

Downtown Houston Market Report

Central Houston, Inc. and Houston Downtown Management District

From street level to skyline, Downtown Houston had a strong year. A number of 2019's Downtown highlights include the completion of the 35-story Class A Bank of America Tower in June and Brookfield Properties', Downtown's largest office building owner, October announcement of an extensive renovation of its 53-story Heritage Plaza. By year-end, more than 12.6 million square feet of office space is under renovation throughout 13 buildings, including Allen and Houston Centers.



EXECUTIVE SUMMARY (CONTINUED)

The AC Hotel by Marriott opened in July in the 105-year-old renovated Houston Bar Center and the Cambria Hotel Houston Downtown Convention Center shortly afterwards in early-August (earning AAA's Four Diamond designation this fall), followed by the C. Baldwin Hotel debuting its property-wide remake in October.

Two groundbreaking food halls opened for business, including Bravery Chef Hall located on the ground level of the 32-story Aris Market Square, which was preceded by Understory operating as an experienced-focused food hall and community gathering space at the tunnel level of the Bank of America Tower. While Downtown's residential population saw occupancy climb to nearly 90 percent, The Preston, a 373-unit Downtown 46-story multifamily high-rise under construction by Houston-based Hines, began its vertical climb and is expected to be completed in 2022. Downtown's green spaces all had news: Discovery Green was named one of America's Great Places 2019 by the American Planning Association and plans were unveiled for the new Southern Downtown Park with construction set to start in spring/summer 2020 with an opening the following year.

Also taking place this year, Downtown's Innovation Hub saw two nationally ranked, top-15 programs come to Houston's urban core, Boston-based MassChallenge Inc. and Milwaukee-based gener8tor. WeWork opened its second location in 609 Main at Texas; The Squared, the new cow-working concept by Hines commenced operations in 717 Texas; and The Cannon launched The Cannon Tower at Amegy on Main, the company's third in a growing network of spaces across the city. Amegy on Main will also soon be the home to Central Houston's

and the Downtown Redevelopment Authority's Launch Pad, an inclusive space for entrepreneurs and startups that will house MassChallenge Houston and gener8tor.

Meanwhile, during the fourth quarter several significant announcements and developments became news. Skanska USA Commercial Development acquired four parcels of land totaling 3.5 acres near Discovery Green for \$55 million with plans to develop a mix of office, multifamily and retail while selling a 90 percent stake in the Bank of America Tower. Beacon Capital Partners has agreed to acquire the building for \$373 million. Other investor activity include Hines and an affiliate of private equity firm Cerberus Capital Management LP, purchasing Downtown Houston's tallest skyscraper, commonly referred to as the JPMorgan Chase Tower, located at 600 Travis, as well as the adjacent building formerly known as JPMorgan Chase Center, for a reported \$627 million total with plans for renovations. Two highly awaited restaurant openings this final quarter included the debut of Rosalie Italian Soul, chef Chris Cosentino's chic, American-Italian restaurant inside Downtown's C. Baldwin Hotel and chef Troy Guard's Guard and Grace, the spacious 15,000 square foot steakhouse in Allen Center designed by BOSS.architecture.

Capping off a year of new growth and continued expansion for Houston's urban core, the 2020 Downtown outlook is bright: Camden Downtown, the newest Class A multifamily project, will open in the spring, the renovation of Allen and Houston Centers will have made significant progress and Common Bond Café and Bakery will open in Understory. Keep your shades handy.

Market Overview

OFFICE

OFFICE HIGHLIGHTS

51,469,131 sf

office inventory

1,273,699 sf

under construction

602,578 sf

planned

Prime office space prevailed in leasing and investor activity this year. Downtown's expanding Class A sector outperformed the broader market with more than a half a million square feet in direct net absorption during 2019, more than twice last year's absorption total, and the bulk of the year-to-date gains taking place in newly built projects. For example, the delivery of the 780,000 square foot Bank of America Tower during the second quarter of 2019 came online 86 percent pre-leased including leases by Waste Management in 284,000 square feet, law firms Winston & Strawn and Shearman & Sterling in nearly 100,000 square feet, Quantum Energy Partners in 32,000 square feet and Bank of America consolidating its Downtown locations in 210,000 square feet—capturing naming rights in the process. The notable transactions topped off what has been a remarkable decade for Downtown's office leasing market.

At the beginning of 2010, Downtown contained 31.3 million square feet of Class A office space throughout 34 buildings; fast forward to the close of 2019 and Downtown counted 40 total Class A buildings and an inventory increase to nearly 35.5 million square

feet. Meanwhile, the construction pipeline closes the year as robustly it began it. The largest office project underway includes the 47-story, 1.1 million square foot Texas Tower being developed by Hines, slated to deliver in late 2021. Texas Tower is currently 38 percent pre-leased with recent transactions inked by law firm Vinson & Elkins in 214,000 square feet and Hines taking down 155,000 square feet with plans to relocate its global headquarters from the Williams Tower in Uptown upon the tower's completion. Another project to watch is Lovett Commercial's redevelopment to transform the former post office at 401 Franklin, renamed Post Houston, into a 550,000 square foot multiuse development that broke ground in mid-2019. This project on Downtown's northwest side is planned to contain 130,000 square feet of office space, 60,000 square feet for retail, a 45,000 square foot market hall and 20,000 square feet of coworking space.

Downtown development and investor activity were evenly spread in the final half of the year. As 2019 came to a close, Skanska USA Commercial Development had two major announcements: the prolific developer purchased four land parcels totaling 3.5 acres near Discovery Green for \$55 million with plans to develop a mix of office, multifamily and retail that could transform the axis of Downtown commercial and residential activity in the decade ahead. Conversely, Skanska also sold a 90 percent stake in the Bank of America Tower shortly after acquiring the Downtown land sites. Beacon Capital Partners agreed to acquire the building for \$373 million. Reflecting leasing demand for prime space, global investor interest followed suit: Houston-based Midway and Lionstone Investments, and parent company, Boston-based Columbia Threadneedle Investments, secured the \$140 million refinancing for Downtown's GreenStreet, the 11-story, 617,000 square foot office, entertainment and retail development spanning from Downtown's Main to Caroline Streets. Capping off recent investor activity, Hines and an affiliate of private equity firm Cerberus Capital Management LP, bought the Downtown Houston skyscraper commonly referred to as the JPMorgan Chase Tower, located at 600 Travis, as well as the adjacent building formerly known as JPMorgan Chase Center for a reported \$627 million total. Renovations are planned for 600 Travis, which is the tallest building in Texas at 75 stories and contains more than 1.7 million square feet of office space.



600 Travis

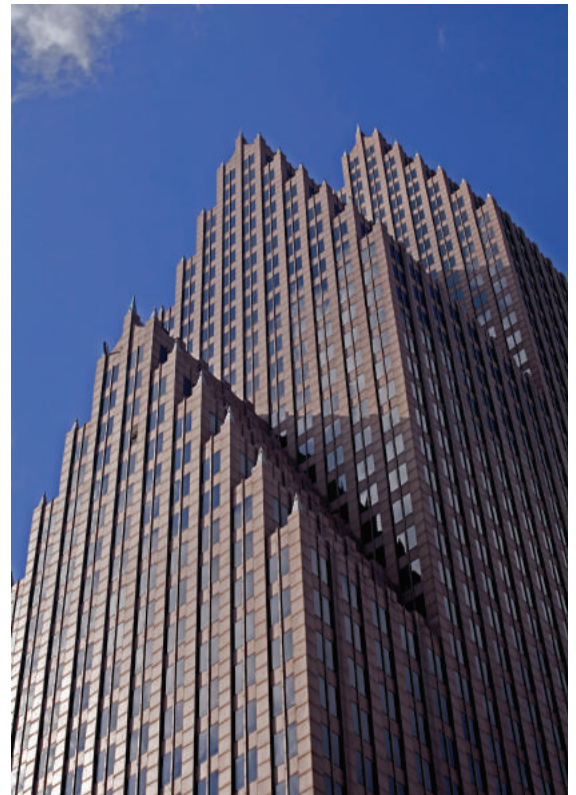
Market Overview

OFFICE (CONTINUED)

Consequently, Downtown's office sector saw sharpened leasing and investor activity in 2019—including new coworking spaces that now total more than 400,000 square feet of space. During this year alone, these include WeWork opening its second Downtown location in 56,000 square feet at 609 Main at Texas, 28,000 square feet for The Square was unveiled by Hines in 717 Texas and The Cannon opened its new Downtown coworking site which will include Central Houston's and the Downtown Redevelopment Authority's 17,000 SF entrepreneurial working space, the Launch Pad, opening in early summer 2020 and will serve as the home for global innovation accelerators Boston-based MassChallenge and Milwaukee-based Gener8or. Key take-aways for the office sector this year—and the decade, for that matter—illustrate how Houston's largest office submarket grows with the times and adopts new Bayou City work environment trends.

Downtown's sublease space availability, which peaked in late 2016 at 2.8 million square feet, is in line to put the conundrum behind the office leasing sector according to the discussion at **Bisnow's Future of Downtown** event held in October. "One thing that's not known yet, we're working on [lease] documents which will definitely help the actual market but also the psychology behind it," **Cushman & Wakefield** Executive Vice Chairman Tim Relyea said. Relyea projects that by the end of the year, all the 'sublease hangover' will have either been leased, had terms expire converting it to directly available space or removed from the active sublease leasing market. Total sublease space for the Houston's metro wide office market has shrunk down to 9.1 million square feet, the majority of which is in the Class A market and Downtown's 3Q 2019 Class A sublease space measured 1.3 million square feet. ([BisNow](#))

Downtown's **1415 Louisiana**, formerly known as Wedge International Tower, will soon have a new 8,000 square foot fitness center available to tenants located in the 43-story office tower. The building owners are working on an \$800,000 build-out of space on the building's third floor to make way for the fitness center, according to a building permit issued by the city of Houston. The permit was issued to Friendswood, Texas-based **Jacob White Construction Co.** The new fitness center is scheduled to be completed by December and will come with men's and women's locker rooms. The new fitness center is part of the second phase of renovations at the 520,475 square foot building, which aim to provide several new amenities for tenants. The building's new restaurant, **Strato 550**, opened during the summer, occupying the entire top floor of the building, serves cocktails and Mediterranean food. Other recent additions to 1415 Louisiana include a new conference center, a **Terra Coffee** store on the first floor and the build-out of several move-in-ready spec office suites on the building's 23rd floor. ([HBJ](#))



TC Energy Center

Chicago-based international law firm **Winston & Strawn** began building out the two floors leased during December 2018 in **Bank of America Tower** (800 Capitol). Building permits issued by the city of Houston show the firm expects to spend \$8.1 million in order to renovate the 60,223 square feet it will occupy on floors 23 and 24 of the building. The permits were issued to Chicago-based Clune Construction Co. Winston & Strawn was among the first tenants to lease space in Bank of America Tower, which formally opened in June and is expected to relocate into its new office location from 1111 Louisiana in February 2020. ([HBJ](#))

In October, the 56-story building formerly known as Bank of America Center (700 Louisiana) was renamed **TC Energy Center** for its largest namesake tenant, according to the building's owner, **M-M Properties**, and leasing brokerage, **Madison Marquette**. TC Energy, formerly known as TransCanada Corp., recently expanded by slightly more than 60,000 square feet and now occupies more than 300,000 square feet in the building. The newly named TC Energy Center is undergoing a \$20 million renovation according to M-M Properties. The upgrades include an 8,000 square foot white tablecloth restaurant addition to the lobby and 10,000 square feet of creative office space. Phase II of the project is set to include a new tenant lounge and conference center, a lobby coffee bar and new workspaces on the mezzanine level. The 1.25 million square foot office building was originally designed by architect Philip Johnson and completed construction in 1983. The tower's new name reflects TC Energy's recent growth in its operations in Houston. Between 50 to 100 TC Energy employees will relocate to the Downtown tower. ([HBJ](#), [Chron](#), [BisNow](#))

OFFICE (CONTINUED)

The **Houston District Council** of the **Urban Land Institute** selected ten local projects as finalists for the **2020 Development of Distinction Awards** including **Skanska's** 35-story **Bank of America Tower** (800 Capitol) in the 'For Profit - Large' category. The awards recognize developments and open spaces demonstrating best practices in design, construction, economic viability, healthy places, marketing and management. There are five categories. The "For Profit - Small" category also recognized **Main&Co's** mixed-used office and retail buildings (110 and 114 Main), the only property in that category. The large category is for projects over 100,000 square feet, and the small category is for those under 100,000 square feet. ([HBJ](#))

The international real estate firm, **Hines**, completed ground-floor renovations at **1100 Louisiana** including a hospitality-inspired lobby with new furnishings, upgraded LED lighting and new stone wall finishes. The new focal point of the lobby is the recently installed digital experience lobby wall, dubbed "the 1100 Experience." The 4K display measures 32 feet wide by 18 feet high with a 36-foot diagonal distance, making it the largest commercial office indoor digital installation of its kind in Downtown. This new digital platform will provide tenants and visitors of 1100 Louisiana exceptional access to a myriad of art and local talent from the Houston region. The 1100 Experience is designed to constantly generate original content, drawing from four main themes: Beauty in Data, Change of State, Imagination Room, and Living Wall. Developed and managed by Hines, 1100 Louisiana is a 1.4 million square foot, 55-story office tower clad in Spanish Rose granite and was completed in 1980 where Hines has served as property manager since it was originally developed. ([Hines](#))

Stantec, a global design and engineering firm, consolidated its Houston employees to **910 Louisiana** (formerly One Shell Plaza) in November. The move brought together approximately 175 employees from the firm's water, buildings, oil and gas, community development and transportation groups. Stantec Architecture designed the 23,000 square foot office. The new office is designed with an open, modern, flexible space with collaboration and group work areas, private and quiet work areas and break rooms. The Class A office space is subleased from Shell Oil through 2025. The company currently has offices at 500 Jefferson, 20 East Greenway Plaza and 580 Westlake Park Blvd. in west Houston. ([Chron](#), [HBJ](#))

Downtown Houston's skyscraper commonly referred

to as the **JPMorgan Chase Tower** (600 Travis)—and the adjacent building formerly known as **JPMorgan Chase Center** (601 Travis) were sold in October. Houston-based real estate firm **Hines** and an affiliate of private equity firm **Cerberus Capital Management LP**, bought the properties which when combined, contain a total 2.1 million square feet of office and retail space. Sales terms were not disclosed, but industry publication Real Estate Alert (REA) reported in June that the acquisitions were expected to be worth approximately \$300 per square foot, or \$627 million total. Cerberus was expected to own a 90 percent stake, with Hines owning the other 10 percent, per REA. The Harris County Appraisal District values 600 Travis (the land and building) at nearly \$477.38 million and 601 Travis (land and building) at nearly \$60.99 million. Renovations are planned for 600 Travis, which is the tallest building in Texas at 75 stories and contains more than 1.7 million square feet with 22,237 square feet of retail space. Meanwhile, the 20-story, 407,896 square foot 601 Travis underwent a renovation in 2011 that included a new lobby with an illuminated glass wall. Other features of the building include a 7,000 square foot fitness center available to tenants of both buildings, a 280-seat auditorium and 12 floors of parking. ([HBJ](#), [BisNow](#), [Chron](#), [RNR](#))

Houston-based **Midway** and **Lionstone Investments**, and parent company, Boston-based **Columbia Threadneedle Investments**, secured the \$140 million refinancing for **GreenStreet** (1201 Fannin), a 617,000 square foot development spanning from Downtown's Main to Caroline Streets. The loan was provided by Blackstone Real Estate Debt Strategies. GreenStreet comprises three components: a three-story office and retail building, an 11-story office story, and a parking garage containing 1,450 spaces and 24,000 square feet of additional office space. The property is undergoing a major capital improvement and renovation program including a new two-story lobby on the ground floor of the tower that will create a distinct point of entry for office tenants and property visitors as well as the opening and widening of central corridors to enhance building visibility and wayfinding. The development is anchored by **Hotel Alessandra** (1070 Dallas), a 20-story, 223-room hotel developed by Midway and Houston-based **Valencia Group** which was not part of the refinancing. Most recently, GreenStreet signed a 15-year lease with **Life Time** (1201 Main) to establish a 108,000 square foot diamond-level fitness resort and the company's coworking concept, Life Time Work, expected to open early-2020. ([HBJ](#), [Chron](#), [RNR](#))

OFFICE (CONTINUED)

Beacon Capital Partners agreed to acquire the 35-story **Bank of America Tower** (800 Capitol) from New York-based Skanska USA Commercial Development for \$373 million or \$531 per square foot. Skanska USA sold a 90 percent interest in the tower to an affiliate of Boston-based Beacon Capital according to a press release during the fourth quarter of 2019. The 754,000 square foot Class A office tower, completed in June, is anchored by Bank of America, which leased 205,000 square feet of office space and another 5,000 square feet for a street-level bank lobby. Other large tenants include Waste Management, Winston & Strawn and Quantum Energy Partners. The investment sale shows there's a market interest for newly completed, high-end, well-occupied office space even as Houston's office market overall currently has higher vacancy rates. The building opened with 88 percent of its office space pre-leased and features a lushly landscaped 24,000 square foot "sky park," a 35,000 square-foot community hub and culinary market named Understory and a 10,000 square foot conference and events center. According to Skanska, the LEED-certified tower uses 32 percent less energy than the typical office tower. ([HBJ](#), [RNR](#), [Commercial Property Executive](#), [Chron](#))

Calgary-based **TC Energy**, formerly TransCanada, is consolidating its Houston-area office locations to the newly renamed 56-story **TC Energy Center** (700 Louisiana). During the fourth quarter, the company filed \$4 million in building permits for the remodel of the eighth and 13th floors, according to public records. TC Energy selected those floors, each approximately 30,000 square feet, plus 600 square feet of lobby space in new leases and will be vacating its 40,000 square feet it occupied at Sage Plaza in the Uptown area prior to the consolidation. As a result, the company will have expanded its Downtown office location in TC Energy Center from 260,000 square feet to 320,000 square feet by February 2020. TC Energy, which changed its name from TransCanada in January 2019, builds and operates natural gas and oil pipelines across North America and in Houston and locally has undergone several Downtown expansions since first moving into 700 Louisiana in 2013. ([HBJ](#))

Dallas-based law firm **Haynes and Boone** is undertaking a \$10.8 million renovation of its Downtown Houston location in the 46-floor **LyondellBasell Tower** (1221 McKinney) of Houston Center on three full floors: suites 3800, 3900 and 4000. Each floor will undergo approximately \$3.6 million in improvements, according

to building permits filed with the city of Houston. The renovations will affect a total of 64,905 square feet of office space (more than \$166 per square foot). The renovations provide the firm with an opportunity to upgrade its office space to be more efficient and will include a new conference area, public areas for entertaining clients and private areas where attorneys and staff to take breaks or collaborate with coworkers. The firm renewed its 72,903-square-foot lease in LyondellBasell Tower in 2018 for space on floors 20-23. Real estate partner Robert Ladd said the firm later amended its lease for space on floors 38-40, which the firm is fully renovating. Houston Center is itself undergoing a large-scale renovation project, which is scheduled to be completed in late 2020. The renovations will include the addition of a central plaza and green space along McKinney, a digital water wall, entertainment space, upgrades to the skybridges between the complex's shopping and retail center, a new fitness center, new dining and retail, coworking space and more. ([HBJ](#))

Real estate brokerage **Savills** is the latest occupier to lease 13,718-SF on the 28th floor of the 48-story **609 Main at Texas**, relocating from 14,700 square feet at Three Allen Center (333 Clay) in late-March. Construction on the \$1.3 million build-out of the new space began in December. Other tenants in the prime office building include United Airlines, Kirkland & Ellis, McKinesy & Co. and Goldman Sachs. WeWork just opened in its newest 56,000 square foot Houston location in November in the building. Savills is based in the United Kingdom and entered the U.S. when it acquired tenant-representation firm, Studley Inc., in 2014. The combined brokerage previously went by Savills Studley but rebranded in 2019 to Savills and has been in the Houston market since 1974 with such notable clients as Total, Norton Rose Fulbright and Lockheed Martin. ([CoStar](#))

Martin Disiere Jefferson & Wisdom completed its expansion and lease extension for 42,000 square feet at Downtown's historic **Esperson Building** (808 Travis). The law firm, which previously occupied 39,000 square feet on four floors, consolidated to two floors that have been built out with a traditional yet modern design. The Houston-based law firm, which has other offices in Dallas, Austin and San Antonio, has been a tenant of the Esperson Building since it was founded in 2000. ([Chron](#), [BisNow](#))

Market Overview

HOSPITALITY HIGHLIGHTS

8,228

hotel rooms

150

under construction

400+

rooms planned



The Cambria Hotel Houston Downtown Convention Center

HOSPITALITY

Downtown's hospitality sector had one of its most active construction deliveries during 2019 by adding 775 newly built and renovated rooms coming in behind 2016's record of close to 1,700 additions which was marked by the delivery of the 1,000-room Marriott Marquis. Houston's urban core is the largest hotel sub-market throughout the region with more than 8,200 rooms and will expand even further during 2020 with the completion Hyatt Place Houston/Downtown with 150 rooms opening in the historic 1950s Southwestern Bell building (1114 Texas) during late spring. Moreover, the quality of the Downtown hospitality sector is also among Houston's highest: during the final quarter, Houston's newest hotel construction arrival, The Cambria Hotel Houston Downtown Convention Center (1314 Texas), received AAA's Four Diamond designation, ranking it among only 6.3 percent of all hotels to receive the distinction. Downtown now has more than 5,200 AAA Four Diamond Hotel rooms throughout 11 properties, comprising 64 percent of all the Downtown hotel inventory.

Downtown's 354-room C. Baldwin Hotel officially debuted in October under Hilton's Curio Collection, a franchise based on its historic hotel-theme to a grand opening gathering of nearly 2,000 guests. The C. Baldwin honors Charlotte Baldwin Allen, wife of Augustus Chapman Allen who co-founded Houston with his brother John Kirby Allen in 1836. Located at Allen Center, the new personification has removed all resemblance to the DoubleTree by Hilton Houston Downtown, which formerly occupied the property. Fittingly, the hotel showcases interiors by two high-profile design firms with women at the helm. C. Baldwin was designed by Lauren Rottet's distinguished Rottet Studio. Kate Rohrer of Philadelphia-based interior design studio ROHE Creative brought her renowned style to the hotel's hospitality spaces. On the first floor, C. Baldwin features Good 2 Go coffee and snack bar, an expansive lobby bar with chandelier that serves as a focal point of the hotel's lobby, signature restaurant Rosalie Italian Soul from "Top Chef Master" Chris Cosentino with rising star Sasha Grumman at the helm and experiential boutique Sloan/Hall. In the works are

HOSPITALITY (CONTINUED)

chic clean beauty retreat Paloma and a fitness room, also located on the ground floor. The hotel's 14,000 square feet of function space includes 11 venues named after a female leader or innovator such as Adina De Zavala, a renowned Texas writer and preservationist and Janis Joplin, legendary Port Arthur rock and soul legend. Named for the first African American woman elected to the Texas senate, the Barbara Jordan ballroom, containing 5,580 square feet, can accommodate up to 650 guests.

The Cambria Hotel Houston Downtown Convention Center (1314 Texas) has received AAA's designation as a Four Diamond Hotel. The 226-room hotel, which opened near Minute Maid Park in August, is the first Cambria Hotel in Houston, and the first from the Cambria brand to be awarded the AAA Four Diamond distinction. Cambria is the upscale brand of Choice Hotels International with 50 hotels in the U.S. and 75 more in the pipeline. Of the more than 27,000 AAA inspected and approved hotels, only 6.3 percent make the Four Diamond list. The award recognizes a property that "is refined and stylish, providing upscale physical attributes, extensive amenities and a high degree of hospitality, service and attention to detail," according to AAA. Managed by Concord Hospitality, the hotel has a state-of-the-art fitness center, ballroom

and multi-function meeting spaces. Guest rooms have spa-like bathrooms with Bluetooth mirrors that allow guests to stream their own content, along with full length mirrors and smart TVs in the bedrooms. ([Chron](#))

Houston's newest hotel, **C. Baldwin Hotel** (400 Dallas) opened with a grand celebration that included close to a dozen players from the Houston Texans, television celebrities and an eclectic blend of guests such as Lynn Wyatt, Becca Cason Thrash, and Vivian Wise. **Brookfield Properties**, which is redeveloping Allen Center as a prime Downtown destination, hosted the illustrious gala which some longtime Houstonians compared to the historic opening of the Shamrock Hotel in 1949. The evening started with the McNeese State University marching band and was capped by a live performance by legendary disco vocalist Gloria Gaynor. ([Paper City Magazine](#))

Hyatt Place Houston/Downtown (1114 Texas) is slated to open in spring 2020 in what was the 1950 Southwestern Bell building, developed by iconic Houston builder Jesse Jones. Pride Management, which owns the building, will manage the 150-room hotel, and will feature a 16th-floor bar with views of the Downtown skyline. ([Chron](#))



The Cambria Hotel Houston Downtown Convention Center entrance

Market Overview

RETAIL

RETAIL HIGHLIGHTS

440+

restaurants,
bars & clubs

9

opened 4Q 2019
including Rosalie Italian
Soul, Guard & Grace

5

planned retail and
restaurants

Downtown retail saw a vibrant year marked by openings, celebratory national headlines and dozens of new choices for visitors, residents and area workers. From fast-casual concepts to food halls, chef acclaimed and haute cuisine to coffee or cocktails, Downtown's retail market this year was dominated by dozens of new restaurants and food and beverage scenes: by our count, 27 new retail and restaurant venues opened for business during 2019 covering the gamut of all types and tastes. Due to Downtown's dynamic food scene, Best Bites Houston announced in December the launching of its second innovative walking tour highlighting Downtown's Historic Market Square's diverse offerings and a dose of history while featuring a variety of small bites and craft cocktails.

Two highly awaited openings this quarter include the debut of Rosalie Italian Soul, chef Chris Cosentino's chic, American-Italian restaurant inside Downtown's C. Baldwin Hotel and chef Troy Guard's Guard and Grace, the expansive 15,000 square foot steakhouse in Allen Center designed by BOSS.architecture replete with 4,600 copper rods, 30-foot floor-to-ceiling windows a modern color palette of navy, black and dark wood. Just around the corner in 2020 is another active number of new arrivals to Downtown's retail scene including the opening of The Argyle League, an upscale and award-winning barbershop in Understory at the Bank of America Tower, along with a 4,900 square foot full-service bakery, Common Bond Café & Bakery. In

Allen Center, the three-building 3.2 million square foot office and retail complex undergoing a massive \$48.5 million renovation, will welcome Downtown's second Mendocino Farms, the brightly colored, fast-casual concept known for its sustainable, organic ingredients. The first Downtown location opened during November in the street-level corner of 609 Main at Texas

Beyond 2020, Downtown's retail sector will see even more new types of dynamic development. In October, New York-based Skanska USA Commercial Development acquired approximately 3.5 acres throughout four parcels of land, including one full city block, near Minute Maid Park and the Four Seasons Hotel in Downtown, for a sales price of \$55 million or slightly less than \$360 per square foot. In the announcement, Skanska said it plans to develop a combination of office, multifamily and retail with the new mixed-use project adding approximately 1.3 million square feet of construction to Downtown's sustainable, high-quality urban core. Skanska plans to begin the master planning process for the sites right away, which will help determine a development timeline and more comprehensive project details, and have the potential to profoundly influence the area described by company officials as 'the city's front yard at Discovery Green.'

The Court at Allen Center now features another new tenant, **Leaf & Grain**, a Houston-based fast-casual venue opening in the approximate 17,000 square foot food court located beneath One Allen Center (500 Dallas). With one Downtown location already open in The Shops at Houston Center (1221 Lamar), the second location occupies 1,339 square feet and opened in late October. The very popular Leaf & Grain is health-focused offering salads and grain bowls with homemade dressings. ([HBJ](#), [Chron](#), [Houstonia Magazine](#), [HBJ](#))

Eclectic upscale boutique, **Sloan/Hall**, opened its third location in Downtown's C. Baldwin Hotel (400 Dallas) in December, a major milestone following a quarter-century in business. Originally opening in San Antonio in 1994, Sloan/Hall opened its first Houston shop during 1998 in River Oaks, where it's been a Westheimer fixture ever since. Proprietors Marcus Sloan and Shannon Hall offer a curated mix of lifestyle goods, from candles and jewelry to art and apparel. The 600-square-foot showroom in the C. Baldwin operates as a slightly different version of the River Oaks store, with a focus on contemporary Texas design plus national and international favorites in a constantly rotating mix of small gifts, jewelry, fashion and designer offerings. ([Houstonia Magazine](#), [Culture Map](#))



Guard and Grace at One Allen Center

Market Overview

RETAIL (CONTINUED)

Guard and Grace, the much-anticipated steakhouse from Denver chef Troy Guard opened in November at One Allen Center (500 Dallas). The two-level modern steakhouse features a menu of wood-grilled steaks and seafood invested with East Asian, Hawaiian and Latin American flavors from chef Troy Guard, owner of TAG Restaurant Group which operates seven concepts brands in Denver. This is Guard's first restaurant outside Colorado. The two-story space, situated within 15,000 square feet designed by BOSS.architecture, is a large culinary endeavor. The floorplan features 30-foot glass walls juxtaposed against concrete walls. Design elements include 4,600 hanging bronze ceiling rods and a painted mural by local artist Jessica Rice. Guard has created a showcase kitchen with two wood-burning grills, a charcuterie station and a raw bar. The 10,000 square foot main dining room features a raised seating area in the 10,000 square foot main dining room where the booths have views of the expansive, pit-like kitchen. There are two-top tables against an interior wall with tiny pen lights for casual dinners. Toward the back is a full bar and adjacent raw bar with lounge and a 12-seat boardroom made for business meetings. The 5,000 square foot second level of Guard and Grace includes one room that can be divided into three and will primarily host private events which also has its own bar along with a mural by local artist Jessica Rice and an entrance from the second level of One Allen Center. In addition to the dining and meeting rooms is a temperature-controlled wine cellar with wine lockers where guests can store their own bottles and a total capacity for 6,858 bottles. The Houston Guard and Grace is nearly twice the size of the Denver location with 236 restaurant seats, 36 at the full-service bars and 12 in the private "Board Room." Upstairs, another private dining room seats 88 or can hold 120 for a cocktail reception. ([Chron](#), [Houstonia Magazine](#), [HBJ](#))

Celebrity chef Chris Cosentino, who has restaurants in California and Oregon, made his formal Texas debut in October with the opening of **Rosalie Italian Soul**. Named after his grandmother, the restaurant is a 145-seat venue serving rustic, Italian American fare located in Downtown's **C. Baldwin Hotel** (400 Dallas) which also officially unveiled its renovation during early-October and quickly earned Eater Houston's 2019 Most Gorgeous Restaurant of the Year while capturing almost universally positive reviews from diners for its American-Italian mainstay dishes such as eggplant parmesan and whole chicken Milanese. The restaurant will serve all the meals at C. Baldwin including breakfast, brunch, lunch and dinner (including its Sunday Gravy dinners) as well as room service and a take and go option. ([Culture Map](#), [Eater Houston](#))

RETAIL—COMING SOON

The **Argyle League**, an award-winning Montrose-based barbershop, will open its second Houston location in Understory early next year. The 1,300 square foot upscale space will offer shaves, beard trims, haircuts with hot towels, complimentary trims between services and free bourbon and beer. The Argyle League will be the first service retail tenant in Understory, a 35,000 square foot community hub and culinary market in the lower levels of **Bank of America Tower** (800 Capitol) ([HBJ](#), [Culture Map](#), [Houstonia](#))

Common Bond Café & Bakery is also opening in **Understory** (800 Capitol). The 4,900 square foot full-service bakery and brasserie, located at street-level in the Bank of America Tower, will feature one of Common Bond's first full bars, serving beer, wine and cocktails. Opening is planned for April 2020, and the location will seat approximately 210 customers and employ 63 as well as having longer weekend hours. ([HBJ](#))

Mendocino Farms will be opening a second Downtown location next summer in **Two Allen Center** (1200 Smith) following its November opening at **609 Main at Texas**. This will be its fifth Houston location. Brookfield Properties which owns the three buildings comprising Allen Center, leased 2,849 square feet to the restaurant's parent company, The Pit Room. It will be an exterior facing restaurant. Brookfield is in the process of transforming Allen Center. Phase II of the company's "Reimagining of Allen Center" project, which includes renovating Two and Three Allen Center (333 Clay) that began construction earlier this year, is expected to be complete in late 2020. ([HBJ](#))



Chef Chris Cosentino, owner Rosalie

Market Overview

RESIDENTIAL

RESIDENTIAL HIGHLIGHTS

6,086

residential units

873

under construction

1,179

planned

88.9%

occupancy rate

Strength characterizes Houston's urban core residential market due to its underlying fundamentals such as job growth and rising home prices creating favorable leasing conditions. Metro apartment absorption has been consistently pacing at one unit per six jobs with Downtown scoring more than 600 new move-ins during 2019. Recent Downtown occupancy levels are close to 89 percent, in line with Houston's average of 90.3 percent and much higher than this time last year which were 83.9 percent and as such, forecasted to remain healthy in 2020 as builders taper apartment new deliveries.

There are currently three Downtown residential properties under construction totaling 873 units. The first project expected to be completed includes 271 units within the Camden Downtown (1515 Austin) scheduled for delivery this spring. The 20-story building will feature studio, 1- and 2-bedroom units with the average size of nearly 1,200 square feet (approximately a third larger than the Downtown average of 971 square feet) and monthly rent of \$3,151 per unit, or \$2.75 per square foot, more than twice the price per square foot for the Houston metro region. The Camden Downtown's

amenities include a 20,000 square foot amenity deck and rooftop pool and green space. Additional property features are a state-of-the-art fitness center, club room, Wi-Fi lounge, private dining, morning coffee lounge and a sky lounge on Level 20 with Downtown skyline views. Also under construction is the mid-rise multifamily project, The Regalia at the Ballpark (100 Crawford), containing 229 units, and the luxury 46-story high rise, The Preston (414 Milam) delivering 373 units to the Downtown residential market in 2022 and an additional 6,800 square feet of street level retail.

When **The Preston** (414 Milam), a 46-story, 373-unit luxury residential high rise now under construction opens in 2022, the residential tower will help launch a new era of modern architecture Downtown according to reporting in November. Shaped like a ship's hull, the building will sit at a 45-degree angle on its lot, rather than directly facing Prairie, Preston or Milam, and the exterior's widespread use of glass and steel will be combined with masonry, limestone and plaster. The Preston is a development of Houston-based **Hines**—and its catty-corner neighbor, **Texas Tower** (845 Texas), a 1.1 million square foot office building also now under construction—will raise Downtown architecture and design to a new level. When the two buildings are finished, they will join 27 other Hines-developed properties that dominate Houston's skyline—including One Shell Plaza, Pennzoil Place, the TC Energy Center (formerly Bank of America Center), Kinder Morgan Tower and the 274-unit **Aris Market Square** (409 Travis), a 32-story multifamily building completed in 2017. Positioning the building at a 45-degree angle changes the physical view and the building shape changes its architectural perspective. Instead of looking directly at another tall building, residents at The Preston would have a longer panoramic view between buildings. When construction is finished, The Preston will be the tallest multifamily residential building in Houston. ([Chron](#))

The Camden Downtown



INNOVATION

Downtown's Innovation Hub is part of a corridor that extends from UH-Downtown along Main Street into Midtown, the Museum District and past Hermann Park to Rice University and the Texas Medical Center. This four mile corridor is an extraordinarily powerful social and economic convergence linked by light rail, bike lanes and sidewalks offering easy access to key industry and institutions along with an unparalleled array of amenities.

The Innovation Corridor is anchored on the south by the world's largest medical complex, the Texas Medical Center, along with tier-one research with Rice University, the 700-acre Hermann Park and Houston's world-famous Museum District. Connected by METRORail, it continues past the eclectic Montrose neighborhood and through Midtown, home to an urban and upscale mix of high-rise and mid-rise housing, retail shopping, dining and recreational options. Anchored on the north is Downtown's Innovation Hub, the nexus of central Houston's corporate headquarters, financial institutions and professional service firms with a wide variety of cultural and urban entertainment venues that features professional sports, museums, parks and green spaces in addition to the one of the largest theater districts in the U.S. and a highly acclaimed culinary and nightlife scene.

Central Houston, and the **Downtown Redevelopment Authority (DRA)** announced **Launch Pad**, an inclusive space for entrepreneurs and startups from around the world to explore the possibilities and expand their ideas. Located in Amegy Bank's 1801 Main building and in partnership with The Cannon, the 17,000 square foot Launch Pad will be anchored by two top nationally ranked startup accelerators in Boston-based **MassChallenge Inc.** and Madison-based **gener8tor**. The newly branded **Amegy on Main** building is transforming into a "vertical village" with space for incubators, labs, accelerators, coworking, and corporate innovation spaces. The design of this physical space helps startups and entrepreneurs more seamlessly navigate through the stages of startup production: everything from idea generation and incorporation through talent development, investment, and scaling. ([CultureMap](#), [HBJ](#), [Chron](#))

New York-based **WeWork** opened its second Downtown coworking location in **609 Main at Texas** during November which spans 56,000 square feet across the 25th and 26th floors of the 48-story tower. WeWork's



The Cannon Downtown open space

first Downtown location (708 Main) is across the street and part of the **Jones on Main** redevelopment project. **WeWork Labs**, the company's global startup incubator program, also has a presence at 708 Main. Meanwhile, **Hines** recently launched a new coworking platform. The Houston location of **The Square** occupies a full 28,000-square-foot floor in **717 Texas**.

The Cannon opened its new Downtown site in December, which is the Houston-based company's third of a growing network of spaces across Houston, named **The Cannon Tower at Amegy on Main** (1801 Main). The first 100 members receive free parking during their membership as well as access to The Cannon's other two locations. The building's 10th floor will also house **Central Houston's** and the **DRA's Launch Pad** and on the 11th floor is event space that will include entrepreneurial-themed programming and social activities. Additionally, The Cannon will develop an extended system of workspace such as incubator programs, labs, coworking desks and corporate innovation areas along with resources, and programs devoted to entrepreneurs on additional floors of the building. ([HBJ](#), [Chron](#))

General Assembly, or **GA**, a New York-based provider of coding, marketing and technology courses, will launch its three-month software engineering program this January in Downtown Houston. The company will also bring workshops and introduction-level courses before expanding its full- and part-time courses during 2020 and when done, will have a physical presence in the 10 largest U.S. cities. GA's Downtown presence will be located in **The Ion Smart Cities Accelerator at Station Houston** (1301 Fannin) with its first software engineering immersive program to be held in January 2020 commencing with a class size of eight students housed in facilities with an office and classroom featuring a capacity of 24 students. ([HBJ](#))

DOWNTOWN INNOVATION SPACES: CO-WORKING, ACCELERATORS, INCUBATORS

PROPERTY NAME	TYPE	ADDRESS	SQUARE FEET
WeWork including:	Co-working		
Flatiron School	Coding School		
Veterans in Residence (VIR) /WeWork Bunker Labs	Coworking/Incubator	708 Main	78,063
WeWork Labs	Incubator		
Spaces (Regus) – Opening March 2020	Co-working	GreenStreet (1201 Main)	63,429
WeWork	Co-working	609 Main at Texas	56,000
Life Time Work – Opens Late 2019 to Early 2020	Co-working	GreenStreet (1202 Main)	37,681
Accenture Innovation Hub	Innovation Space	1301 Fannin	37,487
Hines2 (Hines Squared), The Square	Co-working	717 Texas	27,795
Bond Collective – Opens Late 2019 or Early 2020	Co-working	Pennzoil Place – South Tower (711 Louisiana)	25,871
Station Houston including:	Co-working		
BBL Labs (BBL Ventures)	Accelerator		
Founder Institute	Accelerator	1301 Fannin	25,412
Ion Smart Cities Accelerator (Microsoft, Intel)	Accelerator		
Regus	Executive Suites	Two Allen Center (1200 Smith)	23,350
Launch Pad – Opening Early Summer	Innovation Space	Amegy Bank Building (1801 Main)	17,000
Regus	Executive Suites	Pennzoil Place – North Tower (700 Milam)	15,200
Servcorp	Executive Suites	TC Energy Center (700 Louisiana)	7,065
Regus	Executive Suites	1001 Texas	4,600
MassChallenge Texas	Startup Accelerator and Competition	GreenStreet (1201 Main)	5,000
Novel Coworking	Co-working	405 Main	2,377
Novel Coworking	Co-working	720 Rusk	1,217

Sources: Central Houston, Inc., CoStar

OTHER DEVELOPMENTS

Houston philanthropist Lynn Wyatt is giving a \$10 million gift to the city to renovate **Jones Plaza** (600 Louisiana), which will be renamed **Lynn Wyatt Square For The Performing Arts**. Located in the heart of Houston's Theater District, Jones Plaza was named for the family of legendary local businessman and Houston Chronicle publisher Jesse H. Jones. Houston Mayor Sylvester Turner and David Mincberg, board chairman of Houston First, made the announcement in early October. "I believe that the arts, including the performing arts, are the soul of any city," said Wyatt. The renovated area will have a performing space and restaurant. The total projected budget for the renovation is \$29 million, according to Houston First. The Downtown Redevelopment Authority has committed \$10 million and Houston First has contributed \$5 million. Groundbreaking is scheduled for August 2020 and the project is slated to be completed by summer 2021. ([KUHF](#), [Chron](#), [HBJ](#), [Culture Map](#))

La Vie de St Concepts, the owner of **Tout Suite** in East Downtown and **Sweet** in CityCentre, has been chosen to operate the café located in the new Southern Downtown Park, located on the 1500 block of Fannin Street which will break ground in spring/summer of 2020 with a 2021 opening. The park will occupy three-fourths of a block bounded by Bell, San Jacinto, Leeland and Fannin streets. Last November, Houston's **Downtown Redevelopment Authority** selected local firm Lauren Griffith Associates to lead the design of the park. Tout Suite owners Anne Le and Sandy Tran describe the Tout Suite concept as an "European-style café and bakery." The counter-service café serves coffee, pastries, food and desserts and the park location will have food similar to the original Tout Suite with more grab-and-go offerings. Le and Tran were chosen through a request for proposal process; nine total businesses applied to have a restaurant at the space. Tout Suite will be 2,400 square feet, with indoor seating for 56 guests and outdoor seating for 40 guests. ([Chron](#), [HBJ](#), [RNR](#))

Owner and developer of **Bank of America Tower** (800 Capitol), New York-based **Skanska USA Commercial Development** announced in October the acquisition of 153,000 square feet—approximately 3.5 acres—throughout four parcels of land, including one full city block, in Downtown for a sales price of \$55 million or slightly less than \$360 per square foot. Located adjacent to Discovery Green, these four sites, including the full city block bordered by Dallas, Lamar, La Branch and Austin streets, with another just to the south and a third to the east wrapping around the Embassy



Anne Le and Sandy Tran, owners Tout Suite

Suites by Hilton Houston Downtown. Skanska plans to develop a mix of office, multifamily and retail for the nearby community. The new mixed-use project will add to the 1.3 million square feet of construction in Downtown and would be Skanska's first multifamily development in Houston. In addition, the land sites are located within an Opportunity Zone, a federal program meant to encourage development in areas designated as economically distressed by offering tax incentives. The company will begin the master planning process for the sites by the end of the year, which will help determine a development timeline and more details. ([Cision](#), [HBJ](#), [Chron](#), [Bisnow](#))

NOW ON STANDS: **downtown Magazine** Winter Edition. MassChallenge helps innovators bring their ideas to life and is putting Houston on the map when it comes to competing for the best and brightest. This edition features three entrepreneurs and their game-changing projects made possible by MassChallenge Houston's team and its program of innovation funding. Read all about the multiphase transformation of Downtown's iconic Allen Center especially two new exciting dining experiences and the spectacular C. Baldwin, one of Houston's newest luxury hotels named for Charlotte Baldwin Allen who helped build Houston in the 19th century. Speaking of history, the Winter edition looks back to Houston's past which can be found across Downtown, from the building now known as Rice Urban Lofts to the collection of homes in the Same Houston Park and much more including backstage with the Houston Theater District, Mendocino Farms opening at 609 Main at Texas and Winter's Datebook, which is full of performances and events including NBA excitement. ([downtown Houston Winter Magazine](#))

Voters approved METRO's \$3.5 billion bond referendum, titled **METRONext Moving Forward Plan**, during November's election. According to METRO, the bond referendum was largely based on community feedback gathered over the last three years at dozens of open houses and hundreds of other community meetings. The plan includes 500 miles of travel improvements.



Lynn Wyatt Square for the Performing Arts

OTHER DEVELOPMENTS (CONTINUED)

The referendum's approval signals the beginning of a process to develop the plan's projects. Those include 290 miles of route enhancements, signature bus service plus accessibility and usability improvements for the disabled and seniors and other projects such as, 75 miles of METRORapid bus service, 21 new or improved Park & Ride transit centers and the 16-mile METRORail extension to Hobby airport. During the implementation of METRONext, exact routes of the METRORapid and METRORail connections shown on the plan will only be decided and finalized after an extensive community involvement process. METRO will borrow up to the approved \$3.5 billion in bonds as needed. Funding for the rest of the \$7.5 billion plan is expected to come from matching federal grants and future revenue. METRONext. The referendum passed with 68 percent of the vote. ([METRONext](#), [Chron](#), [Community Impact](#))

Realty News Report named in December its Houston 2020 Downtown Awards in five categories. A summary includes **Downtown Dealmaker of the Year: Skanska Commercial Development** completing two large investment sales: its acquisition of 3.5 acres on four surface parking lots near Discovery Green park for \$55 million with plans for high-rise, mixed-use development; and next, the sale of the 35-story recently completed Bank of America Tower (800 Capitol) for \$695 per square foot, a record price for Houston. **Downtown Builder of the Year** featured Houston-based Hines which broke ground on two buildings Downtown buildings this year: the 47-story Class A office building, Texas Tower (845 Texas) and the 46-story luxury residential tower, The Preston (414 Milam). The newly-named 56-story TC Energy Center (700 Louisiana) was awarded **Downtown Office Tower of the Year** where a major renovation is underway including the long-hidden Western Union mechanical space (encased behind granite walls since the building opened in 1983) being rebuilt as leasable

ground-floor space. Long-time Houstonian **Lynn Wyatt** was **Downtown Philanthropist of the Year** for giving \$10 million to the \$29 million redevelopment Jones Plaza, located across from the Theater District's Jones Hall, Wortham Center and the Alley Theater. The plaza will be renamed the Lynn Wyatt Square for the Performing Arts. Rounding out the list is SoDo (Southern Downtown) as **Newcomer of the Year** with the big driver being the new Southern Downtown Park, a public place to be developed on a block bounded by Fannin, San Jacinto, Leeland and Bell. The park, with a restaurant, should be open in 2021. ([RNR](#))

Best Bites Houston announced in December the launching of its second Downtown walking tour, themed the **Booze, Bites & Historical Sites Tour**. The craft cocktail tour which focuses on Downtown's Historic Market Square neighborhood highlights Downtown Houston's diverse offerings while featuring a variety of craft cocktails from some of Downtown's best-known mixologists in addition to light bites and a dose of history. Each tour will be different, offering an element of surprise to all participants. Best Bites Houston has partnered with numerous Downtown hotspots for this new venture, including OKRA Charity Saloon, Frank's Pizza, Frank's Backyard, El Big Bad, Boomtown Coffee, Sambuca, Lawless Spirits & Kitchen, Kanaloa HTX, OHMYGOGI! Market Square and The Moonshiners Southern Table + Bar. While the tour's emphasis is on craft cocktails and bites, there's also an educational component with participants learning about Downtown Houston's history, architecture and culture in between each tour stop. Best Bites Houston worked closely with local historians from **Preservation Houston**, Houston's only citywide nonprofit historic preservation education and advocacy organization in compiling the historical information discussed during the tour. Tours will be offered weekly on Fridays from 4-6:30 p.m. and Sundays from 3-5:30 p.m. ([bestbiteshouston](#))

4Q 2019 Overview

4Q 2019 MAJOR OFFICE LEASES (sorted by SF)

OFFICE LEASES

TENANT	TYPE	BUILDING TO	BUILDING FROM	FINAL SQUARE FOOTAGE
EDP Renewables North America LLC	Relocation/ Sublease	Hess Tower (1501 McKinney)	Esperson Building (808 Travis)	92,523
TC Energy	New/Expansion in Same Building and Consolidation of Metro Houston Locations	TC Energy Center (700 Louisiana)		60,015
DLA Piper	Relocation/ Expansion	Texas Tower (845 Texas)	Wells Fargo Plaza (1000 Louisiana)	31,078
Third Coast Midstream	New to Downtown/ Houston (Sublease)	1501 McKinney		30,841
Beacon Offshore Energy	New	Three Allen Center (333 Clay)		25,303
CIMA Energy	New to Downtown	LyondellBissell Tower (1221 McKinney)	100 Waugh	24,301
Concho Resources	Relocation in Same Building	1001 Fannin		19,630
Nextura Energy	Expansion	601 Travis		15,840
HUD Houston	New/Relocation	1221 Lamar	1301 Fannin	14,546
Savills	Relocation	609 Main at Texas	Three Allen Center (777 Clay)	13,718
G2X Energy	New	600 Travis		13,487
Capco Energy Solutions	Relocation	717 Texas	1221 Lamar	10,145
Siltstone Capital	Renewal	1801 Smith		6,288
Atlantic Resources	New to Downtown/ Houston	Fulbright Tower (1301 McKinney)		4,619
Suncor	Expansion	Two Allen Center (1200 Smith)		3,155

Sources: Houston Office - 2019 Quarterly Market Reports (Colvill, CBRE, Cushman & Wakefield, HFF, JLL, NAI Partners, Newmark Knight Frank, Madison-Marquette, Transwestern); CoStar; Houston Business Journal (HBJ); Houston Chronicle; Realty News Report; Bisnow; Central Houston, Inc.

4Q 2019 RESTAURANT & RETAIL OPENINGS

BARS & RESTAURANTS	ADDRESS
Amelle's Coffee	811 Louisiana
BurgerIM	415 Milam
Gaggenau	Bravery Chef Hall (409 Travis)
Guard + Grace	One Allen Center (500 Dallas)
Leaf & Grain	One Allen Center (500 Dallas)
Mendocino Farms Sandwich Market	609 Main at Texas
Poke	The Shops at Houston Center (1221 Lamar)
Rosalie Italian Soul	C. Baldwin Hotel (400 Dallas)
Starbuck's	AC Hotel (723 Main)

RETAIL	ADDRESS
Sloan/Hall	C. Baldwin Hotel (400 Dallas)

4Q 2019 RESTAURANT & RETAIL COMING SOON*

BARS & RESTAURANTS	ADDRESS
Adair Downtown	Wells Fargo Plaza (1000 Louisiana)
Mendocino Farms Sandwich Market	Allen Center (1200 Smith)
Understory Food Hall	
Common Bond Café & Bakery (April 2020)	Bank of America Tower (800 Capitol)

RETAIL	ADDRESS
The Argyle League	Bank of America Tower (800 Capitol)
Paloma	C. Baldwin Hotel (400 Dallas)

*Based on known projects

Spotlight on Downtown Houston

LOCAL MEDIA

October 15, 2019

Houston ranks as the No. 6 best city for diversity in STEM

"Houston has long been known as a melting pot with almost 1 in 4 Houstonians being foreign born and no ethnic majority, but a recent study has shown that this diversity translates to the science, technology, engineering, and mathematics industry. SmartAsset studied the demographics within STEM employment in 35 technology hubs in the United States. The company factored in racial, ethnic, and gender diversity using Census Bureau's 2017 one-year American Community Survey data and the Shannon index. As a result of the research, Houston was named the No. 6 market for diversity among the tech hubs considered. Fifty percent of Houston's STEM workforce is not white, and of that, 21 percent are Asian, 15 percent are Hispanic, and 14 percent are black . . . In April, the city of Houston was named the most diverse city in America, according to data from personal finance website, WalletHub. That study analyzed 501 of the most populated cities in America across five key dimensions: socioeconomic diversity, cultural diversity, economic diversity, household diversity, and religious diversity." —[innovationmap](#)

October 24, 2019

Houston Rockets, Toyota Center launch 2019–20 season with new food options

"On Oct. 24, the Houston Rockets tipped off their 2019–2020 regular season, which features new food and amenities at the Toyota Center. The Toyota Center has unveiled a new rentable party suite this season, featuring a closer vantage point of the hardwood than its previous party suite. The new suite has enough room to fit around 75 people, according to a Rockets spokesperson. New food options are available in the arena at Landry's restaurants and certain concession stands. An early fan favorite, according to the spokesperson, is the Nashville Chicken Sandwich, a new item featured at the East and West Clubs. Attendees can also book a reservation at the Red & White Chef Tables, which feature rotating menu items like beef empanadas; balsamic and rosemary grilled lamb T-bone; and bacon- and jalapeño-wrapped pork medallions." —[Houston Business Journal](#)

November 4, 2019

New innovative 'vertical village' announced for downtown Houston

"The Cannon Houston, a startup incubator and coworking space, and Houston-based Amegy Bank announced a partnership to create a 17,000 square foot innovation space in downtown. The Downtown Launch Pad is expected to open on a few floors of the Amegy Bank building at 1801 Main St. in the spring. Along with coworking space, the new hub will house MassChallenge Texas, which had its inaugural cohort earlier this year, and gener8tor, an early acceleration program announced last month. Mayor Sylvester Turner announced the project at Central Houston, Inc.'s annual meeting October 24. Both the accelerators that will be in the new hub received a combined \$4 million in economic development grants from the Downtown Redevelopment Authority." —[Culturemap](#)

November 24, 2019

New downtown restaurant serves \$400 fajitas

"Guard and Grace, an upscale restaurant based in Denver, is expanding to Houston and the owners are making sure to infuse plenty of Texas in their menu. "Taking in the vibes, seeing what people like," said chef and owner, Troy Guard. "The creativity, the soul of this community." Guard has been making trips for the past four years to get a feel for Houston. They're now open for business at One Allen Center downtown. An item most are talking about that is exclusive to the Texas restaurant- the Millionaire Fajitas. "There are handmade tortillas with gold leaves in them," Guard said, adding they also include pounds of beef and a feast of sides, including enchiladas. They also come with a big price tag. "They're \$400. They're worth every penny," he said. Guard has been working 16-hour days, six days a week to get Guard and Grace up and running. He says his family has fallen for Houston so much, they've even bought a home here. "What's really special about Houston is the people. I know that sounds cliché, everywhere has great people in different cities. But we've really taken a liking," said Guard. If gold-flecked tortillas aren't your thing, they have plenty of steaks and other delicacies for lunch and dinner." —[KTRK, ABC13](#)

Spotlight on Downtown Houston

LOCAL MEDIA (CONTINUED)

December 10, 2019

Popular Houston bakery and restaurant adds new executives amid expansion efforts

"Common Bond Café & Bakery has added new executives, including a familiar chef, amid its efforts to expand throughout Houston and Texas. Chef Jason Gould is now the executive chef at Common Bond, fresh from his stint at The Original Ninfa's Uptown Houston. Gould said he left Ninfa's because he was one of two executive chefs at the restaurant. He decided that his role was unneeded. Now, Gould wants to build an all-day restaurant reputation at Common Bond, where customers can come in for breakfast, lunch, dinner, afternoon tea and dessert. "We want to be able to focus on the savory and the sweet and really make it a one-stop shop," Gould said . . . Common Bond most recently opened a location in the Heights Waterworks redevelopment on Dec. 5 and added a Texas Medical Center location earlier this year, in addition to its original location in Montrose. Two more locations are coming next year: one in CityPlace in Springwoods Village and a full-service location in Understory, a downtown food hall. "We are humbled by how much our customers love our offerings and drive from all over the city, state and beyond," Joseph said." —**Houston Business Journal**

REGIONAL & GLOBAL MEDIA

OCTOBER 2019

A WALKABLE HOUSTON GETAWAY For the Urban Adventurer: Downtown Houston

San Antonio
MAGAZINE

"The short jaunt down to Houston is becoming more attractive to Texan tourists as the sprawling city's neighborhoods are becoming increasingly connected and walkable. An array of popular mixed-use districts now serve as bustling community hubs—anchored by premium hotels, supported by programmed green spaces and brimming with attractions for those looking to "park and play." STAY: Downtown Houston is a cosmopolitan dream, and the stylish Hotel Alessandra offers a boutique experience at its core in the GreenStreet district. Alessandra gets the details right for a memorable stay—like a world-class spa and a rooftop pool. Its award-winning restaurant, Lucienne, offers postcard perfect Mediterranean cuisine in a dazzling dining room, while Bardot lounge is an elegant and airy locale for sophisticated cocktails and tasty bites. Feeling fatigued? Hotel Alessandra offers complimentary transport downtown in a Maserati. WALK: Walk a path among stunning skyscrapers to arrive at Market Square Park, filled with greenery, fountains, and flowers, and surrounded by happening restaurants and bars. Sports fans are within a short trek of Minute Maid Park, Toyota Center and BBVA Stadium, and culture vultures are minutes from the Theater District. BIKE: Hiking, biking, and kayaking are accessible at nearby Buffalo Bayou Park, as is the historic Cistern, a haunting hotspot for Instagram shots and art installations. Hop on a bike from the BCycle station right outside Hotel Alessandra. RIDE: Hotel Alessandra is located directly on a light rail stop, providing quick, convenient access to visit the Houston Zoo, explore the expansive Museum District, or picnic in Hermann Park. Whatever your preferred mode of transportation, Houston's world-class dining and cultural offerings, beautiful trails, and range of activities make it a getaway to remember." —**San Antonio Magazine**

OCTOBER 2019

IN HOUSTON, A HOT CULINARY SCENE HAS SOME HOT NEW ENTRANTS

Forbes

"The vibe at nearly-three-year-old Xochi on the ground level of the Downtown Marriott Marquis is palpable, as you can feel a fun buzz coming from diners at the long bar and down to the booths that are up against floor-to-ceiling windows. The decor is festive as well, with one wall showcasing more than a dozen small, colorful folk-art animal heads from a cat and ram to an elephant. Xochi diners enjoy southern Mexican dishes from Oaxaca under the guidance of Chef Hugo Ortega, a James Beard award-winner who is known for his moles, his house made masa corn dough and quesillo, a mozzarella-like cheese in a ball. Xochi is also your chance to sample beef tongue tacos in a red morita pepper sauce, or crispy duck, tomatillo avocado sauce, chicharrones. And grasshoppers too, which you can wash down with Mexican brews and agave-based cocktails." —**Annie Gally**

Spotlight on Downtown Houston

REGIONAL & GLOBAL MEDIA (CONTINUED)

NOVEMBER 2019

STABILIZED AND RESTORED, HOUSTON'S OLDEST REMAINING BUILDING REOPENS – RIGHT WHERE IT HAS ALWAYS BEEN



"On the edge of downtown Houston's modern business district, the city's oldest building is reopening following an estimated \$1.8M in preservation and restoration work affecting much of the historic home. With more to come. The Kellum-Noble House dates back to 1847—about a decade after the Bayou City's founding in the Republic of Texas—and occupies its original site. Built with and on bricks made of mud from nearby Buffalo Bayou, the two-story home with wraparound porches on both levels is listed in the National Register of Historic Places and is a City Protected Landmark and a recorded Texas historic landmark. Its location is within Sam Houston Park, a public park founded in 1899 that anchors downtown's west side. Expanded to 20 acres over time and trisected by roadways, the fenced park grounds are home to nine other residences more than a century old. In the path of demolition as the city grew, the vintage housing was relocated from neighborhoods around the city in the second half of the 20th c. by The Heritage Society. THS, a nonprofit organization, stewards the park's collection and a small historical museum . . . The historic home was last open to the public in early 2014, when it closed to prepare for an extensive, multi-phased restoration project. Total restoration weighs in at about \$2.5 million, including in-kind contributions, THS sources estimated. "The reopening of this house offers an extremely rare look at the city's history in a tangible way," said Ginger Berni, THS collections curator. Tours of the freshly-painted historic home (and a peek at some of what was unearthed) resume in mid-November." —**Cynthia Lescalleet**

NOVEMBER 2019

HOUSTON'S 10 BEST NEW RESTAURANTS—THE HOTSPOTS OF THE SEASON Where to Eat Right Now in H-Town



"The Houston restaurant scene is constantly changing, with new hotspots, must-try places and major food events coming along on a daily basis. Even the most dedicated foodie can have trouble keeping up. Don't worry, PaperCity has you covered. We may not have much of a fall in Texas, but the seasons are certainly changing—and with it, the Houston restaurant scene. Just look at the last cold snap. It may have caught you off guard, but don't worry. There are plenty of hot new restaurants in Houston to warm you right up. And the craft cocktails at some of these locales definitely won't hurt. This isn't just a month for daring, soulful newcomers specializing in Italian, tacos and beyond. You'll also find reimagined icons, barbecue experts branching out and even inspiring new restaurants opening up in the space of shuttered legends. Rosalie Italian Soul: The C. Baldwin is finally open, drawing visitors to hotel suites and its new Italian restaurant. Chef Chris Cosentino, culinary compadre of none other than Chris Shepherd, and Top Master Chefs winner has made his Space City debut in style. Rosalie Italian Soul, named for Cosentino's dear great-grandmother who emigrated to the U.S. from Italy, is the celebrity chef's ode to his upbringing, done in a 1970s-tinged set-up. You can expect classics like chicken Milanese, four cheese pizza cooked lovingly in a gas pizza oven, eggplant parmesan generously sauced with Sunday gravy and even some nods to Houston itself, like the fra diavolo pasta with Gulf Coast shrimp." —**Anie Gallay**

Spotlight on Downtown Houston

REGIONAL & GLOBAL MEDIA (CONTINUED)

NOVEMBER 2019

WEWORK ACCELERATOR PARTNERS WITH HOUSTON-BASED INVESTMENT PLATFORM FOR FOOD ENTREPRENEURSHIP

FOR NEW-TO-HOUSTON ACCELERATOR PROGRAM

innovationmap

"Two Houston programs that exist to help grow and develop food and hospitality startups have teamed up to combine their resources and programming. WeWork Labs, a global acceleration program with a location in downtown Houston, and NextSeed, a Houston-based online investment platform, have announced a partnership set to begin in December. Together, the two entities will build a support system for Houston-based food entrepreneurs to provide workshops, programming, events, and more. "Houston food entrepreneurs are keen to solve the big problems the food industry is facing today," says Carlos Estrada, head of WeWork Labs in Houston, in a news release. "Houston is among the leading cities for startup innovation and we see our partnership with NextSeed as an exciting first-of-its-kind initiative that will prove to support even more food entrepreneurs in the area, arming them with the network and tools they need to get their concepts off the ground and transform into leading businesses." WeWork brings in its international food labs programming, and NextSeed will be able to provide access to capital through its platform. In March, the company launched NextSeed Space—a pop-up retail and kitchen space for startups to test their food and operations." —**Natalie Harms**

DECEMBER 2019

THE YEAR IN HOUSTON FOOD Food Hall Explosion

Houstonia.

"Another logical response to the on-the-go millennial generation is the food hall, which in 2019 made a huge leap forward in Houston with the openings of Bravery Chef Hall, Politan Row, and Understory. Each food hall is unique, but like the restaurants listed above, each also caters to experience. At Bravery, you can sit at a chef's counter and chat with the person who's making your goat curry, or you can simply wind down with a glass of draft wine. At Politan, you're encouraged to hang out, maybe by working at a quiet table, or by posting up at the beautiful bar in the middle of the Rice Village market. And at Understory, downtown workers rush in and out over lunchtime and throughout the late afternoon, when happy hour kicks into gear and games of ping-pong become as necessary as a 3:30 p.m. cup of coffee. Plus, most of these food halls act as chef incubators, giving some of the city's rising stars opportunity to work in a fast-paced environment. So, it's not unusual that some of the best food in the city can be found at these busy all-in-one spaces. More food halls are to come in 2020, some with even more ambitious leanings. It'll be interesting to see just how many the city can hold." —**Timothy Malcolm**

Please contact Central Houston or the District with any questions you may have:

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RESOURCES

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