

CONROE PRESENTATION

- **Economic Potential**
- **Strategy**
- **Assets Available**
 - * Historic Downtown
 - * Seat of Government
 - * Airport
 - * Lake Conroe
 - * Improving Mobility
 - * Path of Growth
 - * Available Land
 - * Community Commitment

GROWTH PRESSURES

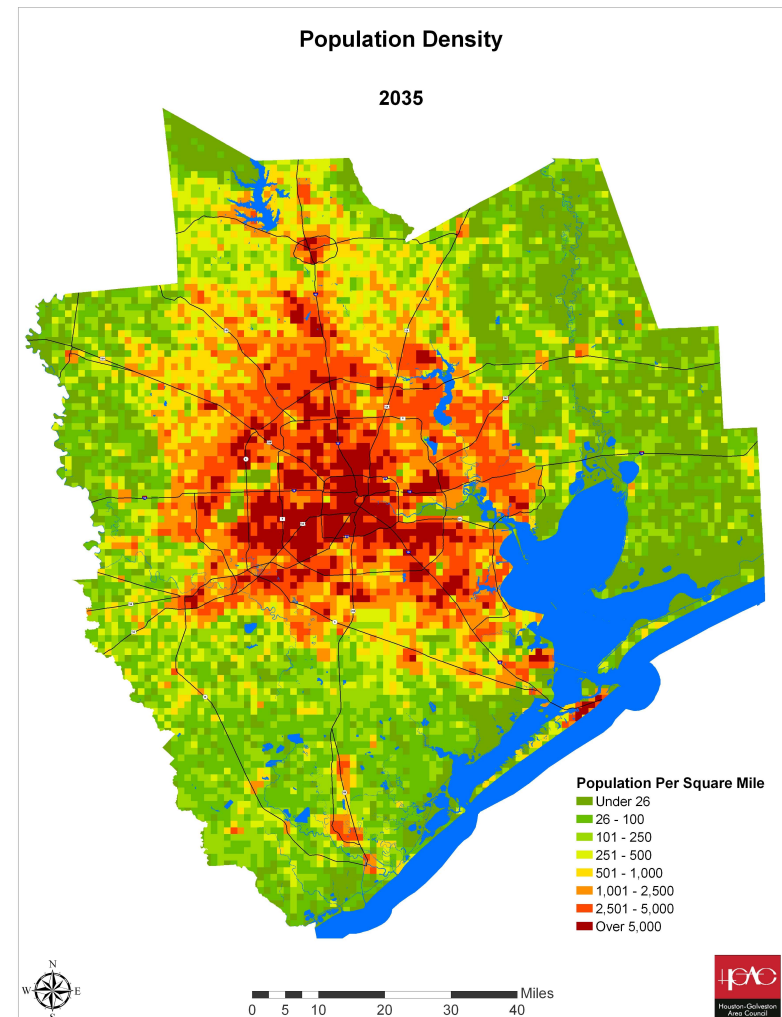
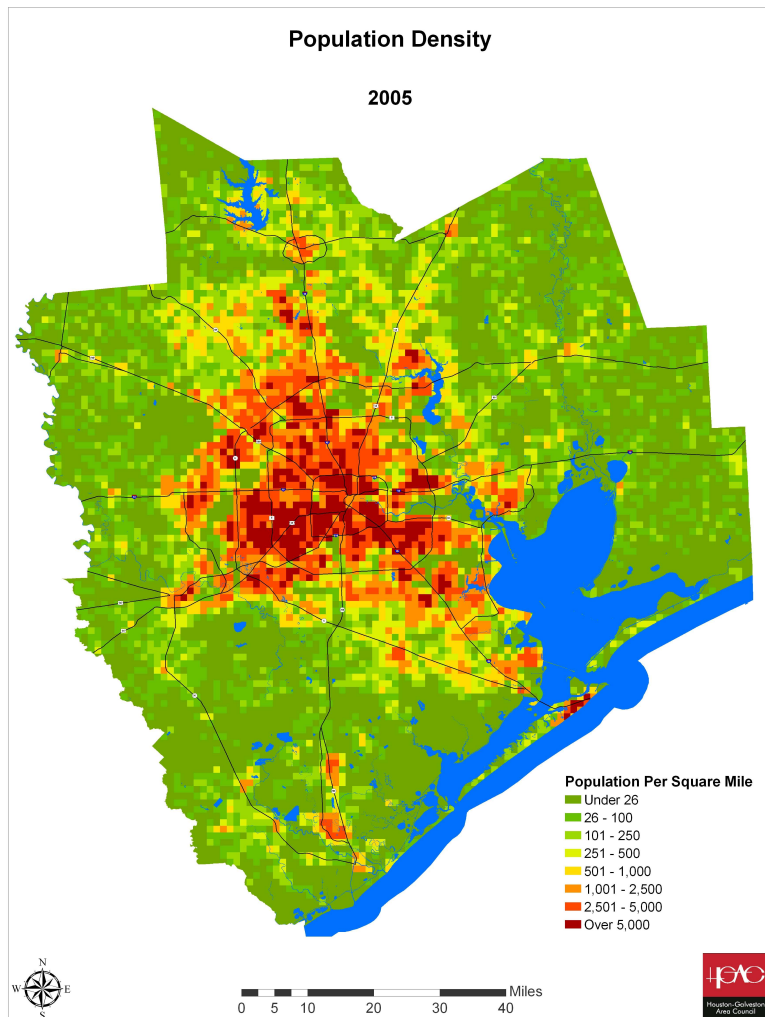
■ **U.S. Population Increase by 100 Million by 2040**

- Equal to the 19 largest metro regions

■ **Houston Population Increase by One Million/Decade**

- Opportunities and challenges
- Focus on growth impact
- 45,000 new homes/year requires 15,000 acres/year
- 20,000 new homes/year requires 7,000 acres/year
- 85% of growth outside Loop 610
- Stress on basic services

Roger Galatas Interests



By 2030 we must build homes, offices, retail shops, schools, hospitals, public buildings, places of worship and other related infrastructure to accommodate 2.58 million more people in the region, increasing its population to 8.3 million people.

REGIONAL GROWTH / REGIONAL SOLUTIONS

- **Political Boundaries Tend to Limit Solutions**
- **Conform Regional Issues to Regional Boundaries**
 - Watersheds / Flood Control
 - Clean Air
 - Mobility
 - Open Space

GROWTH PATTERNS IN HOUSTON REGION

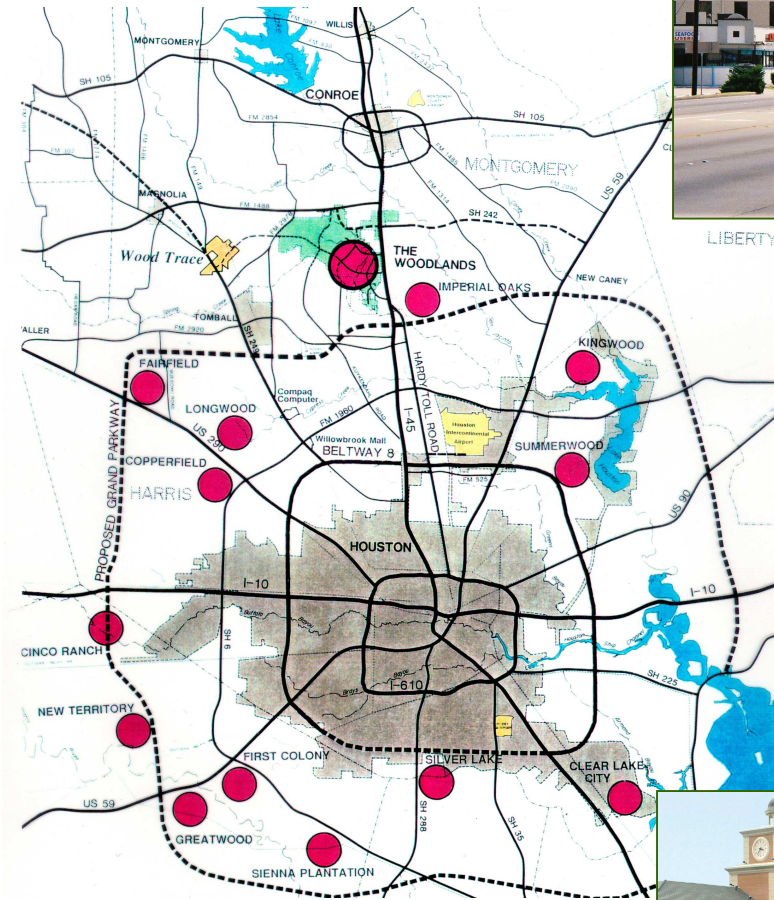
- **1960's – Start of Migration to Suburbs**
 - Small Residential Neighborhoods
 - Access from County Roads
 - Increased Traffic / Retail Development
 - 100's of Individual Decisions
 - No Planning / Clutter
- **1970's – Start of Master-Planned Communities**
 - Better Quality Growth
 - Reduced Auto Travel
- **1990's – Regional Centers of Commerce**
 - Renaissance of Downtown
 - Local Services in Community
- **2000's – Conclusion of Many MPC's**
 - Return of Small Unconnected Subdivisions
 - Threat of Sprawl
 - Light Rail
 - Return to City

Roger Galatas Interests

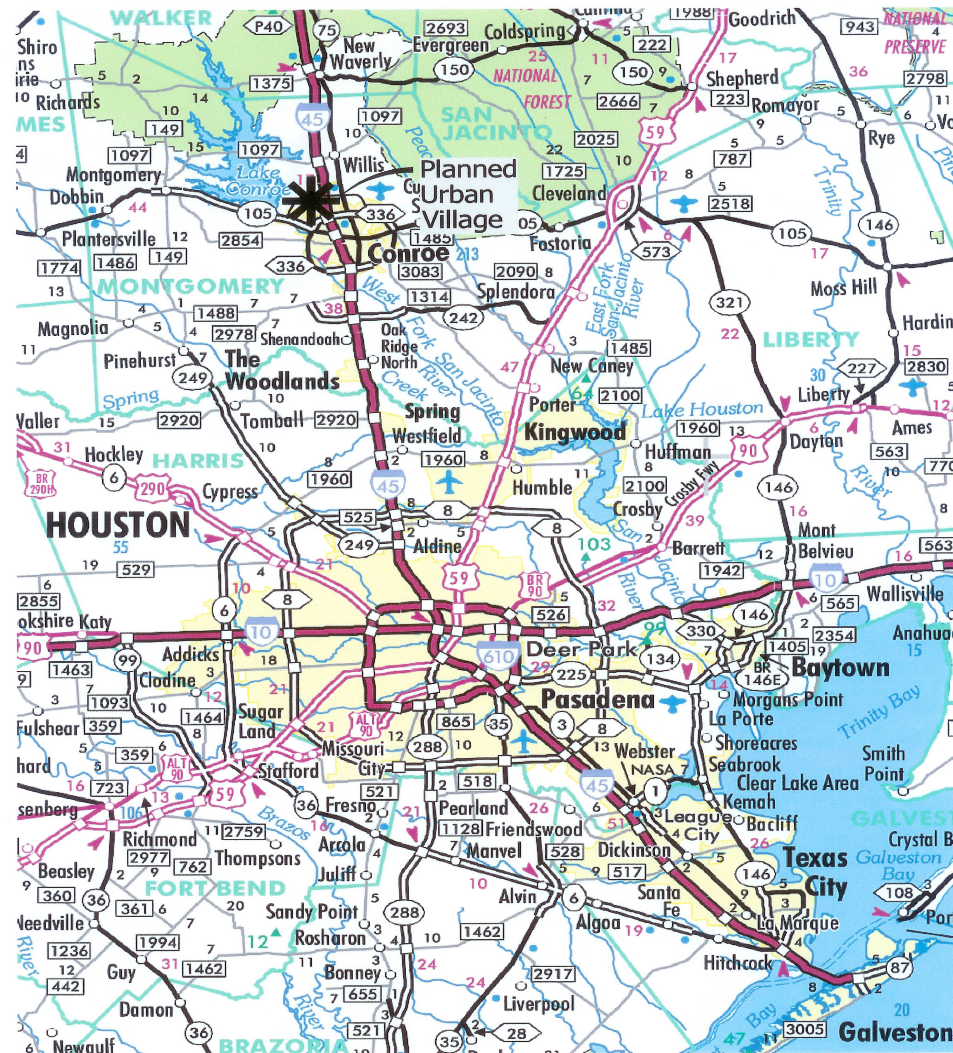
EVALUATE EFFECTIVE GOVERNANCE

- **Cities, Towns, Counties**
Annexation
- **Regional Alliances & Authorities**
Port, Metro, Sports
- **Cities Within a City**
West University, Bellaire
- **Special Purpose Districts**
Downtown, Uptown
- **Inter-Local Agreements**
- **Master-Planned Communities**
Town Centers

Roger Galatas Interests







Regional Roadways
Interstate 45 Corridor

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Roger Galatas Interests
The Woodlands, Texas
Exhibit III-1

THREE INITIATIVES UNDERWAY

SLA

Guidelines for Carter Moore Drive Corridor

PKF CONSULTING

Feasibility Study for Full-Service Hotel

THE GOODMAN CORPORATION

Transportation, Strategy and Funding

Conroe Beautification Corridor



Read King

COMMERCIAL REAL ESTATE



CARTER MOORE DR/FM 3083 CORRIDOR

An emerging economic corridor with remarkable potential for City and County

By Design and Practice the corridor should be visually attractive and economically successful for people and companies

- A competitive environment for business development
- A sustainable tax base for City, County and Schools
- An efficient transit way
- An added value for landowners
- Environmentally responsible



Carter Moore Scenic Drive
Corridor Analysis,
Recommendations and
Guidelines

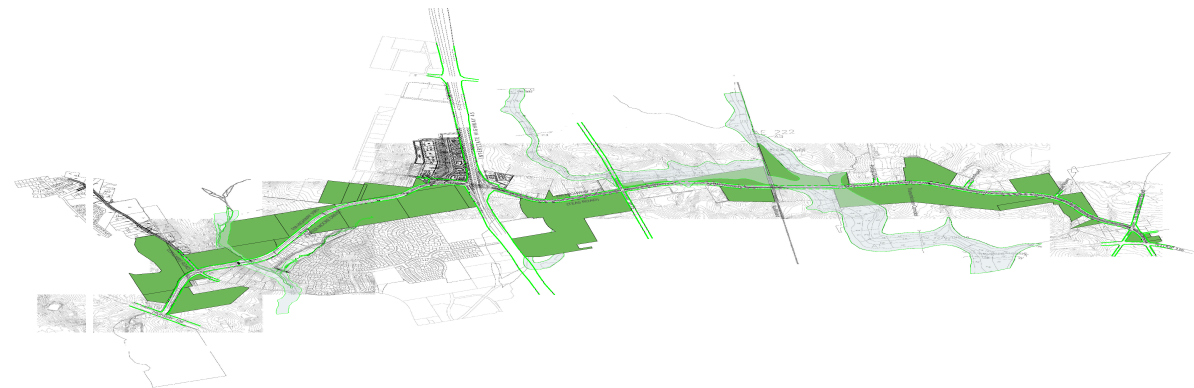
COC-901

Final Draft

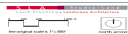
SLA Studio • Land
1900 West Loop South
Studio 1900
Houston, Texas 77027

June 17, 2009

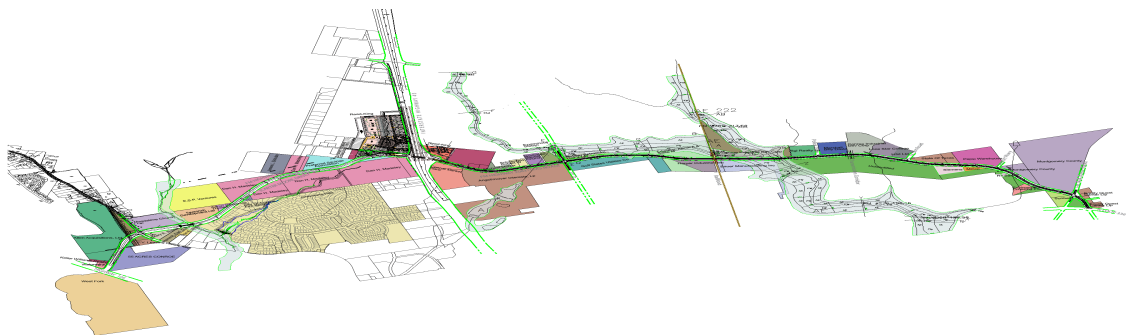
CARTER MOORE DRIVE CORRIDOR STUDY
SUBSTANTIALLY UNDEVELOPED CORRIDOR FRONTAGE TRACTS



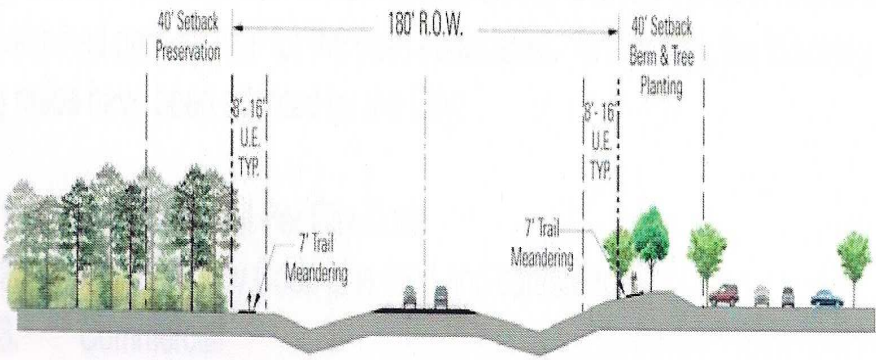
Undeveloped Land Tracts



Project: Carter Moore Drive Corridor
Client: [Redacted]
Date: [Redacted]
Page: [Redacted]



Project: Carter Moore Drive Corridor
Client: [Redacted]
Date: [Redacted]
Page: [Redacted]









Conroe Center







NEXT STEPS – CARTER MOORE DRIVE/FM 3083 CORRIDOR

PRESERVE NATURAL VEGETATION AND ENCOURAGE LANDSCAPE IMPROVEMENTS

- Work with owners of undeveloped land to establish a 40' Forest Preserve along and parallel to ROW– assuming utilities in ROW
- Work with owners of land already developed to upgrade landscaping, screening and enhancement of existing facilities visible from corridor
- Avoid clear cutting of wooded land prior to plat approval and development

ESTABLISH STANDARDS FOR SIGNS

- Prohibit pole mounted pylon signs and on-premise billboards within 600' of the ROW
- Enforce prohibition of “bandit signs” within ROW and adjacent Forest Preserve
- Establish standards and a process for approval for all other permitted signs visible from ROW
- Establish a wayfinding system and thematic portals at key intersections

ESTABLISH A PLAN FOR UTILITIES

- Install utilities underground and within ROW where possible
- Install traffic signals using metal cross arms – not hanging cables

ENCOURAGE PARTICIPATION FOR SUCCESS

- Support TxDOT’s plan to expand Carter Moore Dr/FM 3083 to a divided four-lane roadway with a center median rather than continuous turn lanes
- Apply guidelines to City controlled lands fronting on FM 3083 within Conroe Park North
- Maintain a coordinated effort with county, state and federal agencies
- Facilitate development of a greenbelt trail system along corridor



CITY OF CONROE
REQUEST FOR QUALIFICATIONS
PROPOSED FULL-SERVICE HOTEL
CONROE, TEXAS

April 20, 2009

Prepared by:
PKF Consulting
1010 Lamar, Suite 400
Houston, Texas 77002
713.621.5252

PKF
Consulting

PKF FULL SERVICE HOTEL STUDY

- Site recommendation
- 190 rooms with 12,000 sq. ft. of meeting space
- To open in 2011 – 1st ten years benefit
- \$68 million economic impact for Conroe from construction and operation
- \$7.5 million occupancy tax and sales tax for Conroe
- Other benefits – corporate development – jobs

DEVELOPMENT OF FULL-SERVICE HOTEL REQUIRES “POLITICAL WILL”

- Sugar Land provided \$19.3 million to construct convention meeting space and parking garage for Marriott Hotel
BENEFIT: Minute Maid headquarters / retail growth
- The Woodlands Township provided \$50 million to construct convention meeting space, parking and “back of the house” facilities for Marriott Hotel
BENEFIT: Anadarko, Chevron Phillips, US Oncology, Huntsman
- City of Houston invested \$300 million in Hilton Hotel of Americas
BENEFIT: Increased convention business; economic growth
- City of Houston provided \$9.6 million tax subsidy for 262-room Embassy Suites Hotel near Convention Center
- Sources of incentives are typically increase in 4b tax, occupancy tax, enhanced property tax – can be viewed as “self funding”
- PKF – “Virtually all full service hotels constructed in recent years have been made possible by governmental incentives”

This is a Conceptual Use Study indicating to the purchaser/developer how the property may be used.
(See Note Below)



NEIGHORHOOD CONTEXT PLANNED URBAN VILLAGE

147 Ac. CONCEPT DESIGN

Madeley Interests LTD. II

Conroe, Texas



All services and amenities indicated on this map are purely conceptual in nature, and the location of such services or amenities herein should not be construed as a promise or representation that any party will commence building or complete such services or amenities. The Owner is not in the business of developing property, including this tract, and nothing contained in this conceptual plan is meant to be a representation that the Owner plans to or will develop the Property. Jurisdictional approvals have not been sought or obtained.



Roger Galatas Interests
The Woodlands, Texas

Exhibit IV-2

URBAN VILLAGE REPORT

The 147-acre planned Urban Village within the I-45 growth corridor includes walkable neighborhoods for mixed use retail, brownstone town homes, rental apartments and an office park including medical facilities, plus a site for a full service hotel.

- Regional Growth
- Conroe Industrial Park North Expands
- Lone Star Executive Airport Expands to Serve Corporate Job Travel
- Conroe Independent School District (“CISD”)
- JC Penney Anchored Center by Read King
- Lennar / Friendswood Development Company
- Mobility Improvements Provide Greater Access
- Full Service Hotel Feasibility Study / Urban Village
- Transportation Strategy for Airport / FM 3083 Corridor

GOOD THINGS TO COME



Staff photo by Eric S. Swist

A newer shopping center in Conroe features a wide variety of choices for shoppers. The area's growth has created the demand for more retail outlets.

Retail development in the Conroe area continues unabated

By Nancy Flake
City editor

Only a portion of the cleared site at the northwest corner of FM 3083 and Interstate 45 has buildings. But the enormity of the site seems to be a portent of good things to come for Conroe and its shoppers.

Residents are buzzing about Teas Crossing and the imminent opening of its J.C. Penney anchor store in just a few weeks. But Teas Crossing isn't the only new or improved shopping mecca on Conroe's horizon, and sales tax revenues for the city show no signs of slowing down.

So far for 2008, Conroe's year-to-date allocations of sales taxes – which run two months behind the actual collection of those taxes – stand at \$20.4 million, according to the Texas Comptroller's website, www.window.state.tx.us. That's nearly \$10 million above the monthly allocations for the same period in 2007.

The city's biggest source of revenue by far, sales taxes can rise and fall unpredictably, according to information presented with the 2008-09 budget.

"To offset its volatility, we try to forecast its growth conservatively and maintain a higher-than-normal general fund reserve," the information stated. "This budget conservatively assumes a 2 percent increase over



Staff photo by Eric S. Swist

Construction at Teas Crossing in Conroe, including a new J.C. Penney store, is a sign of the residential growth that has created the need for more retail outlets.

the previous year's actual estimate in sales tax revenue for the upcoming year.

"However, as compared to the previous year's budget, sales tax revenue is anticipated to increase by 89.6 percent."

The city has planned on a little more than \$22.5 million in sales tax revenues for the 2008-09 budget, Finance Director Steve Williams said.

"We took a 2 percent increase

2008 SALES TAX ALLOCATIONS

	Conroe	The Woodlands
Jan.	\$2.29 million	\$1.02 million
Feb.	\$3.23 million	\$1.73 million
March	\$2.02 million	\$783,382
April	\$2.02 million	\$784,493
May	\$2.93 million	\$1.06 million
June	\$2.36 million	\$1.05 million
July	\$2.39 million	\$1.21 million
Aug.	\$3.14 million	\$1.41 million
Total	\$20.38 million	\$9.06 million

Source: The Texas Comptroller's website, www.window.state.tx.us.

• Sales tax allocations run two months behind actual sales tax collections.

See SHOPS, Page 4A

Airport begins runway extension process

By Lucretia Cardenas
Courier staff

Montgomery County took the first major step this week in making a proposed extension of the Lone Star Executive Airport's primary runway a reality, but contingency funds are being used for the project.

of the cost, but County Auditor Phyllis Martin was unavailable during the week to confirm the amount of money available for the airport project from certificates of obligation issued in 2006.

Precinct 1 Commissioner Mike Meador stressed during Monday's meeting the importance of completing the runway extension in the near future, as the relocation of FM 3083 is a result of the accepted extension.

around \$9 million in certificates of obligation, which also paid for other airport improvements and county projects such as the completion of the new Elections Central building.

"Back in 2006, we issued the certificates of obligation on estimated costs and projections," Linda Brazeale, financial consultant to the county, said. "Over the years, project estimates change. Some become more expensive, and some less expensive."

struction will take place the third year.

TxDOT has approved paying 90 percent of the construction cost for a 1,000-foot extension but the airport's master plan, accepted in 2003, calls for a 2,000-foot extension. Commissioners have voiced support for a 1,500-foot extension, and the county would be responsible for 100 percent of any additional footage not approved by TxDOT, Smith said.

Increasing demand for business aircraft means the runway is greatly needed, Smith said. Lone Star Executive Airport has about 85,000 take-offs and

German company selects Conroe site

■ Bauer makes machinery for foundation work

By KATHERINE FESER
HOUSTON CHRONICLE

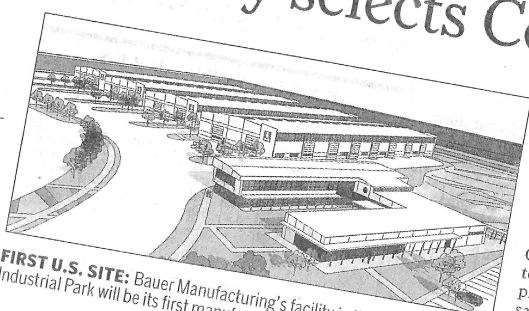
Bauer Manufacturing has signed a deal to buy nearly 80 acres in the Conroe Industrial Park as the site of its first manufacturing plant in the U.S.

The German firm provides machinery for foundation and excavation projects worldwide.

The first phase consists of a 200,000-square-foot plant, which will employ about 300. Houston-based KDW is the design/builder of the project and Arcon Architects is the architect. The land will be cleared beginning in July and completion is planned a year later.

The deal will enable the firm to make equipment here that is currently shipped from Germany or China. The company serves markets in the U.S., Canada, Mexico and Latin America primarily from Germany.

"We want to open up new markets like South America," said Sebastian Bauer, managing director of the firm's Maschinenfabrik.



FIRST U.S. SITE: Bauer Manufacturing's facility in the Conroe Industrial Park will be its first manufacturing plant in the United States.

Bauer chose the Houston area to be near its Pileco subsidiary, which handles service of the company's products.

projects such as building hotels and casinos, bridges or piers for harbors where oil tankers dock. The firm's equipment was used in drilling the foundation for the world's tallest building going up in Dubai.

As the company grows, the Conroe site could be expanded to 700,000 square feet and employ up to 700 people, Bauer said.

The property, situated just north of downtown Conroe, is on FM 3083 near the Texas Central Railroad's railroads.

Sadler Clinic to develop new campus in north Conroe

By Nancy Flake
City editor

Celebrating its golden anniversary year, Sadler Clinic is set to expand with a campus that may become its largest.

Mercan City Place Development, a division of Conroe-based D'Agostino Companies, and Sadler Clinic have signed the first lease and are working to develop a 54-acre property at the northwest corner of League Line Road

and Interstate 45. The first building (60,000 square feet) will house an urgent-care clinic, support services and doctor offices, according to a press release from The J. Beard Real Estate Company L.P., which represented Mercan City Place Development and Sadler Clinic in the lease agreement.

Mercan City Place Development was created a year ago specifically for this project, Chris D'Agostino, chief financial officer for the D'Agostino Companies, said.

"We've had a working relationship with Sadler over the last 12 months," he said. "The concept is they want a place to develop a whole medical campus. It's going to be a great building. It will employ a lot of people and be a nice tax base for Conroe."

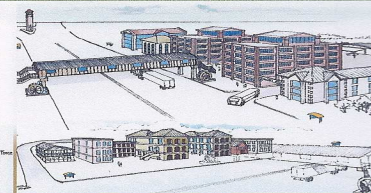
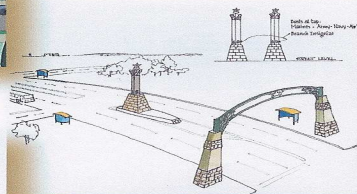
Future plans for the campus may include additional medical offices and supporting patient care activities, along with a variety of medical centers, according to a Sadler Clinic press release.

"The Clinic is excited about the opportunity to provide additional health care services to the growing population in Montgomery County and the surrounding area," the release stated. The League Line Sadler Clinic building, according to the release, is anticipated to house approximately 100 employees, with office space for 32 physicians. Services will include magnetic resonance imaging, X-ray, mam-

See SADLER, Page 3A

Conroe, Texas

Comprehensive Economic and Mobility Strategy



Prepared for

The City of Conroe

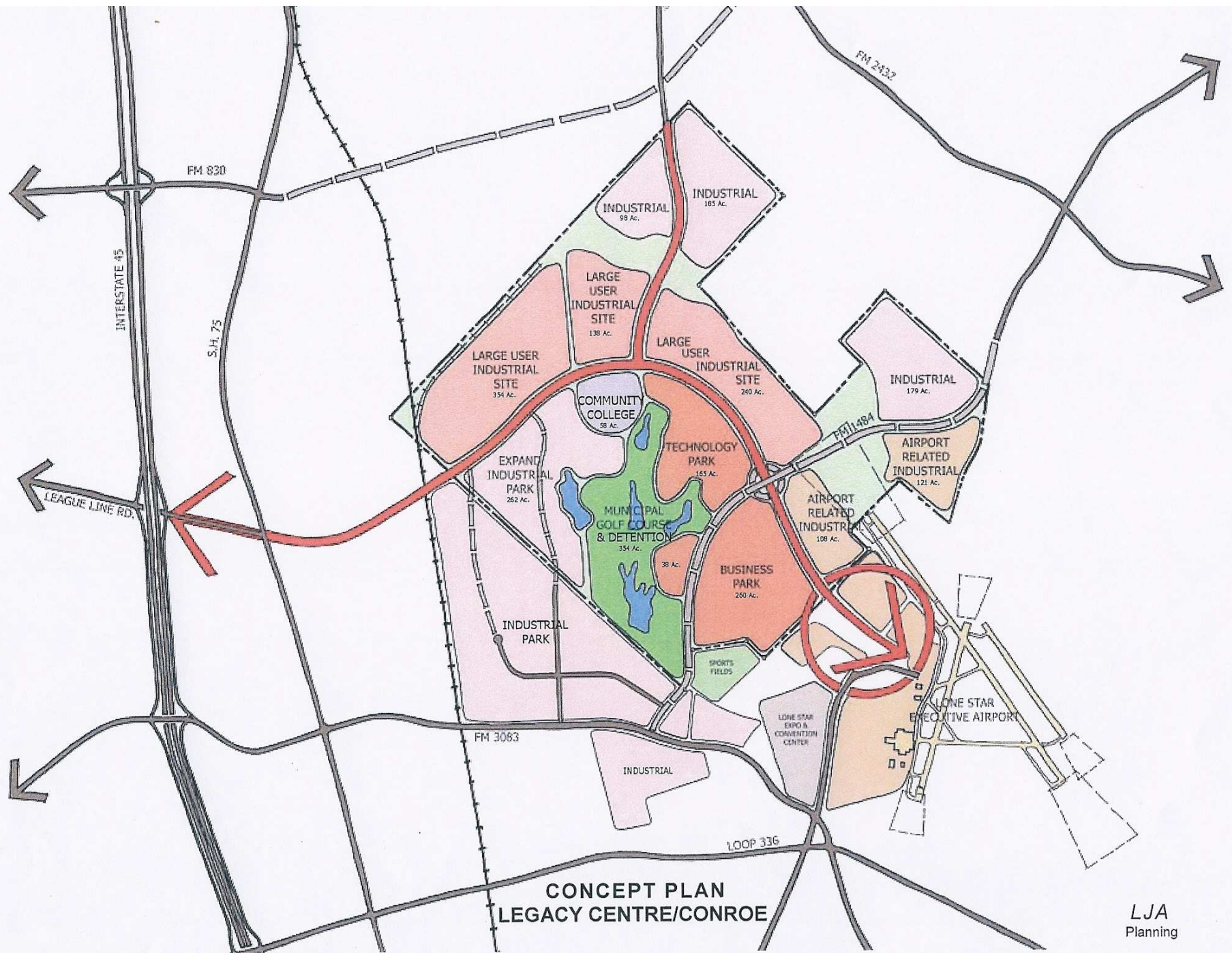
Prepared by

The Goodman  Corporation

September 2009

THE GOODMAN CORPORATION **TRANSPORTATION STRATEGY STUDY**

- Identify transit projects eligible for federal/state funding
- Focus on airport-related opportunities
 - Access to airport
 - Improvements on airport property
- Regional linkage
 - Integrate local initiatives with H-GAC regional plans
- Grant application pending



**CONCEPT PLAN
LEGACY CENTRE/CONROE**

LJA
Planning



Lone Star Executive Airport











*GREAT PLACES ATTRACT PEOPLE AND
BUSINESS*

Roger Galatas Interests



































08-11-04



7 23 '04

Building Community

“Families and communities are ground-level generators and preservers of values and ethical systems.

...Where community exists it confers upon its members identity, a sense of belonging, a measure of security.

...Humans need communities and a sense of community.”

-John W. Gardner