

December 8, 2021

Fort Bend County Commissioners Court
c/o Court Clerk, Olga Payero
401 Jackson Street
Richmond, Texas 77469

Via Hand Delivery

Re: Agenda Item 5A: Corrections to Various Factual Misstatements Made During the December 7, 2021
Commissioner's Court Meeting

Dear Commissioners' Court,

Regrettably, Mr. Signorelli and his consultants made several false and misleading statements during the Commissioners Court public hearing yesterday (December 7, 2021) on the 'Modification to the Fort Bend County Major Thoroughfare Plan, specifically the Grand Parkway and the Fort Bend Parkway, Precinct 1.' This letter serves as a fact-based rebuttal to several specific falsehoods to be included in the minutes of yesterday's meeting for the public record.

1. The George Foundation originally offered the Ft. Bend Toll Road Authority right-of-way on Foundation-owned property at a discount of 50% of fair market value on July 28, 2020, and made two subsequent enhanced offers over the following ten months. A written offer on June 8, 2021, encompassed 100% of the right-of-way on Foundation-owned property — which totals approximately 14 miles or 526 acres of right-of-way at NO COST to County taxpayers or the Authority. A copy of this offer is attached. Therefore, Mr. Signorelli's comments regarding the Foundation's offer were, at best, a misleading half-truth. Neither the Fort Bend County Toll Road Authority nor Fort Bend County ever responded to any of these offers.
2. Mr. Signorelli erroneously charged that the Major Thoroughfare Plan (MTP) was modified in 2020 without proper process. Fort Bend County provided notice of a public hearing for a modification to the MTP on January 7, 2020 (See Agenda item No. 16.GG from January 7, 2020, at <https://www.fortbendcountytexas.gov/government/governing-body/commissioners-court/commissioners-court-online>) and conducted a public hearing on February 4, 2020 (See Agenda Item 5.1 from February 4, 2020, at <https://www.fortbendcountytexas.gov/government/governing-body/commissioners-court-online>) prior to correcting the MTP to accurately reflect the 2013 Record of Decision and environmental clearance. This was the same process under which yesterday's hearing was noticed and conducted.

3. Mr. Signorelli and Mr. Nettles stated that The George Foundation's preferred location for the intersection of the Grand Parkway and the Fort Bend Parkway is located in wetlands in the vicinity of Dutch John Creek. This is a false and misleading statement. The Foundation's preferred location for the intersection illustrated on the attached exhibit is believed to be clear of any notable environmental issues. However, unlike the Grand Parkway alignment, Fort Bend Parkway's alignment (either illustrated on the attached or on the County's MTP) has not had formal environmental clearance. It is important to note that the critical issue is that the proposed realignment of the Grand Parkway is only being done to accommodate Mr. Signorelli's demands to locate the key intersection on Austin Point.

The George Foundation communicated its preferred location for the intersection to the Toll Road Authority and Fort Bend County in three separate Letters of Intent, a presentation to the Toll Road Authority in which Commissioners were also present, and a letter to Fort Bend County responding to the County's alignment study. These letters are a matter of record.

4. Mr. Signorelli and Mr. Robinson challenged the statement that the future acquisition of the Foundation's 14 miles of right-of-way could cost taxpayers in excess of \$100 million. The Foundation did estimate a value of \$21 million in our offer to the Toll Road Authority based on a "back of the envelope" calculation for the acreage within the right-of-way. This calculation did not contemplate a future condemnation where other factors are considered as to valuation, such as the damage to the remainder and the sizable additional acreage required for drainage. We believe \$100 million is a reasonable minimum estimate for a condemnation award. We are happy to provide information on how similar condemnations were valued and awarded to Mr. Signorelli's entities for other segments of the Grand Parkway using this same methodology.

Please let me know if you have any questions. I am happy to provide documentation to support any of the facts listed above. As stated previously and consistently by the Foundation, the Foundation is a private foundation for federal tax purposes and is prevented from lobbying as to legislative matters, which includes the decisions made by the Commissioner's Court. However, the Foundation is entitled to provide factual information relevant to any legislative matters, and this letter is for that purpose.

Thank you for your attention.

Regards,



Roger E. Adamson
Chief Executive Officer
The George Foundation

The George Foundation

Est. 1915

215 Morton Street 281-342-6109 tel
Mail to: 310 Morton Street 281-341-7635 fax
PMB Suite C.
Richmond, Texas 77469

June 8, 2021

Mr. James Thompson
Executive Director
Fort Bend Grand Parkway Toll Road Authority
Fort Bend County Toll Road Authority
c/o The Muller Law Group, PLLC
202 Century Square Blvd.
Sugar Land, Texas 77478

Dear Mr. Thompson,

The George Foundation Trustees recently met to discuss what could be done to jump-start our stalled efforts to conclude the negotiations for the right-of-way acquisition for the Grand Parkway Segment C and Fort Bend Parkway in Fort Bend County. At the recent Board of Trustees meeting, our Board approved to enhance the Foundation's previous offer to now contribute **100% of the right-of-way for the Grand Parkway Segment C and 100% of the Fort Bend Parkway** on Foundation-owned property at **NO COST** to the Authority to jointly fund the project through our land contribution. This contribution would total **14 miles** of right-of-way which is approximately 526 acres with an **estimated value of \$21 million** at no cost to the Authority, Fort Bend County, or taxpayers. I have enclosed a revised Letter of Intent that incorporates this major concession from the Foundation along with the previously negotiated terms and contingency provisions.

The Foundation respectfully requests that the Toll Road Authority consider this proposal by July 31, 2021, as it is not in any stakeholders' best interest for these transformational projects to remain at a standstill. Further, the George Foundation is unable to finalize its conceptual land plan, and our monetization timeline is stymied due to the uncertainty surrounding the toll road alignments. The construction of Grand Parkway Segment C and the extension of the Fort Bend Parkway are key to the Foundation's asset management strategy as these roadways will dramatically improve mobility, enhance the value of the Foundation's property, and accelerate the timeline for development. This is why the Foundation has been steadfast in its position to maintain the long-recognized alignments that prioritize the landowner who will contribute the majority of the land for the projects. And more importantly, the landowner who will leverage this value creation for the benefit of the people of Fort Bend County rather than the financial benefit of an out-of-town developer.

Since 1945, The George Foundation has granted more than \$240 million to directly support Fort Bend County nonprofits and the hundreds of thousands whose needs they serve as well as fund thousands of scholarships to local students so they can pursue higher education and advanced degrees. The Foundation's real estate holdings will play a more significant role in our future as we work to strategically monetize these assets to sustain and support the Foundation's charitable mission for another 75 years and beyond. Reaching an agreement with the Toll Road Authority on the Foundation's contribution of the needed right-of-way is a major step in securing that future.

Regards,



Roger Adamson
Chief Executive Officer

Enclosure



Fort Bend Grand Parkway Toll Road Authority
c/o The Muller Law Group, PLLC
202 Century Square Boulevard
Sugar Land, Texas 77478

July __, 2021

Mr. Roger Adamson
Chief Executive Officer
The George Foundation
310 Morton St
PMB Suite C
Richmond, TX 77469

Re: Letter of Intent regarding transfer of right-of-way for Grand Parkway Segment C ("Segment C") and Fort Bend Parkway Extension ("FBP Extension") (Segment C and FBP Extension will be collectively referred to herein as the "Toll Roads")

This Letter of Intent ("LOI") is a non-binding agreement between The George Foundation (the "Foundation"), the Fort Bend Grand Parkway Toll Road Authority, and the Fort Bend County Toll Road Authority (the "Authorities," and each an "Authority"), related to the transfer of right-of-way needed for the Authorities' future Toll Roads. The parties agree to negotiate in good faith for the next 120 days to formalize the terms of this LOI into a definitive agreement.

Subject to the terms and conditions of this LOI, the Foundation agrees to transfer to the Authorities an estimate of 526 acres of land for the right-of-way necessary for (i) construction of Segment C pursuant to the schematic in the Environmental Record of Decision completed in 2013 ("ERD"), as shown on Exhibit A attached hereto, and (ii) construction of the FBP Extension (collectively, "Land").¹ The land owned by the Foundation adjacent to the Land will be referred to herein as the "Foundation Remainder Land."

1. Compensation. In exchange for the other benefits described in this LOI, including but not limited to the alignment and the Authorities' agreement to locate the intersection of Segment C and the FBP Extension as described herein, the Foundation will ~~accept and the Authorities will pay the Foundation at closing a reduced amount equal to 50% of the appraised~~ contribute AT NO COST all of the Land, which the Foundation estimates its fair market value to be \$21,000,000, as determined which estimated fair market value will be finally determined by the following appraisal process ("~~Purchase Price~~Fair Market Value"). Each party will select an appraiser to conduct an appraisal of the Land. If the lower appraisal is within 90% or more of the amount of the higher appraisal, the ~~Purchase Price~~Fair Market Value will be the average of the two appraisals. If the lower appraisal is less than 90% of the higher appraisal, then the two appraisers will jointly select a third appraiser. The third appraiser will provide an opinion of ~~value~~Fair Market Value of the Land based solely on the information contained in the two previously prepared appraisals. The opinion of ~~value~~Fair Market Value determined by the third appraiser will be the ~~Purchase Price~~used for all purposes in this LOI and the resulting definitive agreement. The Foundation, at the Authorities election, will defer the payment of the Purchase Price until the Authorities issue bonds to finance the construction of the Toll Roads. If the

¹ This will need to be updated to account for the south portion of the FBP Extension overpass.

~~Authorities make such election, interest will accrue on the Purchase Price at the net effective interest rates on the bonds from the date of closing until the date of payment. Transfer of the Land from the Foundation to the Authorities ("Closing") will occur within ninety (90) days of a final determination of Fair Market Value and the general location of the Interchange, all as provided for in this LOI and the resulting definitive agreement.~~

2. Alignment, Frontage Roads, Access, and Interchanges.

Alignment. The alignment of Segment C shall be consistent with the ERD. In addition, the interchange of Segment C and the I-37 Extension (the "Interchange") is to be located within the interior limits of the Foundation Remainder Land such that the developable portions of each of the four corners of said Interchange are also located on the Remainder Land. Any modifications to the plans which materially² impact the Land must be approved by the Foundation, which approval will not be unreasonably withheld or delayed; provided, however, the Foundation's approval to any modification of the alignment of Segment C and the location of the Interchange may be withheld in the Foundation's sole and absolute discretion. ~~The Foundation reserves the right to relocate the Interchange if the Foundation and the property owner to the southwest of the Interchange reach an agreement on a different location or configuration. The definitive agreement will establish a deadline for the Foundation to make such election, after which it will automatically expire.~~

Frontage Roads. The Foundation shall be permitted to construct frontage roads between and with connections to the Grand Parkway interchanges on the Foundation Remainder Land, subject to limitations imposed by the Terms and Conditions for the development of the Grand Parkway and other applicable Texas Department of Transportation ("TxDOT"), Fort Bend County ("County"), and Authority restrictions. The Foundation will dedicate at no cost to Fort Bend County any additional right of way necessary to accommodate the proposed frontage roads.

Access. The Foundation and the Authorities will establish an access management policy to provide access to Toll Roads from the frontage roads on the Foundation Remainder Land that will benefit and run with the Foundation Remainder Land. The Authorities will permit the Foundation to review and comment (but not approve) the location of and plan for any tolling stations to coordinate development of the Remaining Land. The number, location and spacing of any curb cuts providing access from the Foundation Remainder Land to the frontage road shall be subject only to the rules and regulations of the County for similar roadways.

Interchanges. All interchanges on the Land will be constructed in accordance with the ERD and the Terms and Conditions established under SB 792. The Terms and Conditions call for an additional grade separated interchange located between Reading Road and the northern FM 762 overpass. The location of this interchange shall be designated by the Foundation. **If the exact location of said interchange cannot be determined prior to Closing, the Foundation will have a post-Closing obligation to dedicate to the Authorities any additional right of way needed for the interchange on the same terms and conditions as the Land.**

3. Drainage and Utilities.

² "Materially" shall include any change to alignment, location or configuration of (i) the Toll Roads, (ii) overpasses and interchanges, and (iii) drainage.

Drainage. The Parties will develop a joint drainage and detention plan, which will evaluate incorporating drainage from the Toll Roads into drainage and detention anticipated from future development of the Foundation Remainder Land ("Drainage Plan"). Where possible, the Foundation and the Authorities will construct joint detention and drainage facilities that reduce the overall cost of drainage and detention for the Toll Roads and the Foundation Remainder Land. If joint detention and drainage facilities are not possible or the location cannot be agreed upon by the parties, the Authorities will construct the detention and drainage facilities for the Toll Roads within the Land and the Foundation will construct the detention and drainage facilities for the Remainder Land within the Remainder Land. The costs of such joint facilities will be allocated among the Parties on a pro-rata basis of volume or conveyance capacity; provided, however, neither the Authorities nor the Foundation shall be required to construct or financially participate in any joint detention or drainage facilities prior to the time that such party requires the same.

Utilities. The Foundation will have the right to install utilities and drainage facilities along and within the right-of-way and cross the right-of-way with utilities, subject to applicable County and Authority restrictions. The Authorities will take the Land subject to a deed restriction prohibiting the construction of electrical overhead power lines within or along the Land or within or along the Foundation Remaining Land to serve any facilities within the Land without the Foundation's consent ("Deed Restriction"). The Authorities will comply with this Deed Restriction for power lines to its own facilities, but the Foundation shall be responsible for enforcing this Deed Restriction for all other uses.

4. Aesthetics and Signage.

Overpasses and Sound Walls. The Authorities agree to collaborate with the Foundation on aesthetic, non-structural features on the overpasses and any sound walls through or along the Land, to the extent financially feasible. The Foundation retains the right to do any such enhanced aesthetic, non-structural features.

Landscaping. The Authorities will provide an agreed-upon landscaping allowance within the Land. The Foundation retains the right to do enhanced landscaping at all major interchanges on the Land.

Signage. Subject to applicable regulations of the Authorities and the County, the Authorities and the Foundation will develop and install appropriate way finding signage within and along the Land.

5. Property Rights and Costs.

Reversionary Rights. The Foundation will have the option to reacquire all or the applicable portion of the Land, at no cost, under the following conditions:

- i) If construction of Segment C from its existing terminus south of State Highway 59 to its proposed Interchange with the FBP Extension does not start within 15 years of Closing and thereafter continue without substantial delay, the Foundation will have the option to reacquire the portion of the Land used for Segment C at no cost. The acquisition will be subject to the same terms and conditions as the original acquisition.
- ii) If construction of the FBP Extension does not start within 15 years of the Closing and thereafter continue without substantial delay, the Foundation will have the option to reacquire the portion of the Land used for the FBP Extension at no cost. The acquisition will be subject to the same terms and conditions as the original acquisition.

- iii) The Authorities may delay the ~~repurchase~~ ~~reacquisition~~ of the Land for up to 5 years by paying the Foundation an annual fee of 5% of the ~~Purchase Price~~ Fair Market Value for each year of delay. This option applies to each Authority individually with respect to the portion of the Land ~~purchased~~ acquired by them. ~~Any fee for delay paid by the Authorities shall be in addition to the Purchase Price.~~

Mineral Rights. The Foundation will retain all mineral rights associated with the Land.

Costs. ~~All~~ Except as otherwise set forth herein, all costs of acquiring the Land, including legal, surveying, and title costs, will be borne by the Authorities.

If the terms of this LOI meet with your approval, please sign where indicated below.

THE GEORGE FOUNDATION

By: _____

Name: Roger Adamson

Title: Chief Executive Officer

Date: _____

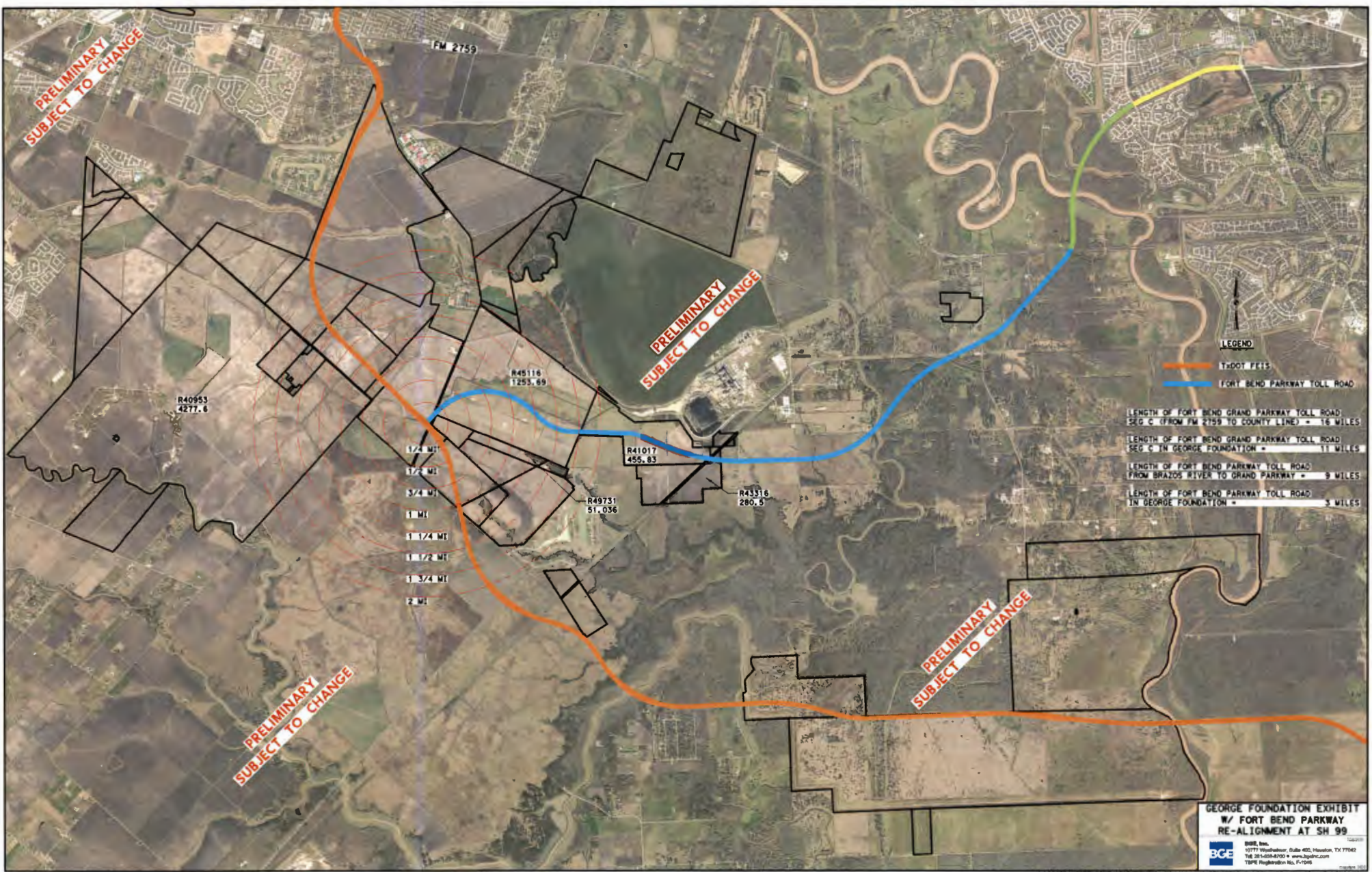
FORT BEND GRAND PARKWAY TOLL ROAD
AUTHORITY

By: _____

Name: Shoukat Dhanani

Title: Board Chairman

Date: _____



**PRELIMINARY
SUBJECT TO CHANGE**

**PRELIMINARY
SUBJECT TO CHANGE**

**PRELIMINARY
SUBJECT TO CHANGE**

**PRELIMINARY
SUBJECT TO CHANGE**

LEGEND

- TxDOT FEIS
- FORT BEND PARKWAY TOLL ROAD

LENGTH OF FORT BEND GRAND PARKWAY TOLL ROAD SEG C (FROM FM 2759 TO COUNTY LINE) =	16 MILES
LENGTH OF FORT BEND GRAND PARKWAY TOLL ROAD SEG C IN GEORGE FOUNDATION =	11 MILES
LENGTH OF FORT BEND PARKWAY TOLL ROAD FROM BRAZOS RIVER TO GRAND PARKWAY =	9 MILES
LENGTH OF FORT BEND PARKWAY TOLL ROAD IN GEORGE FOUNDATION =	3 MILES

- 1/2 MI
- 1/2 MI
- 3/4 MI
- 1 MI
- 1 1/4 MI
- 1 1/2 MI
- 1 3/4 MI
- 2 MI

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4277.6

R45116
1253.89

R41017
455.83

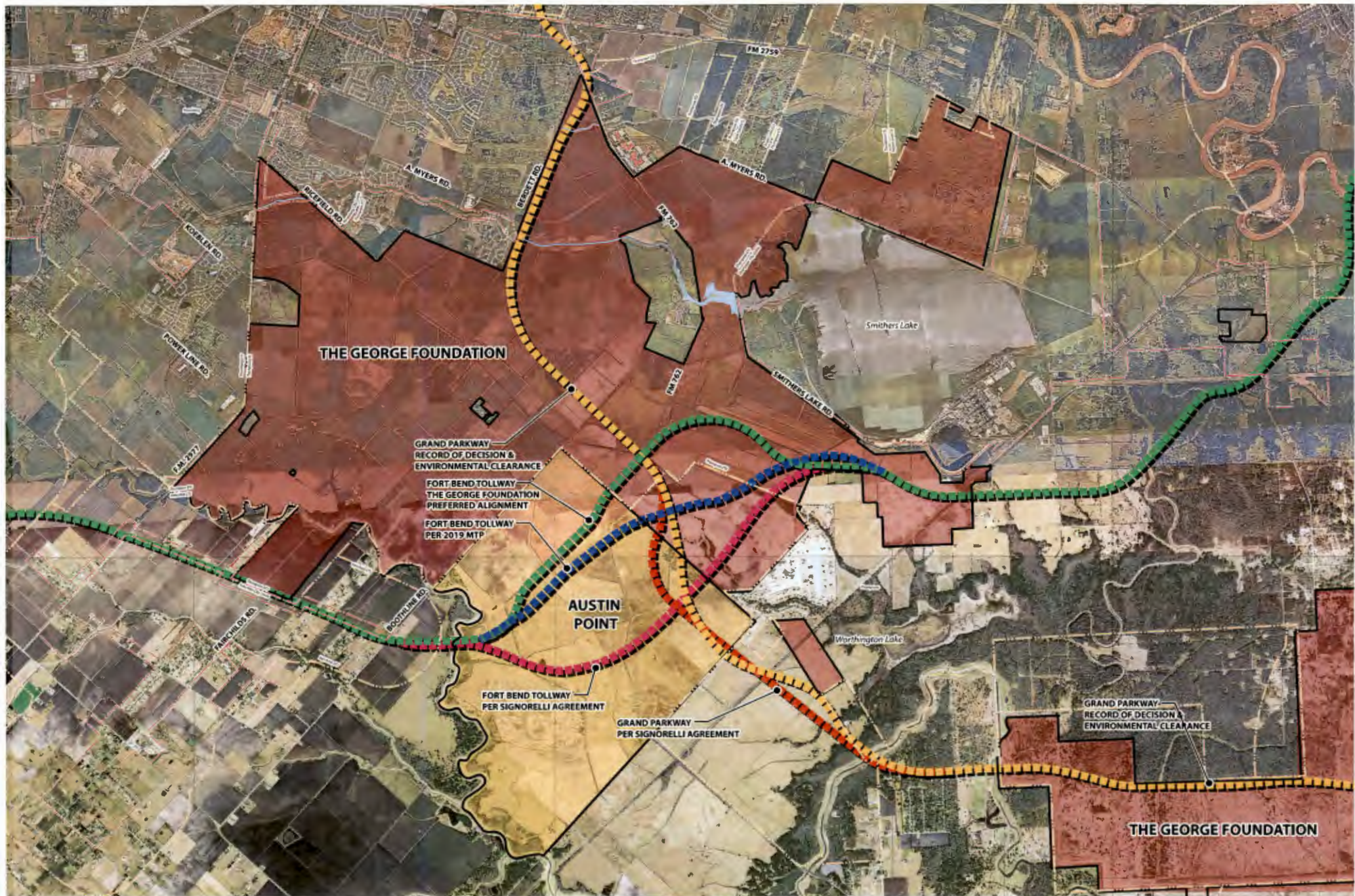
R49731
51,036

R43316
280.5

FM 2759

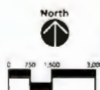
**GEORGE FOUNDATION EXHIBIT
W/ FORT BEND PARKWAY
RE-ALIGNMENT AT SH 99**

BGE, Inc.
10777 Westheimer, Suite 402, Houston, TX 77042
Tel: 281-486-8700 • www.bgeinc.com
TSP# 149348084, F-7048



A Grand Parkway & Fort Bend Tollway Alignment Exhibit for
THE GEORGE FOUNDATION
 ±21,861 Acres of Land
 Fort Bend County, Texas

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- GRAND PARKWAY - RECORD OF DECISION & ENVIRONMENTAL CLEARANCE
- FORT BEND TOLLWAY - THE GEORGE FOUNDATION PREFERRED ALIGNMENT
- FORT BEND TOLLWAY - PER 2019 MTP
- FORT BEND TOLLWAY - PER SIGNORELLI AGREEMENT
- GRAND PARKWAY - PER SIGNORELLI AGREEMENT

