

January 31, 2013

Harriet Garland
Grant Manager
Houston Endowment Inc.
600 Travis, Suite 6400
Houston, TX 77002-3000



Status Report: Pre-Acquisition Grant to the Friends of Brazoria Wildlife Refuges

Per your notification on January 2, 2012 of a status report of this grant due to you at the end of January, 2013, we are pleased to provide the requested information below. This report augments the status report of September 28, 2012 sent to Elizabeth G. Love of Houston Endowment, Inc., which fulfilled the requirement as specified per the terms and conditions of this grant to provide a written report within one year from the date of funding of this grant, which was October 3, 2011.

We expect to spend the remaining \$61,554,76 of this grant within the next few months, upon which we will issue a final report to Houston Endowment, Inc. Please let me know if you would like to receive additional reports in the interim.

Organization name: Friends of Brazoria Wildlife Refuges (Friends)

Grant Specific Information: See Houston Endowment letter authorizing the grant – October 3, 2011, reproduced for convenience to this report.

Report due date: January 31, 2013

Grant funds received: \$300,000

Grant funds expended this period: (28Sep12 to 31Jan13): \$28,141.00

Total project cost from inception: \$238,445.24

Date project completed: Project still ongoing.

1) Has the purpose of the grant been achieved?

Goals have been reached but more is being achieved.

a. If yes, please provide concrete examples.

During this reporting period, a total of six important bottomland hardwood tracts were acquired from private landowner willing sellers, at appraised market values, totaling 7,172 acres at a total land cost of \$9,250,000.00. These acquisitions were facilitated by the grant from Houston Endowment, Inc., which enabled timely completion of required pre-acquisition discovery of the legal status of these properties. These tracts are now managed as important additions to the San Bernard National Wildlife Refuge. See attached status map at the end of this report. We continue to work on a number of additional proposed additions and add new projects continually as landowners contact us.

b. If no, please indicate what prevented success.

N/A

2) Were there any unexpected outcomes from the grant? If so, what were they?

None

3) Did you encounter unexpected difficulties? If yes, please elaborate.

Generally the acquisition process is slow and difficult. Through the Houston Endowment grant we have been able to minimize many of these difficulties and expedite land purchases. Although delays and problems are constantly encountered, we continue to make significant progress. The grant funds have helped facilitate a great deal more acquisition in a shorter period of time making it possible for us to successfully compete for Federal and other funding for the actual purchases. The due diligence funded under this grant leverages many hundreds of thousands of additional dollars which are used for the purchase of critically important habitat.

4) If possible, please describe how many people benefited from the project the grant supported. Please provide details.

As our grant application explained, the acquisition will ultimately result in more land available for public use. It helps protect birds and other wildlife, resulting in greater and more diverse populations of birds and wildlife for people to enjoy. It also improves water and air quality, ground water recharge, and helps protect adjacent lands from flooding and generally improves the quality of life for the people in the region in many other ways.

5) Please provide details about any new or unexpected support for this project.

No other additional contributions or partners have been found to help fund the due diligence steps supported by this Houston Endowment, Inc. grant. However, the US Fish and Wildlife Service continues to add willing landowner partners to the project. Adjacent landowners have offered to sell or donate property, and the continued support by the Houston Endowment through this grant will make it possible for us to initiate more good projects and keep the interested landowners engaged. This grant also enhances the ability of the San Bernard National Wildlife Refuge to compete for federal acquisition dollars.

6) Include a breakdown of grant fund expenditures. Were any grant funds spent for a purpose or purposes other than those stated in the grant application? All grant funds were used as proposed in the grant application.

A listing of grant fund expenditures, updated from our status report of September 28, 2012, is attached at the end of this report.

7) Please provide any other additional information or documentation regarding the grant, including publicity, conferences, awards, etc.

See attached map

Organization Goals

In this section of your report, please state three of the primary organizational goals you expect to achieve in the coming year. These goals may relate to any area of your organization (operations, programming, financial position, governance, etc). Define these goals in terms of specific, measurable outcomes. If a goal is part of a long-term effort, indicate which measurable milestone(s) in that effort you expect to achieve within the next 12 months. Explain why your organization developed and prioritized these particular goals. Six months from now, what specific indicators will you review to determine whether your organization is on track to achieve these goals?

1) Goal, defined in terms of specific, measurable outcome(s):

Assist the Texas Mid-coast National Wildlife Refuge Complex (TMCNWRC) in their efforts to acquire critical parcels of land in Brazoria and surrounding counties in Texas that can be preserved or restored for wildlife habitat by providing funds from grants and donations to support pre-acquisition discovery.

Explanation for developing and prioritizing this goal:

Funding will help protect more critically important wildlife habitat.

Six-month progress indicators:

An indicator is the number of acres permanently protected in the refuge. 7,172 acres were acquired during this period using the above-described funds.

2) Goal, defined in terms of specific, measurable outcome(s):

Acquire and administer grants to support the educational and wildlife management objectives of the TMCNWRC.

Explanation for developing and prioritizing this goal:

Environmental education develops public support for developing and maintaining wildlife habitat.

Six-month progress indicators:

From the inception of Friends in 1996, \$871,861 of grant money has been spent in meeting this goal. Currently, grants totaling \$497,200 are active, including this Houston Endowment, Inc. grant. Other major active grants are supporting the construction of trails and environmental education programs.

3) Goal, defined in terms of specific, measurable outcome(s):

Organize and support environmental education events on TMCNWRC refuges.

Explanation for developing and prioritizing this goal:

Environmental education programs result in greater appreciation for conserving the natural environment.

Six-month progress indicators:

For over 15 years, the TMCNWRC has sponsored the Discovery Environmental Education Program (DEEP) that hosts field trips for fourth and seventh-grade students at the Brazoria National Wildlife Refuge. For the 2012-2013 school year, ~3,000 students are expected to participate in this program. The Friends provide funds for purchasing equipment and interpretive displays in support of DEEP.

For 18 years, Friends has organized and conducted in April the Migration Celebration, a two-day event of docent-guided activities at either the Brazoria or San Bernard National Wildlife Refuges. Last year's Migration Celebration attracted over 1,800 visitors, predominately either families with young children or adults with no children. For 2013 (April 20th and 21st), we anticipate a similar attendance level.

Submitted by: Martin Cornell

Name: Title: Member of the Board and Grant Administrator, Friends of Brazoria National Wildlife Refuges

Date: January 31, 2013

Attachments:

- Houston Endowment, Inc. letter of October 3, 2011 authorizing this grant
- Tracts supported by the Houston Endowment, Inc Pre-acquisition – discovery grant
- Expenditures by Friends of Brazoria Wildlife Refuges on Grant 20111115, Pre-acquisition –Discovery, awarded by the Houston Endowment, Inc. on October 3, 2011

HOUSTON ENDOWMENT INC.
A PHILANTHROPY ENDOWED BY MR. AND MRS. JESSE H. JONES

LARRY R. PAULNER
President

October 3, 2011

Mr. Ed Barrios
President
Friends of Brazoria Wildlife Refuges
Post Office Box 505
Lake Jackson, TX 77566

Dear Mr. Barrios:

It is my pleasure to inform you that the Board of Directors of Houston Endowment Inc. (the "Foundation") has authorized a grant of \$300,000 to the Friends of Brazoria Wildlife Refuges ("Grantee") subject to Grantee's acceptance of the terms and conditions set forth in this agreement.

The following terms and conditions apply to this grant:

1. This grant is to be used toward pre-acquisition activities to facilitate the purchase, protection and preservation of forested wetlands in the Columbia Bottomlands in Brazoria and Fort Bend counties, as described in your proposal received June 9, 2011.
2. This grant has been approved for payment on or before November 30, 2011, provided an authorized officer of Grantee has signed and returned this agreement by October 20, 2011.
3. Permission is hereby given for Grantee to use any wording contained in this agreement in press releases. Only proposed releases for publication or broadcasting containing additional information need be submitted to the Foundation for approval. Grantee agrees to forward to the Foundation copies of any news releases, published materials, or media articles mentioning this grant which come to Grantee's notice or attention. The Foundation retains the right to release information regarding this grant to any public media.
4. Any grant funds not used for the purposes stated above must be returned to the Foundation.
5. Grantee agrees to furnish to Houston Endowment Inc. a written report within one year from the date of funding this grant, as to the status and/or results of the projects and activities financed by this grant, including an accounting of all funds expended. Such report should be sent to the attention of the Grant Department.
6. Grantee agrees to keep its financial and other records so that they adequately show that the funds were used exclusively for the grant's purposes.
7. Grantee warrants that Grantee currently is (i) a public charity described in Section 501(c)(3) or a governmental unit described in Section 170(c) of the Internal Revenue Code of 1986 (not a private foundation or a private operating foundation), and (ii) that receipt of this grant will not adversely affect Grantee's current status.


HOUSTON ENDOWMENT INC.

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8. Grantee agrees to furnish the Foundation with any information concerning (A) the occurrence of an adverse event which may significantly affect the ongoing operations of Grantee, or (B) a proposed change in Grantee's current classification as either a public charity or a governmental unit.
9. Grantee agrees to supply the Foundation with such information as the Foundation may require to permit the review of the use made of these grant funds and their effect upon the public charity status of Grantee.
10. Any violation of the terms and conditions set forth herein will permit the Foundation to terminate any and all obligations with respect to further distributions, whether to be made as part of this grant or any other approved grant from the Foundation.
11. Acknowledgment of Grantee's agreement to the terms and conditions set forth in this agreement will be made by a duly authorized officer of Grantee as provided below.
12. The Foundation desires that all resources of Grantee be dedicated to accomplishing its charitable purposes. Accordingly, Grantee agrees not to recognize the Foundation, its Board members or staff, or this grant with certificates, plaques, or similar mementos.

Assuming the terms and conditions of this grant are acceptable, an authorized officer of Grantee should execute both copies of this agreement and return one copy to Houston Endowment Inc., attention Grant Department. You may contact Elizabeth G. Love, Grant Officer, with any questions about this grant.

Very truly yours,



Larry R. Faulkner

As an officer of the Friends of Brazoria Wildlife Refuges, I certify that I am duly authorized to bind the organization to the terms of this agreement, and do hereby agree to and accept the terms set forth above this 6 day of October, 2011.

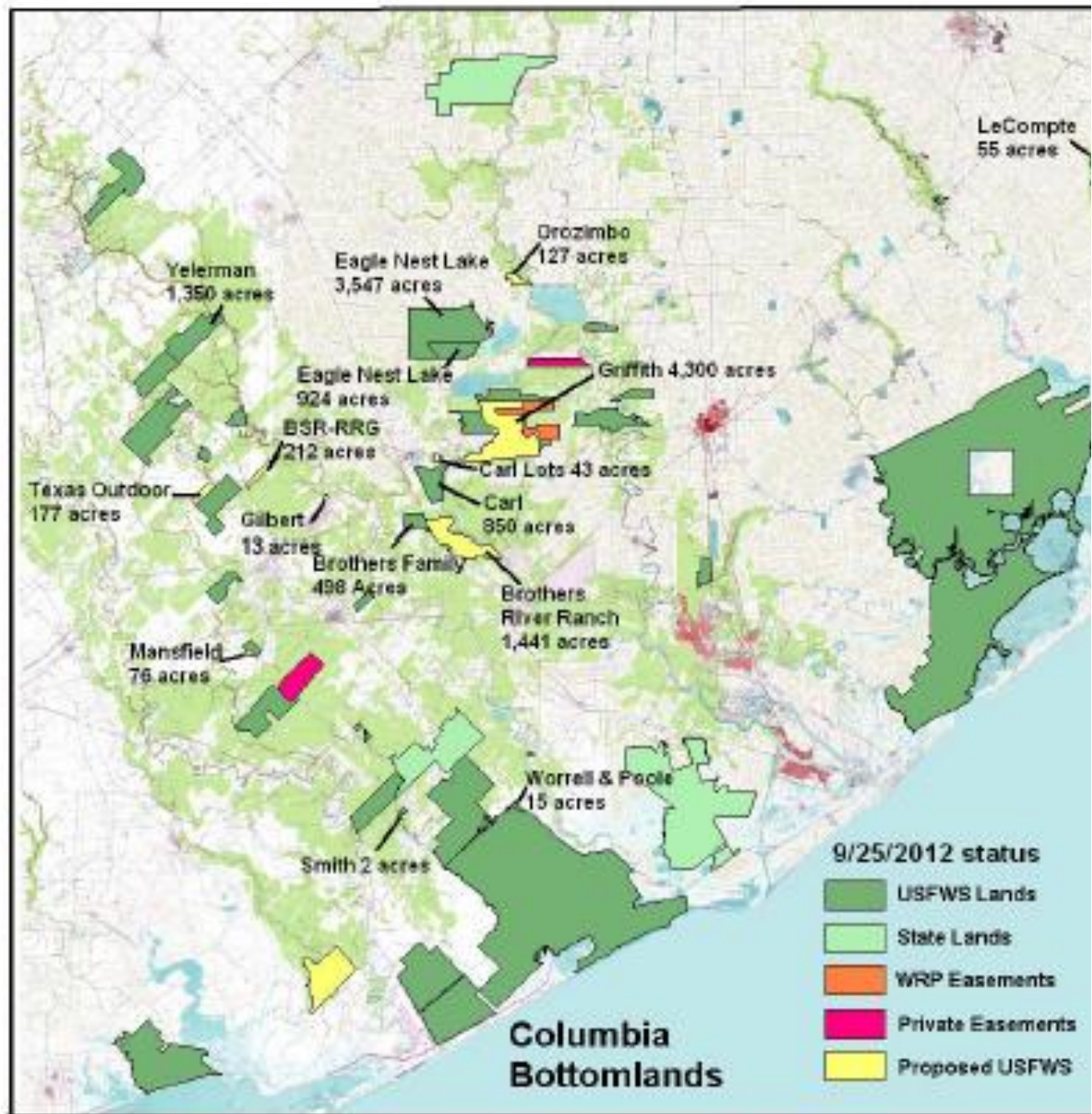
FRIENDS OF BRAZORIA WILDLIFE REFUGES

By Ed Barnes
Name

PRESIDENT - Friends of the
Title Brazoria Wildlife Refuges

KEEP THIS
COPY

Labeled Tracts were supported by Houston Endowment Grant providing pre-acquisition funds.



Friends of Brazoria Wildlife Refuges Grant 20111115

Houston Endowment, Inc. Grant of \$300,000, October 3, 2011

Date of Invoice	Activity	Submittor	Payee	Amount
February 16, 2012	Surveying Services- Brothers Tract 129 West of Highway 36, West Columbia, Texas Surveying Services - Boundary Survey of 1942 Acres Along Hwy 36 bwtween Brazoria & West Columbia, Texas	Louis duBois, Senior Land Surveyor	Dovle & Wachtstetter. Inc	\$39,965.20
March 1, 2012	Surveying Services- Brothers Tract 129 West of Highway 36, West Columbia, Texas	Louis duBois, Senior Land Surveyor	Dovle & Wachtstetter. Inc	\$16,393.50
March 2, 2012	Salary and Expenses	Thomas E. Smith		\$7,113.01
March 2, 2012	Salary and Expenses	Thomas E. Smith	National Fish and Wildlife Foundation (NFWF)	\$5,081.63
March 2, 2012	Travel	Thomas E. Smith		\$1,155.54
March 2, 2012	Travel	Thomas E. Smith		\$1,485.38
March 2, 2012	Owner's policy title insurance for 1.8119 acres John McCrowskey Abst. 84, Cedar Lake Creek, Sweeny, Texas	Gwen Fief	Alamo Title Company	\$757.25
March 28, 2012	Surveying Services- Brothers Tract 129 East of Highway 36, West Columbia, Texas	Louis duBois, Senior Land Surveyor	Dovle & Wachtstetter. Inc	\$45,600.00
April 3, 2012	Self-contained appraisal report being <u>Tract 138</u> of the San Bernard National Wildlife Refuge IVIS# F12017 Of 212.627 acres located along the southwest side of FM1459 approximately six miles west of West Columbia, Texas in the western portion of Brazoria County Texas and legally described as 212.627 acres out of the Zeno Phillips League, Abstract No. 118 in Brazoria County, Texas	David W. Oberrender, MAI	Kokel-Oberrender-Wood Appraisal, Ltd.	\$7,800.00
April 4, 2012	Self-contained appraisal report being <u>Tract 137</u> of the San Bernard National Wildlife Refuge IVIS# F12012 Of 55.678 acres located 0.2 mile southwest of Pearson Road, being approximately seven miles southeast of Alvin, Texas, four miles southeast of Santa Fe, Texas on the Brazoria/Galveston County line and legally described as 55.678 acres out of the A. G. Reynolds League, Abstract No. 121, Brazoria County, Texas	David W. Oberrender, MAI	Kokel-Oberrender-Wood Appraisal, Ltd.	\$11,400.00
April 11, 2012	Surveying Services - Brothers Tract 129 East of Highway 36, West Columbia, Texas	Louis duBois, Senior Land Surveyor	Dovle & Wachtstetter. Inc	\$7,339.00
May 2, 2012	497.7080 acres S. F. Austin 7 1/3 Leag. Abst. 20, near West Columbia San Bernard NWR Tract (129), West Columbia, Texas		Alamo Title Company	\$7,408.00
May 22, 2012	Salary, Travel, and other expenses	Thomas E. Smith	NFWF	\$20,920.10
June 8, 2012	Retainer on appraisal of Gilbert 13.637 Acre Tract (Lawrence E. Gilbert, Jr., ownership) End of County Road 791, east of Highway 1459, near West Columbia; and being acreage of Lot 7 of the Bernard River Land Development Company Subdivision in the B. C. Franklin League, Abstract 192; Brazoria County, Texas		James J. Jeffries, ARA, MAI	\$4,000.00
June 8, 2012	Retainer on appraisal of Mansfield 75.54 Acres out of the Parent 105.54 Acres Tract (Johanna And Ben Mansfield ownership) West Side of County Road 321, North of County Road 332 near Sweeny; and Being acreage out of Lots 18 through 20; Block 8; Lot 9, Block 9; and Lots 4 through 8, Block 22; of the Third Subdivision of the M. B. Nuckols Survey, Abstract 679, Brazoria County, Texas		James J. Jeffries, ARA, MAI	\$4,000.00

August 20, 2012	Appraisal of: Mansfield 75.54 Acres out of the Parent 105.54 Acres Tract (Johanna And Ben Mansfield ownership) West Side of County Road 321, North of Coungy Road 332 near Sweeny; and Being acreage out of Lots 18 through 20; Block 8; Lot 9, Block 9; and Lots 4 through 8, Block 22; of the Third Subdivision of the M. B. Nuckols Survey, Abstract 679, Brazoria County, Texas		James J. Jeffries, ARA, MAI	\$4,000.00
August 31, 2012	Resurvey of the Brothers tracts (57,a) and 129 at San Bernard NWR to correct problem in a previous deed.	Louis duBois, Senior Land Surveyor		\$16,933.30
September 7, 2012	Salary, Travel, and other expenses	Thomas E. Smith	National Fish and Wildlife Foundation (NFWF)	\$13,952.33
September 27, 2012	Amelia Poole Sudderth Tract, Lots 56 and 57, Poole Partition. F.M. 29188 and C.R. 306	Angleton Real Estate Appraisal		\$3,500.00
October 12, 2012	Self-Contained appraisal report being <u>Tract 142</u> of the San Bernard National Wildlife Refuge, IVIS #F12381 of 177.21 acres located along the northwest side of FM524, approximately 4 miles northwest of Old Ocean, Texas in the west portion of Brazoria County, Texas and legally described as 177.21 acres out of the Joseph White League, Abstract No. 136 in Brazoria County, Texas.	David W. Oberrender, MAI	National Fish and Wildlife Foundation (NFWF)	\$7,800.00
November 25, 2012	Salary, Travel, and other expenses	Thomas E. Smith		\$11,841.00

Totals \$238,445.24