of the properties that they hold an interest in -- including financial counseling, homeowner education, foreclosure prevention, and other benefits. The advantage of the CLT model is that it enables preservation of housing subsidies on a long-term or permanent basis to ensure that a one-time investment can benefit many generations of community members. It is therefore an effective long-term anti-gentrification strategy, particularly when implemented at scale.

Applications

Potential for CDC Partnerships for Long-Term Affordable Homeownership. If BBP has a strong interest in a CLT being a key part of long-term neighborhood preservation, an appropriate partner for CLT implementation will need to be identified and included in BBP’s convening work with neighborhood stakeholders. A non-profit development organization or community development corporation (CDC) is usually the mechanism for implementing CLT development. Sometimes the CDC operates a CLT as an arm of its other affordable-housing operations, while others do CLT-based shared-equity development exclusively. Currently, no CDCs in the Fifth Ward or East End have a CLT program, although the Fifth Ward CRC has researched the option. The East End currently has no obvious development partner for implementing a CLT, unless the Fifth Ward CRC expands their focus area.

Rental and Commercial Applications of CLTs. Single-family rental, multifamily rental, and commercial development are also areas where a CLT can assist in providing affordable options. CLTs act more like traditional CDCs or for-profit developers in rental projects, with the main difference being that the CLT targets a longer timeframe of affordability (usually 50-99 years) than the federal subsidies for these projects mandate. In commercial projects, CLTs tend to prioritize correcting market failures in local commercial development by providing fresh food and health care access, affordable spaces for local and minority-owned businesses, or commercial corridor revitalization projects.

Implementation Considerations

Funding and Capacity. Much like traditional CDCs, CLTs still require subsidy and strong capacity to put together complex and time-consuming affordable housing deals. Though many CLTs that are ultimately successful are founded by neighborhood residents, experienced affordable-housing providers will have more success running a CLT and scaling it quickly.

Mortgage Provider Partnerships are critical for CLT homeownership program success. Finding a mortgage provider that understands the CLT model and is willing to make a loan on a shared-equity property can be difficult. However, as CLTs become more common, there has been an increase in national-level banking institutions that are willing to enter new markets to provide CLT mortgages. More information can be gathered from the Grounded Solutions Network, a national alliance of CLTs that also provides training to new CLT organizations.

Potential for Homebuyer Counseling to Increase Awareness. Community education and awareness is critical for successful establishment of a homeownership CLT. The ground lease model is unfamiliar to many potential homebuyers, and education is needed to explain the restrictions on long-term appreciation of property that enable long-term affordability of CLT properties. Partnership with a homebuyer counseling agency can help ensure that potential homebuyers are aware of these issues prior to purchasing a CLT home.

Minimum Lot Size Designations

The minimum lot size standard can be a critical tool for preserving the scale and character of existing residential neighborhoods that are located near BBP's proposed waterfront open space, particularly in the Hirsch to Lockwood and Rail Bridge to Turning Basin sections of the Bayou. As noted in Asakura Robinson's *Fifth Ward / Buffalo Bayou / East End Livable Centers* report, the existing character of neighborhoods is at risk of being compromised. These neighborhoods have traditionally been characterized by historic bungalow and shotgun-style houses, among other detached single family units, typically on 5,000 square foot (50' x 100') lots. While the proximity of the Fifth Ward and East End neighborhoods to downtown has already begun to generate townhouse development - particularly in the East End closest to downtown- the added value created by park development is likely to increase development pressure in single-family neighborhoods.

APPLICATIONS

Minimum Building Line & Lot Size Designations. An amendment to Chapter 42 of the Code of Ordinances (Section 42-197) related to developments, subdivisions, and platting, allows neighborhoods to prevent intensification of development by establishing a deed restriction in targeted areas. The City Code of Ordinances authorizes the establishment of a Minimum Lot Size and Minimum Building Line designation within existing residential neighborhoods, allowing property owners to petition the City to protect the character of their neighborhood. Generally, a special minimum lot size is the minimum lot size standard currently met by at least 70% of the application area (Section 42-197 of Chapter 42). Similar to the lot size, a minimum building line or setback, is the minimum building line currently met by at least 70% of the structures in the application area (Section 42-170 of Chapter 42).

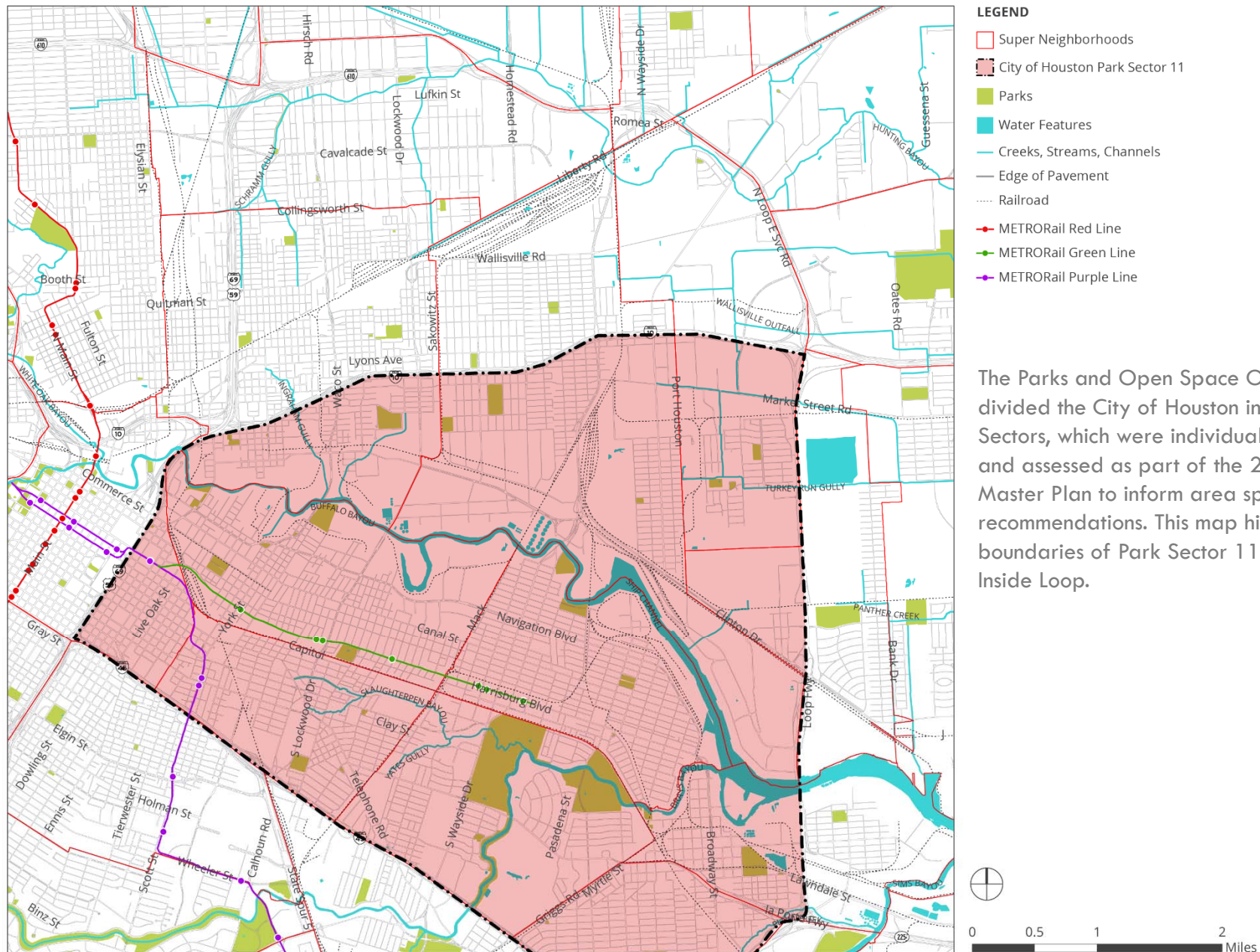
➡ *In much of the Fifth Ward and East End, the single-family residential neighborhood fabric is separated from potential waterfront park development by industrial land uses. The areas that are likely to experience the greatest development pressure based on potential park development and improvement include the area between Hirsch and Lockwood, where the existing residential neighborhoods are adjacent or within 1-2 blocks of waterfront parcels. These areas should therefore be top priorities for establishing Minimum Lot Size and Minimum Building Line restrictions through neighborhood petition.*

IMPLEMENTATION CONSIDERATIONS

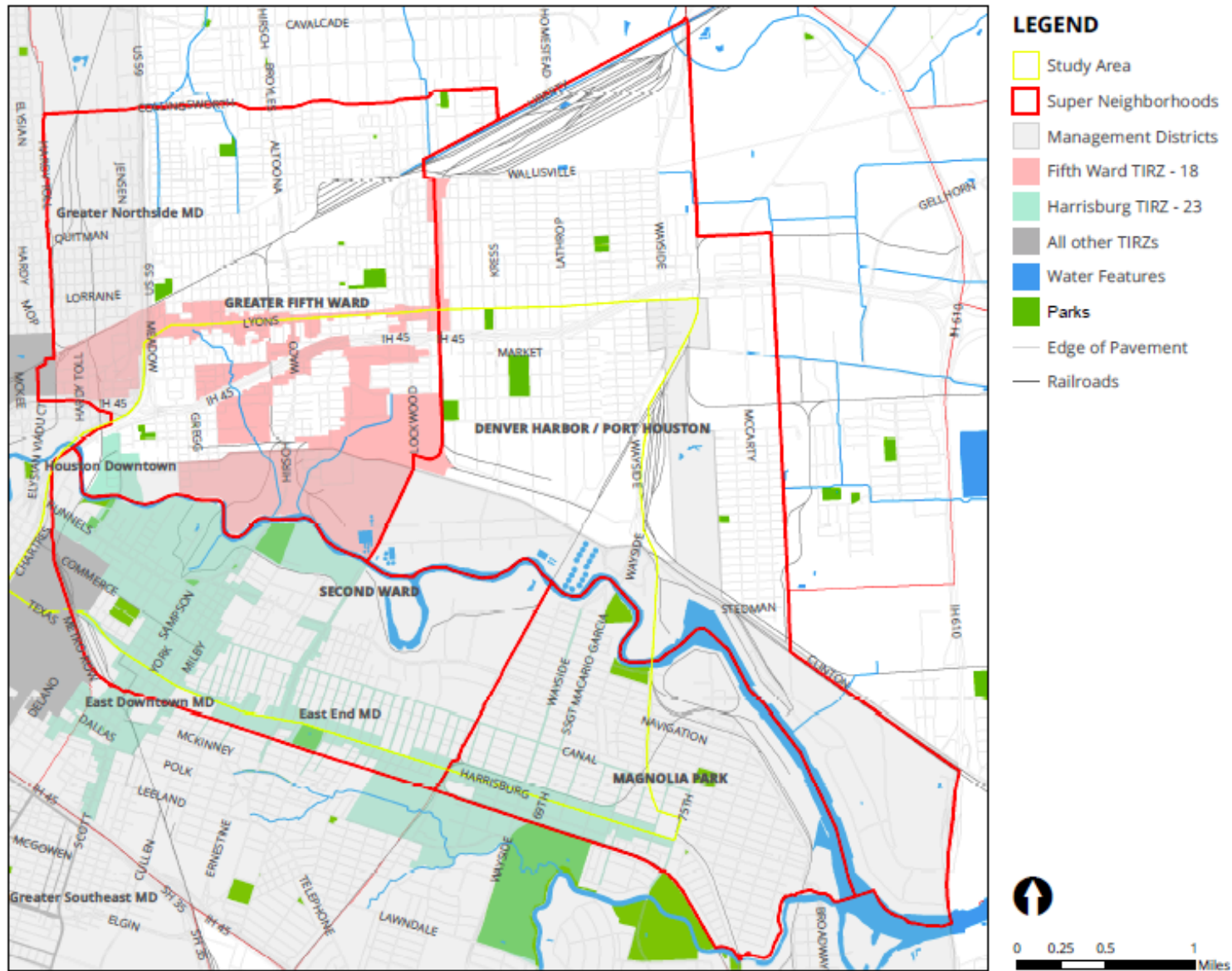
The Minimum Building Line and Lot Size Designations requires a significant effort on the part of community members. Signatures are required from 60% of homeowners on each block face to be designated. As such, it can be especially difficult to obtain these signatures on blocks with significant rental properties. In practice, the City of Houston Planning Commission has often deferred Designations, even if they have met the 60% standard, if one homeowner on the block speaks negatively before the Commission. This has been the source of significant frustration for community members who have invested their time in obtaining the signatures.

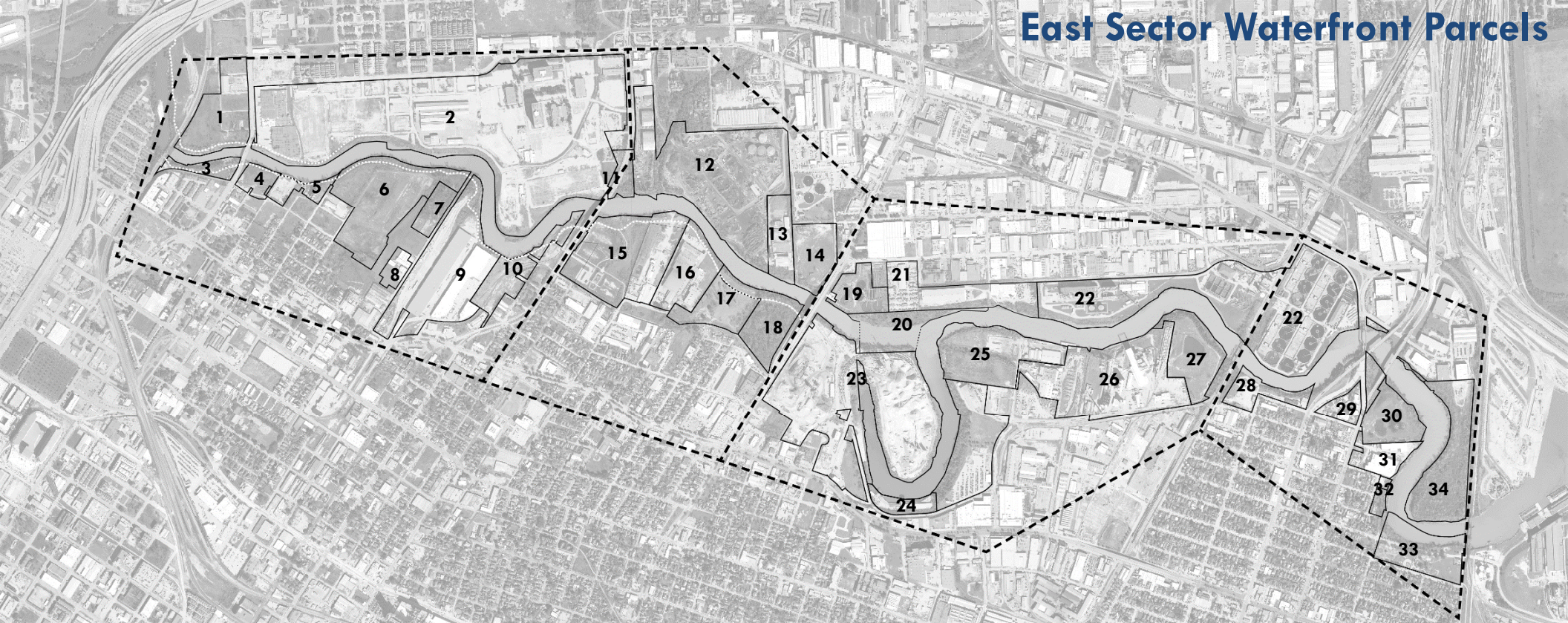
In other cases, the future land use certainty that comes with the designation has caused **property values to rise and communities to be displaced.** Although the physical buildings are preserved, it is not certain that existing communities will benefit. Designations should be used in coordination with other tools in order to mitigate displacement issues.

Area Park Sector Map



TIRZ & Management District Boundaries





Jensen to Hirsch	Hirsch to Lockwood	Lockwood to Terminal Street Rail Bridge	Terminal Street Rail Bridge to Turning Basin
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1. Pinto Jensen property
2. Cathexis/KBR
3. Guadalupe Plaza Park & Boat Launch
4. Bayou Vista
5. BBP Silos
6. Pinto assemblage
7. COH incinerator
8. Lead Products Co.
9. Centerpoint/Navigation Realty
10. BBP Rice Crew and Dragon Boat

11. Japhet Creek
12. Proler
13. American Bag Manufacturing
14. BBP Northside Sewage treatment plant (W of Lockwood)
15. Tony Marron Park & Adjacent Parcel (COH)
16. Dan Loc
17. Vacant Privately Owned Parcel
18. BBP Lockwood Parcel

19. BBP Northside Sewage treatment plant (E of Lockwood)
20. HCFCF Waterfront Parcels
21. Misc. Warehouses
22. 69th Street Wastewater Treatment Plant
23. CEMEX
24. Watco Navigation Property
25. Watco & ELG Metals Parcels
26. Misc. Industrial (multiple owners)
27. Transenergy Parcel

28. Proler East Parcels
29. Avenue W Triangle (multiple owners)
30. Buffalo Bend Nature Park (Harris County)
31. JJJP Inc. Parcel
32. Harris County, COH, and McClendon Parcels
33. Hidalgo Park
34. Port of Houston Authority Land

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