

EAST RIVER

**2025
COMMUNITY
BENEFITS
REPORT**





March 18, 2026

Dear Board Members,

Pursuant to the terms of that certain Community Benefits Agreement (CBA), dated December 10, 2020, between the Fifth Ward Redevelopment Authority (the Authority), KBRN, LP (KBRN), and East River Property Owners Association (ERPOA), we are pleased to submit for your review this 2025 Community Benefits Report for the East River project in the Historic Fifth Ward. This report presents the status of the East River project and addresses the various actions undertaken to comply with the requirements and goals of the CBA.

A number of tenants (office and retail) began occupying their spaces in the first phase of building improvements in 2025. As additional tenants are preparing to open and finalize their staffing needs, we anticipate more employment opportunities becoming available for Fifth Ward residents in 2026.

As noted in the report we have accomplished a number of the key elements of the CBA including the annual funding of the Community Investment Fund, establishing the Affordable Housing component in the first multifamily project, The Laura, and attracting Fifth Ward businesses in the retail leasing in Phase One.

The ERPOA has continues to provide property management in Section / Phase One and is working to engage with qualified Fifth Ward businesses to provide needed services in the project.

The Community Advisory Council (CAC) continues working on its program for directing financial support of community non-profits with funds from the Community Investment Fund.

We have also continued our support of Fifth Ward community organizations' activities such as the Fifth Ward Community Redevelopment Corporation's Lyons Avenue Renaissance Festival and Fifth Ward Chamber of Commerce's Annual Golf Tournament and Job Fair.

East River will be a long-term development process and a longer-term commitment to the community. More employment and contracting opportunities will be realized as additional development occurs, and new businesses open in this unique Historic Fifth Ward urban neighborhood.

We appreciate the Authority's role in helping us move forward with the implementation of the development program and look forward to our continued working relationship with the Authority and our Fifth Ward neighbors.

On behalf of KBRN, LP and East River Property Owners Association,

David Hightower
EVP & East River Investment Manager




CBA OBJECTIVES

ACTIVITY	PROGRESS	KEY HIGHLIGHTS	2025	2026 GOALS
JOB TRAINING & EMPLOYMENT OPPORTUNITIES				
1) Career Education and Training	■	Partnership with Center for Urban Transformation ("CUT")	One major goal of the CUT and East River partnership is to provide opportunities for career education and training assistance. Several workshops are held annually to further this goal. Please see "Events" table. RD requested updated event and attendee list from CUT.	Continue to host and participate in career education and training events as those described in the "Events" table. Partner with CUT on a survey asking what types of training would be beneficial.
2) Local Hiring of Targeted Job Applicants	■	Hiring and job fairs	East River makes efforts to extend job opportunities to Fifth Ward residents through sharing job opportunities on social media and in collaboration with CUT. There were Fifth Ward residents hired in 2025.	Participate in or host a job fair in 2026. Ideally, this would be hosted at East River.
3) Local Businesses Hired	■	Hiring	East River makes efforts to extend job opportunities to local businesses in the Fifth Ward. Please see "Vendors" table.	Continue to engage local businesses in RFPs for East River.
4) Retail Opportunities for Local Businesses	■	TBD	No local business leases were executed in 2025. Local businesses receive a discount of 10% compared to the current market rental rate. An additional objective is to engage local businesses interested in pop-ups. We engaged one local food truck, Saucy Nosh, onsite in 2025.	Engage local food trucks or pop-ups, Oso or other coffee shop. Explore possibility of leasing workshop/FAQ for local business owners.
SUPPORTIVE RETAIL & GROCERY				
1) Retail & Services	■	Various including ice cream, soul food, jewelry, dentist	Several retailers opened at East River in 2025, including: City Cellars, Tomi Jewelry, CoolxDad, SLT Hair Extensions, and Ayna Jewels. Additional retailers are currently scheduled to open in 2026, including: La Calle Tacos & Cantina and Laffa Mediterranean Bakery.	Continue to focus on a diverse offering with expanded F+B and entertainment options.
2) Grocery Store	■	TBD	One objective is to secure a grocery store in the project. We continue to have ongoing contacts with several operators. All indicate an interest, but there needs to be additional demand (i.e. residential households) in the primary market area before they can commit.	Continue to engage with users across multiple categories including Trader Joe's, Sprouts, HEB (and affiliate brands), Harvest Market, etc.
3) Bank	■	TBD	A CBA objective is to secure a commercial bank in the project. We continue to have ongoing contacts with several operators including Wells Fargo and BBVA. All indicate an interest but want to see more commercial business in the primary market area before they would take any action.	Continued to engage bank operators about opportunities at East River.
4) Child Care Program & Facility	■	TBD	While there have been conversations with childcare providers, no leases have yet been executed. This will likely be something that occurs in Phase 2 as it requires a customized building layout adequate queuing space for cars.	The East River team reviews inquiries about daycare. The team will continue to seek a qualified operation facility in East River.
5) Incentives Businesses	■	TBD	Beyond the 10% discount to market rates there are currently no other incentives for new businesses.	Remain open to possible incentives if available.
6) Participation of Disadvantaged Business Enterprise	■	TBD	East River makes efforts to include disadvantaged businesses and consider MWBE status in the bidding process for service contracts. The RFP's include an option to self-identify as an MWBE. Please see "Vendors" table. Further, HCID #23 engages with MWBE on its consultant team.	We will continue to engage qualified MWSBE businesses for opportunities at East River as opportunities arise.

CBA OBJECTIVES CONTINUED

ACTIVITY	PROGRESS	KEY HIGHLIGHTS	2025	2026 GOALS
AFFORDABLE HOUSING				
1) Multifamily	■	The Laura Fall 2023	There are 54 units designated as affordable housing at The Laura. 15 of those units are occupied, leaving 39 available currently.	KBRN continuously monitors the market for the need to commence a second multifamily project.
2) Restrictive Covenants	■	Recorded Covenants	No new multifamily development projects were created in 2025 and therefore, no new covenants were established.	See above comment.
3) Additional Multifamily	■	TBD	Continued to evaluate market demand and conditions to determine if and when additional housing can be developed.	Continue to evaluate market demand and conditions to determine if and when additional housing can be developed.
4) Up to 200 units of affordable housing	■	54 available	The first 54 affordable units (27% of the minimum under the CBA) were delivered in 2024 and are in the process of being leased as demand warrants.	Lease all 54 affordable units, available in The Laura.
CONNECTIVITY				
1) Continuity of access - Street Grid	■	Connecting to	The subdivision plats for Sections One and Two have been recorded and reflect a continuation of the street grid pattern to the north. The project's General Plan amendment has been approved by the City and it too reflects the urban street grid. The north-south public streets and easements provide connectivity from neighborhoods north of Clinton to the permanent bayou trail.	Section 2 infrastructure plans will have been reviewed and approved by the city. Construction can commence quickly, assuming market conditions warrant. The plans maintain the continuity of the street grid.
2) Building & Grounds Aesthetics/ Signage	■	Local artists and reference to Historic Fifth Ward	East River partnered with local Houston artists to complete three murals onsite including a large scale mural on the East River 2 office building, and two shipping container murals at the property entrance. For the East River 2 mural, an open call was published for local artists to submit proposals. The open call was advertised on the East River website, through social media, and through public relations efforts that received coverage in major local publications.	We are collaborating with four local artists to create a series of murals that celebrate and tell the stories of East River, East Downtown, and the historic Ward community, honoring the rich history, culture, and spirit of these neighborhoods.
COMMUNITY AMENITIES				
1) Public Facilities Accessible to Residents	■	TBD	In addition to the publicly accessible events described below, in 2025 we had ongoing planning conversations with Buffalo Bayou Partnership related to their East Sector Plan and how East River is part of that initiative.	Continue planning for green spaces in the next phase of development. Continue planning discussions for upgrading the Gregg St. pedestrian bridge.
2) Event Hosting at least 4 times per year	■	TBD	East River hosted a total of 93 events, including Beats on the Bayou, BLCK Market, East River Fit, JiggAerobics, the East River Block Party, the DJ Mr. Rogers Car Show, Papaya Market, and Brews and Beats with DJ Saynt Chris. In addition, we hosted two Houston Maritime Family Day events.	The East River team will continue to host events with past event sponsors as well as seek other community events to participate in.

CBA OBJECTIVES CONTINUED

ACTIVITY	PROGRESS	KEY HIGHLIGHTS	2025	2026 GOALS
RESIDENT DISCOUNT				
1) Discounts and Incentives to Residents via "Shop Local East River in the Historic Fifth Ward"	 TBD		The East River team communicates with retail tenants on discounts for the Fifth Ward community. East River 9 continues to offer 25% discounts on golf course green fees and pickleball court reservations to Fifth Ward residents.	As new tenants open in 2026 the East River team will work with them on discounts for the Fifth Ward community. East River 9 will continue to offer 25% discounts on golf course green fees, and pickleball court reservations to Firth Warn and Second Ward residents.
COMMUNITY INVESTMENT				
1) Contribute \$200,000 per year for 5 years		Total of \$400K contributed	KBRN, LP made the fifth of its five annual \$200,000 contribution obligations to the Community Investment Fund.	Obligation satisfied
2) Contribute initial lump sum \$375,000 towards \$0.01 per net square foot		Total of \$375K contributed	The initial \$375,000 contribution to the Community Investment Fund by the ERPOA covered the 2025 requirement.	The initial \$375,000 contribution to the Community Investment Fund by the ERPOA will cover the 2026 requirement.

VENDORS

MINORITY OWNED BUSINESSES ENGAGED AT EAST RIVER

EAST RIVER

BUSINESS	SCOPE	LOCAL TO FIFTH WARD?	CONTRACT STATUS
Method Architecture	Test Fits, Planning, Architecture at Building C, F, and Section II	Yes	
KPK Lighting	Lighting Design on Phase IA and Port Houston Building	No	
Inventure Architecture	Interior Design, Test Fits on Phase IA and Port Houston Building	No	
Hue Technology	Data for NAIOP event	No	
Input Output	Artist for NAIOP event	No	
Jose Arredondo	Mural at Building C	No	
David Anguila	Mural at The Laura	No	Performs work on an "as-needed" basis.
Weingarten Art Group	Art Consulting	No	
Ulrich Engineers	Geotechnical Consulting	No	
Jerry Palmer (Unified Auto Works)	Towing	Yes	1 contract executed at East River.
Super Cool HVAC & Heating	HVAC	No	Performs work on an "as-needed" basis.
The Bugstoppers	Pest Control at East Rover	No	2 contracts executed at East River.
Heat & Power	Demo at East River and Miscellaneous Construction	Yes	Performs work on an "as-needed" basis.
Big Silverback	Security at ER9	Yes	1 contract executed at East River.
Junior's Concrete	Concrete & Construction at East River	No	Performs work on an "as-needed" basis.
Whistler Window Services	Power Washing	Yes	Performs work on an "as-needed" basis.
Xclusive Designfirm	Window Design and Branding	Yes	Performs work on an "as-needed" basis.

In addition to direct engagement by KBRN, its affiliates and ERPOA, KBRN working with Harris County Improvement District No. 23 (the "District"), has continued to advance the goal of engaging businesses that fall under the City of Houston's Minority, Women, and Small Business Enterprise (MWSBE) program.

The District also has four (4) MWSBE certified firms on its consultant team:

Masterson Advisors, LLC	Financial Advisor	No	Ongoing.
TKG & Associates, LLC	Co-Financial Advisor	No	Ongoing.
HVJ Associates, Inc.	Geotechnical Engineering Consultant	No	Performs work on an "as-needed" basis.
All-Terra Engineering, Inc.	Geotechnical Engineering Consultant	No	Performs work on an "as-needed" basis.

EVENTS

EVENTS AFFILIATED WITH EAST RIVER

EAST RIVER

EVENT	DATE	LOCATION	# OF ATTENDEES	NARRATIVE/GOAL	OUTCOME
Community Connect Hiring Event	3/18/2025	The Victual Event Room 3814 Lyons @ Pannell St	14	Purpose is to connect 5th Ward residents with employment opportunities at East River through job postings, employer connections, career readiness workshops, and individual resume reviews.	Residents connected with job opportunities and received resume support and career readiness guidance.
Community Connect Hiring Event	4/15/2025	The Victual Event Room 3814 Lyons @ Pannell St	12	Purpose is to connect residents with East River employers and provide workforce support including resume reviews, job fair board postings, and career readiness workshops.	Residents engaged with workforce staff and identified employment opportunities at East River.
Community Connect Hiring Event	5/20/2025	The Victual Event Room 3814 Lyons @ Pannell St	24	Monthly workforce event designed to connect local residents with job opportunities and provide resume assistance and career readiness resources.	Participants received employment guidance and reviewed current East River job openings.
Community Connect Hiring Event	6/17/2025	The Victual Event Room 3814 Lyons @ Pannell St	22	Ongoing community hiring event providing resume support, career readiness workshops, and job opportunity connections.	Residents continued to build job readiness skills and connect with employment opportunities.
Community Connect Hiring Event	7/15/2025	The Victual Event Room 3814 Lyons @ Pannell St	21	Workforce event to provide employment resources, job postings, and resume assistance for residents interested in East River employment opportunities.	Residents received individualized job readiness support and information about open positions.
Community Connect Hiring Event	8/19/2025	The Victual Event Room 3814 Lyons @ Pannell St	25	Monthly hiring and workforce readiness event including job fair board, resume reviews, and career preparation support.	Increased resident awareness of employment opportunities at East River.
Community Connect Hiring Event	9/16/2025	The Victual Event Room 3814 Lyons @ Pannell St	22	Workforce connection event to provide direct support to residents seeking employment and provide career readiness resources.	Participants received resume feedback and job opportunity information.
Community Connect Hiring Event	10/21/2025	The Victual Event Room 3814 Lyons @ Pannell St	23	Hiring-focused community event offering job search support, resume reviews, and connections to East River employers.	Residents engaged in workforce development activities and learned about available jobs.
Community Connect Hiring Event	11/18/2025	The Victual Event Room 3814 Lyons @ Pannell St	20	Community workforce event to provide job readiness resources and highlight East River job openings.	Residents received guidance on employment pathways and application preparation.
Community Update	11/18/2025	The Deluxe Theater	30	The East River team presents the project update to community residents. The Community Advisory Committee gives an update on its activities.	The East River team and CRC received helpful feedback from the community.
Community Connect Hiring Event	12/16/2025	The Victual Event Room 3814 Lyons @ Pannell St	18	End-of-year workforce connection event offering resume assistance, career readiness support, and job opportunity information.	Continued engagement with residents interested in East River employment opportunities.
Soft Skills Workshop	3/12/2025	CUT Office	7	Purpose is to provide professional development training focused on workplace communication, teamwork, and job readiness skills.	Participants improved understanding of workplace expectations and professional communication.
Soft Skills Workshop	6/11/2025	CUT Office	10	Workshop focused on customer service skills, workplace professionalism, and effective communication in the workplace.	Residents gained skills to support long-term job retention and workplace success.
Soft Skills Workshop	9/10/2025	CUT Office	13	Training focused on conflict resolution, teamwork, and workplace problem-solving skills.	Participants strengthened soft skills necessary for employment success.

* "CUT" IS THE CENTER FOR URBAN TRANSFORMATION LOCATED IN 5TH WARD.

EAST RIVER

BY **MIDWAY**