RESOLUTION NO. 2019-71
CALLING A SPECIAL ELECTION
TO BE HELD ON TUESDAY, NOVEMBER 5, 2019

A RESOLUTION CALLING A SPECIAL ELECTION TO BE HELD ON TUESDAY, NOVEMBER 5, 2019, FOR THE PURPOSE OF SUBMITTING TO THE QUALIFIED ELECTORS OF THE METROPOLITAN TRANSIT AUTHORITY OF HARRIS COUNTY, TEXAS ("METRO") A PROPOSITION TO AUTHORIZE METRO TO ISSUE BONDS, NOTES AND OTHER OBLIGATIONS PAYABLE, IN WHOLE OR IN PART, FROM SEVENTY-FIVE PERCENT (75%) OF METRO'S SALES AND USE TAX REVENUES, WITH NO RESULTING INCREASE IN THE CURRENT RATE OF METRO'S SALES AND USE TAX, FOR THE ACQUISITION, CONSTRUCTION, REPAIR, EQUIPPING, IMPROVEMENT AND/OR EXTENSION OF METRO'S TRANSIT AUTHORITY SYSTEM (AS DESCRIBED IN THE METRONEXT TRANSIT SYSTEM PLAN), TO APPROVE SUCH PLAN AND THE CONSTRUCTION OF A PHASE III OF METRO'S RAIL SYSTEM KNOWN AS "METRORAIL" FOR PURPOSES OF THE CITY CHARTER OF THE CITY OF HOUSTON, AND TO CONTINUE TO DEDICATE UP TO TWENTY-FIVE PERCENT (25%) OF METRO'S SALES AND USE TAX REVENUES THROUGH SEPTEMBER 30, 2040, FOR STREET IMPROVEMENTS, MOBILITY PROJECTS AND OTHER FACILITIES AND SERVICES; AND MAKING OTHER PROVISIONS RELATED TO THE SUBJECT

STATE OF TEXAS §
METROPOLITAN TRANSIT AUTHORITY OF HARRIS COUNTY, TEXAS §

WHEREAS, the Metropolitan Transit Authority of Harris County, Texas ("METRO") was created pursuant to Chapter 141, Acts of the 63rd Legislature of the State of Texas, Regular Session, 1973 (Article 1118x, Vernon's Texas Civil Statutes, as amended, now codified as Chapter 451, Texas Transportation Code, as amended (the "METRO Act")), and was confirmed at a confirmation and tax election held on August 12, 1978, in accordance with the METRO Act;

WHEREAS, METRO has, among others, the power to acquire, construct, develop, own, operate, and maintain a transit authority system (as used herein, such term shall have the definition set out in the METRO Act), and all powers necessary or convenient to carry out and effectuate the purposes and provisions of the METRO Act;

WHEREAS, since its confirmation METRO has developed and undertaken various plans and programs to provide its transit authority system (each, a "Prior Plan" and, collectively, the "Prior Plans"), some of which are continuing and will continue for several years into the future;

WHEREAS, one of the Prior Plans was Phase I of METRO's rail system ("METRORail"), which phase was an approximate 7.5-mile segment of light rail that extends from the University of Houston-Downtown Station to the Fannin South Station, which commenced operations in January 2004;
WHEREAS, another Prior Plan was a comprehensive plan approved by the voters of METRO at an election held on November 4, 2003 (the “2003 Election”) that included, among other things, increased bus routes, expanded Park & Ride service, buses, new Park & Ride lots, transit centers, shelters and other bus-related facilities and Phase II and later phases of METRORail (collectively, “METRO Solutions”);

WHEREAS, METRO has worked with the community and interested stakeholders to develop another comprehensive plan that will build upon METRO Solutions, which plan includes major capital investments and other improvements needed for METRO to address mobility needs within its boundaries and service area through approximately 2040;

WHEREAS, such new comprehensive plan will include the acquisition, construction, repair, equipping, improvement and/or extension of METRO’s transit authority system, as described in Exhibit A attached hereto, that is approved by the Board pursuant to this Resolution (collectively, “METRONext”);

WHEREAS, the City Charter of the City of Houston provides that the Houston City Council shall not grant any permission, consent or authorization required by METRO in connection with the construction, maintenance or operation of all or part of a rail system unless METRO previously has conducted an election at which a majority of the METRO voters who participated in the election approved construction of the rail system;

WHEREAS, because METRONext includes, among other things, the construction of a Phase III of METRORail, the Board of METRO (the “Board”) desires to obtain the approval of its voters to construct a Phase III of METRORail;

WHEREAS, as authorized by the METRO Act and other applicable law, the Board has for many years dedicated up to twenty-five percent (25%) of METRO’s sales and use tax revenues for street improvements, mobility projects and other facilities and services located or performed within its boundaries and service area of the types that are permitted by Section 451.065 of the METRO Act and other applicable law (the “Street Improvement Dedication”), which has been implemented by payments made by METRO to certain local governments within METRO’s jurisdiction (such payments, “General Mobility Payments”);

WHEREAS, as a part of the 2003 Election, METRO agreed that between November 1, 2009 and January 1, 2013, METRO would call an election seeking a local determination by voters regarding the continuance of METRO’s Street Improvement Dedication and General Mobility Payments after September 30, 2014;

WHEREAS, pursuant to such agreement, at an election on November 6, 2012 (the “2012 Election”), METRO voters determined that METRO should continue to dedicate up to twenty-five percent (25%) of METRO’s sales and use tax revenues for each METRO fiscal year during the period October 1, 2014 through December 31, 2025, calculated in the manner provided for in the 2012 Election proceedings;

WHEREAS, in connection with the 2012 Election, METRO committed that, if the 2012 Election were to pass, it would hold another election prior to December 31, 2025, seeking a local determination by voters regarding METRO’s continuing support after December 31, 2025 for...
improvements and services of the types authorized by Section 451.065 of the METRO Act and other applicable law;

WHEREAS, the Board finds and determines that (i) the proceeds of bonds, notes or other obligations are needed to acquire, construct, repair, equip, improve and/or extend METRO’s transit authority system (as described in the METRONext transit system plan attached hereto as Exhibit A), and (ii) the issuance of bonds, notes or other obligations over a number of years and in financially prudent increments is necessary, appropriate and the best available financing method to provide the METRO transit authority system at the earliest practicable date for the residents within the boundaries and service area of METRO;

WHEREAS, the Board further finds and determines that the issuance of the bonds, notes or other obligations authorized by the Election and the improvements to METRO’s transit authority system through the implementation of METRONext will, among many other benefits, enhance mobility and ease traffic congestion within the boundaries and service area of METRO;

WHEREAS, the Board has determined that it is necessary and appropriate to call and hold an election (the “Election”) on Tuesday, November 5, 2019 for the purposes of obtaining voter approval of the authorization of METRO to issue bonds, notes and other obligations (excluding bonds, notes or other obligations described in the immediately following recital) payable, in whole or in part, from seventy-five percent (75%) of METRO’s sales and use tax revenues in an aggregate principal amount not to exceed $3,500,000,000, with no resulting increase in the current rate of METRO’s sales and use tax, for the acquisition, construction, repair, equipping, improvement and/or extension of METRO’s transit authority system, as described in the METRONext transit system plan attached hereto as Exhibit A, together with voter approval of such plan and the construction of a Phase III of METRO’s rail system known as “METRORail” for purposes of the City Charter of the City of Houston, and the dedication of up to twenty-five percent (25%) of METRO’s sales and use tax revenues through September 30, 2040, for street improvements, mobility projects and other facilities and services, as authorized by law; and

WHEREAS, the Board expressly recognizes and determines that the aggregate principal amount limitation contained in the Election bond authorization does not apply to bonds, notes or other obligations that have a term of not more than five (5) years and that are issued by METRO under the authority of Section 451.362 of the METRO Act.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF THE METROPOLITAN TRANSIT AUTHORITY OF HARRIS COUNTY, TEXAS THAT:

Section 1. Findings. All of the recitals contained in the preambles of this Resolution are adopted and incorporated fully herein as the official findings and determinations of the Board.

Section 2. Call of Election; Date; Eligible Electors; and Hours. An Election shall be held on Tuesday, November 5, 2019 (“Election Day”), which is a uniform election date permitted by the Texas Election Code (the “Election Code”). The Board hereby finds that holding the Election on such date is in the public interest. The Election shall be held within and throughout the boundaries and service area of METRO. All resident, qualified electors within such boundaries
and service area shall be entitled to vote. The hours during which the polling places are to be open on Election Day shall be from 7:00 a.m. to 7:00 p.m.

Section 3. Approval of METRONext. In connection with the Board’s consideration of this Resolution, METRO staff has presented to the Board a list of projects comprising the METRONext transit system plan. After due consideration and review, the Board hereby approves the METRONext transit system plan and the projects list for such plan contained within Exhibit A attached hereto. The Board hereby directs METRO staff to make information concerning METRONext, including a copy of the METRONext projects list, available on https://www.metronext.org/. The Board further directs METRO staff to update such website from time to time as the Board updates METRONext.

Section 4. Proposition. At the Election there shall be submitted to the resident, qualified electors within the boundaries and service area of METRO the proposition (the “Proposition”) as shown on Exhibit B, which is hereby made a part of this Resolution.

Section 5. Voting System and Ballots. Voting at the Election, and early voting therefor, shall be by the use of lawfully approved voting systems and ballots. The preparation of the necessary equipment and the official ballots for the Election shall conform to the requirements of the Election Code and the METRO Act so as to permit the voters to vote “FOR” or “AGAINST” the Proposition, which shall be set forth on the ballots in substantially the form as shown on Exhibit C, which is hereby made a part of this Resolution.

Voting in the Election, including early voting by personal appearance, shall be by the respective lawfully approved voting system adopted by Harris County, Texas, Fort Bend County, Texas, Waller County, Texas or Montgomery County, Texas (collectively, the “Counties”), as applicable, for use in elections held by any such county. Each voter desiring to vote in favor of the Proposition shall indicate on his or her ballot “FOR” the Proposition, and each voter desiring to vote against the Proposition shall indicate on his or her ballot “AGAINST” the Proposition.

The Election and voting therein shall be conducted in compliance with the Election Code, except as otherwise provided by the METRO Act, and shall be administered by such person or persons designated as an election administrator for each respective county pursuant to the contracts with the Board, as described in Section 8 hereof.

Section 6. Voting; Voting Precincts; Polling Places; Election Officers.

(a) The precinct judges and alternate judges for the Election shall be appointed in accordance with the Election Code. The precincts, polling places (including temporary branch polling places, if any) and precinct judges for the Election shall be as arranged by the Counties in accordance with the election contracts authorized and described by Section 8 hereof. As the Counties have not finalized the precincts, polling places (including temporary branch polling places, if any) and precinct judges as of the date of adoption of this Resolution, the Chair of the Board (the “Chair”), the President and Chief Executive Officer of METRO (the “President”) and their designees (the Chair, the President and each of their designees are individually referred to herein as an “Authorized Representative” and are collectively referred to herein as the “Authorized Representatives”) shall be authorized to attach one or more exhibits to this Resolution setting forth
the precincts, polling places and precinct judges arranged by the Counties in accordance with the election contracts authorized and described by Section 8 hereof. Upon the attachment of such exhibit(s) to this Resolution by an Authorized Representative, such exhibit(s) shall be integrated into and treated as a part of this Resolution for all purposes.

(b) If required, additional or alternative election judges for the voting precincts and the temporary branch polling places may be appointed in writing by an Authorized Representative. In the event that any of the Authorized Representatives shall determine from time to time that (i) one or more of the polling places hereby established and designated shall become unavailable or unsuitable for such use, or it would be in METRO’s best interests to relocate a polling place, or (ii) the precinct judges or assistant judges hereby appointed or hereinafter designated shall become unqualified or unavailable, each Authorized Representative is hereby authorized to designate and appoint in writing substitute polling places, precinct judges or assistant judges, giving such notice as is required by the Election Code and as deemed sufficient.

Section 7. Early Voting.

(a) Early voting, both by personal appearance and by mail, will be in accordance with the Election Code and the METRO Act. Early voting by personal appearance will be conducted at the locations (including temporary branch polling places) and during the dates and times arranged by the Counties. As the Counties have not finalized the locations (including temporary branch polling places), the dates and times for early voting by personal appearance, the Authorized Representatives shall be authorized to attach as an exhibit to this Resolution the locations (including temporary branch polling places), dates and times for early voting as determined and arranged by the Counties.

(b) The Board hereby appoints the following persons or their designees as the early voting clerks for the respective county specified below. Ballot applications and ballots voted by mail may be sent to such early voting clerks at their respective address below.

<table>
<thead>
<tr>
<th>Harris County Voters</th>
<th>Fort Bend County Voters</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dr. Diane Trautman</td>
<td>Mr. John Oldham</td>
</tr>
<tr>
<td>Attn: Elections Division</td>
<td>Fort Bend County Elections</td>
</tr>
<tr>
<td>P.O. Box 1148</td>
<td>301 Jackson Street</td>
</tr>
<tr>
<td>Houston, TX 77251-1148</td>
<td>Richmond, TX 77469</td>
</tr>
<tr>
<td><a href="mailto:BBM@cco.hctx.net">BBM@cco.hctx.net</a></td>
<td><a href="mailto:vote@fortbendcountytx.gov">vote@fortbendcountytx.gov</a></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Montgomery County Voters</th>
<th>Waller County Voters</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ms. Suzie Harvey</td>
<td>Ms. Christy Eason</td>
</tr>
<tr>
<td>Elections Administrator</td>
<td>Elections Administrator</td>
</tr>
<tr>
<td>P.O. Box 2646</td>
<td>816 Wilkins Street</td>
</tr>
<tr>
<td>Conroe, TX 77305</td>
<td>Hempstead, TX 77445</td>
</tr>
<tr>
<td><a href="mailto:election.ballot@mctx.org">election.ballot@mctx.org</a></td>
<td><a href="mailto:vote@wallercounty.us">vote@wallercounty.us</a></td>
</tr>
</tbody>
</table>

(c) The Board hereby appoints each early voting clerk as the presiding judge for their respective county. Each presiding judge shall appoint two election clerks, and such judge and
clerks shall constitute the special early voting ballot board and shall perform the duties set forth for such board in the Election Code.

Section 8. Conduct of Election. The Election shall be conducted in each Election precinct by election officers, including the precinct judge appointed hereunder and assistant judge or clerk, in accordance with the conditions of one or more contracts between or among METRO, the Counties and others, the Election Code and the Constitution and laws of the State of Texas and the United States of America. The pay for precinct judges, alternate judges and clerks for the Election shall be in accordance with the Election Code and as designated by the Counties. The Authorized Representatives are hereby authorized, on behalf of METRO, to enter into all such contracts with the Counties and others as may be necessary or convenient for the conduct of the Election.

Section 9. Delivery of Voted Ballots; Counting; Tabulation; Canvassing of Returns; Declaring Results. The ballots shall be counted by one or more teams of election officers assigned by the presiding judges, each team to consist of two or more election officers. After completion of his or her responsibilities under the Election Code, including the counting of the voted ballots and the tabulation of the results, the presiding judge shall make a written return of the Election results to METRO in accordance with the Election Code. The Board shall canvass the returns and declare the results of the Election.

If a majority of the resident, qualified electors of METRO voting at the Election, including those voting early, shall vote in favor of the Proposition, then the issuance and sale of the bonds, notes and other obligations described in such Proposition shall be authorized in the maximum amount contained therein, and the bonds, notes and other obligations shall, to the extent issued, be sold at the price or prices and in such denominations determined by the Board to be in METRO’s best interest.

Section 10. Training of Election Officials. Pursuant to the Election Code, public schools of instruction for all election officers shall be held by the Counties.

Section 11. Notice of Election; Consolidated Precincts. Notice of the Election, in English, Spanish, Chinese and Vietnamese, stating in substance the contents of this Resolution (the “Notice of Election”), shall be: (a) published once a week for three consecutive weeks in a newspaper of general circulation in the boundaries and service area of METRO, the first such publication to be made not less than twenty-one (21) days before Election Day; and (b) posted on the bulletin board(s) used by the Board to post notices of the Board’s meetings no later than the twenty-first (21st) day before Election Day. The Notice of Election must include the location of each polling place, and the posting described by (b) in the immediately preceding sentence must remain posted continuously through Election Day.

For each precinct that is combined to form a consolidated precinct under Section 42.008 of the Election Code, not later than the 10th day before Election Day, notice of the precinct’s consolidation and the location of the polling place in the consolidated precinct shall be posted at the polling place used in the preceding general election.
Section 12. **Authority of the Authorized Representatives.** The Authorized Representatives shall have the authority to take, or cause to be taken, all actions reasonable and necessary to ensure that the Election is fairly held and returns properly counted and tabulated for canvass for the canvass of the Election returns in accordance with state law.

Section 13. **Multilingual Materials.** All notices, instructions, and ballots pertaining to the Election shall be furnished to voters in English, Spanish, Chinese and Vietnamese and persons capable of acting as translators in English, Spanish, Chinese and Vietnamese shall be made available to assist voters in understanding and participating in the Election process.

Section 14. **Street Improvement Dedication and General Mobility Payments.** In Section 15 of METRO Resolution 2012-75, the Board set forth certain matters affecting the calculation of the General Mobility Payments. Such matters remain applicable to METRO’s continuance of the Street Improvement Dedication and General Mobility Payments pursuant to the Election, and are, therefore, hereby incorporated by reference as if set forth fully in this Resolution. Notwithstanding any provision of METRO Resolution 2012-75 to the contrary, if a majority of the voters voting at the Election approve the Proposition, METRO may use the portion of the Incremental Collection (as defined in METRO Resolution 2012-75) that it retains for any purpose authorized under the METRO Act or other applicable law.

Section 15. **METRO Agreements with the Voters.** As authorized by Section 451.072 of the METRO Act and other applicable law, the Board hereby declares that, if a majority of the voters voting at the Election approve the Proposition, the following agreements will be binding on METRO and will constitute contracts with the voters in accordance with their terms and may not be repealed, altered or rescinded by any succeeding Board without voter approval at a subsequent election:

(a) Approval of the Proposition at the Election constitutes approval of METRONext, including the construction of a Phase III of the METRORail system, for purposes of the City Charter of the City of Houston, and shall not be deemed to rescind or diminish the approval of METRO Solutions by METRO’s voters at the 2003 Election;

(b) METRO’s Street Improvement Dedication and General Mobility Payments will be in force and effect through September 30, 2040, in accordance with the existing agreements between METRO and certain local governments within METRO’s jurisdiction, as such agreements may be amended by METRO and such local governments, and such amounts may be used by such local governments for any purpose authorized under Section 451.065 of the METRO Act and other applicable law;

(c) METRO will hold another election prior to September 30, 2040, seeking a local determination by voters regarding METRO’s continuing support after September 30, 2040 for improvements and services of the types authorized under Section 451.065 of the METRO Act and other applicable law;

(d) METRO will not implement any increase in the rate of its currently existing, previously voted one percent (1%) sales and use tax as a result of the issuance of bonds, notes or other obligations from the authorization provided by the Election;
(e) METRO will not issue any bonds, notes or other obligations from the authorization provided by the Election unless: (i) such issuance is permitted by Section 33 of METRO Resolution 2018-117, which contains coverage requirements for the issuance of certain obligations of METRO, and (ii) an officer or employee of METRO certifies that METRO’s most recently adopted annual budget, including any amendments thereto, includes amounts sufficient to maintain a working capital reserve minimum of 15% of annualized budgeted operating expenditures.

Section 16. Authorization to Execute. The Chair is authorized to execute and the Secretary of METRO is authorized to attest this Resolution on behalf of the Board; and each Authorized Representative is authorized to do all other things legal and necessary in connection with the holding and consummation of the Election, including entering into contracts with other public officials and private parties for the conduct and administration of the Election.

Section 17. Texas Open Meetings Act. The Board officially finds, determines, recites and declares that written notice of the date, hour, place and subject of the meeting at which this Resolution is adopted was posted on a bulletin board located at a place convenient to the public for at least 72 hours preceding the scheduled time of the meeting as required by the Texas Open Meetings Act, Chapter 551, Texas Government Code, as amended; and that such meeting was open to the public as required by law at all times during which this Resolution and the subject matter thereof was discussed, considered and formally acted upon.

Section 18. Severability. If any Section, paragraph, clause or provision (or portion thereof) of this Resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such Section, paragraph, clause or provision (or portion thereof) shall not affect any of the remaining provisions of this Resolution.

Section 19. Effective Date. This Resolution is effective immediately upon its passage and approval.

[Signature page follows]
PASSED AND APPROVED on this 13th day of August, 2019.

_Carrie Ratkun_
Chair
Metropolitan Transit Authority of Harris County, Texas

ATTEST:

_Secretary_
Metropolitan Transit Authority of Harris County, Texas

List of Exhibits:
Exhibit A – General Description of METRONext
Exhibit B – Proposition
Exhibit C – Ballot Proposition
EXHIBIT A

General Description of METRONext

METRONext is a comprehensive plan that includes the acquisition, construction, repair, equipping, improvement and/or extension of METRO's transit authority system. METRONext is expected to include some or all of the following:

- Creation of “METRORapid,” a new Bus Rapid Transit system, including:
  - Interstate Highway 45 North to George Bush Intercontinental Airport and Greenspoint
  - Inner Katy Corridor to Northwest Transit Center / Proposed High Speed Rail / Uptown
  - University Corridor between Westchase and Tidwell
  - Uptown Corridor extension to Gulfton
  - West Houston Corridor between West Little York Park & Ride and Missouri City

- Improvements to METRO's Regional Express Network, including:
  - United States Highway 90A Two-Way HOV
  - Interstate Highway 10 West Two-Way HOV
  - Interstate Highway 45 North Two-Way HOV
  - United States Highway 59/Interstate Highway 69 South Two-Way HOV Downtown to Edloe
  - State Highway 249 Two-Way Diamond Lanes/HOV
  - 4 Off-Peak Direction Diamond Lane Corridors

- Construction of METRORail Phase III and related parking facilities, including:
  - Connecting the Green Line and Purple Line and extending the combined lines to William P. Hobby Airport
  - Extension of Red Line to North Shepherd
  - Extensions of Green and Purple Lines to the City of Houston Municipal Courthouse

- Improvements to Bus Operations Optimized System Treatments (BOOST) & Signature Service and other METRO bus services, including:
  - Approximately 16 BOOST corridors
  - Westheimer Signature Bus Service

- System Enhancements, including:
  - Systemwide route improvements, including approximately 10 new Community Connectors/Circulators
  - Downtown, Midtown & Texas Medical Center transit improvements
  - Accessibility and usability improvements and other improvements reducing barriers to the use by seniors, the disabled and others of METRO's transit authority system, including improvements to METROLift services
  - Improvements to facilitate portions of a rider's trip before and after use of METRO's transit authority system (“First Mile/Last Mile”)
• Construction of new facilities, including:
  o Approximately 10 new or improved Transit Centers
  o Approximately 11 new or improved Park & Rides, including Park & Ride and parking facilities related to METRO's rapid transit services

During the course of the implementation of METRONext, exact routes of the METRO Rapid and METRO Rail connections listed above will only be decided and finalized after an extensive community involvement process, which will include the consideration of the various feasible alternatives, and after taking into account design constraints and future unknown conditions including, but not limited to, right-of-way availability, environmental regulations or concerns, and funding availability. If financial circumstances and/or community input dictate, the mode listed above for a given connection could be changed to the mode that is most appropriate in the context of financial conditions and opportunities at a given time. For example, and without limitation, if financial or other circumstances warrant, rail could be replaced with bus rapid transit.

METRO does not intend to issue the full amount of the $3,500,000,000 bonding authority all at once, but over multiple years, in increments that are financially prudent as each increment is issued (i.e., comply with the covenants in Section 15(e) of this Resolution).

More information concerning METRONext may be obtained at https://www.metronext.org/. METRO will update such website from time to time.

Approval of the Proposition at the Election constitutes approval of METRONext, but shall not be deemed to rescind or diminish the approval of METRO Solutions by METRO's voters at the 2003 Election.

The routes described above represent general locations only and should not be considered to be exact.
EXHIBIT B

Proposition

METROPOLITAN TRANSIT AUTHORITY OF HARRIS COUNTY, TEXAS

PROPOSITION A

IN ORDER TO ENHANCE MOBILITY AND EASE TRAFFIC CONGESTION WITHIN THE TERRITORY AND SERVICE AREA OF THE METROPOLITAN TRANSIT AUTHORITY OF HARRIS COUNTY, TEXAS ("METRO"), WITH NO RESULTING INCREASE IN THE CURRENT RATE OF METRO’S SALES AND USE TAX, SHALL METRO BE AUTHORIZED TO ISSUE BONDS, NOTES AND OTHER OBLIGATIONS PAYABLE, IN WHOLE OR IN PART, FROM SEVENTY-FIVE PERCENT (75%) OF METRO’S SALES AND USE TAX REVENUES, IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED $3,500,000,000, FOR THE ACQUISITION, CONSTRUCTION, REPAIR, EQUIPMENT, IMPROVEMENT AND/OR EXTENSION OF METRO’S TRANSIT AUTHORITY SYSTEM (AS DESCRIBED IN EXHIBIT A OF METRO RESOLUTION NO. 2019-71, “METRONEXT”), WHICH BONDS, NOTES OR OTHER OBLIGATIONS MAY BE ISSUED IN VARIOUS SERIES OR ISSUES, MAY BE SOLD AT ANY PRICE OR PRICES, SHALL MATURE SERIALLY OR OTHERWISE NOT MORE THAN FORTY (40) YEARS FROM THEIR DATE OR DATES AND BEAR INTEREST AT SUCH RATE OR RATES (FIXED, VARIABLE, FLOATING, ADJUSTABLE OR OTHERWISE) AS SHALL BE DETERMINED BY THE BOARD OF METRO WITHIN ITS DISCRETION AT THE TIME OF ISSUANCE, BUT NOT TO EXCEED THE MAXIMUM RATE THEN AUTHORIZED BY LAW, ALL AS AUTHORIZED BY THE CONSTITUTION AND LAWS OF THE STATE OF TEXAS, INCLUDING PARTICULARLY (BUT NOT BY WAY OF LIMITATION) SECTIONS 451.352(c) AND 451.072 OF THE TEXAS TRANSPORTATION CODE, TOGETHER WITH ALL AMENDMENTS AND ADDITIONS THERETO, AND OF THE UNITED STATES OF AMERICA, AND SHALL METRONEXT AND THE CONSTRUCTION OF A PHASE III OF METRO’S RAIL SYSTEM KNOWN AS “METRORAIL” BE APPROVED FOR PURPOSES OF THE CITY CHARTER OF THE CITY OF HOUSTON, AND SHALL UP TO TWENTY-FIVE PERCENT (25%) OF METRO’S SALES AND USE TAX REVENUES THROUGH SEPTEMBER 30, 2040, BE DEDICATED FOR STREET IMPROVEMENTS, MOBILITY PROJECTS AND OTHER FACILITIES AND SERVICES, AS AUTHORIZED BY LAW?
EXHIBIT C

Ballot Proposition

METROPOLITAN TRANSIT AUTHORITY OF HARRIS COUNTY, TEXAS

PROPOSITION A

[ ] FOR

IN ORDER TO ENHANCE MOBILITY AND EASE TRAFFIC CONGESTION WITHIN METRO’S TERRITORY AND SERVICE AREA, WITH NO RESULTING INCREASE IN THE CURRENT RATE OF METRO’S SALES AND USE TAX, AUTHORIZATION OF METRO TO ISSUE BONDS, NOTES AND OTHER OBLIGATIONS PAYABLE, IN WHOLE OR IN PART, FROM 75% OF METRO’S SALES AND USE TAX REVENUES IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED $3,500,000,000, FOR METRO’S TRANSIT AUTHORITY SYSTEM, INCLUDING CREATION OF “METRORAPID” (A NEW BUS RAPID TRANSIT SYSTEM), IMPROVEMENTS TO METRO’S REGIONAL EXPRESS NETWORK OF TWO-WAY HIGH OCCUPANCY VEHICLE LANES AND DIAMOND LANES, CONSTRUCTION OF A PHASE III OF METRORAIL AND RELATED PARKING FACILITIES, IMPLEMENTATION OF BOOST & SIGNATURE SERVICE AND OTHER METRO BUS SERVICES, SYSTEM ENHANCEMENTS (INCLUDING ACCESSIBILITY TO BUS STOPS FOR SENIORS, THE DISABLED AND OTHERS) AND CONSTRUCTION OF NEW FACILITIES, KNOWN COLLECTIVELY AS THE METRONEXT PLAN (WHICH PLAN IS MORE PARTICULARLY DESCRIBED IN EXHIBIT A OF METRO RESOLUTION NO. 2019-71), APPROVAL OF SUCH PLAN AND THE CONSTRUCTION OF A PHASE III OF METRO’S RAIL SYSTEM FOR PURPOSES OF THE CITY CHARTER OF THE CITY OF HOUSTON, AND DEDICATION OF UP TO 25% OF METRO’S SALES AND USE TAX REVENUES THROUGH SEPTEMBER 30, 2040, TO STREET IMPROVEMENTS, MOBILITY PROJECTS AND OTHER FACILITIES AND SERVICES, AS AUTHORIZED BY LAW.

[ ] AGAINST