



Board of Directors Meeting
November 10, 2022

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**MINUTES OF REGULAR MEETING OF
HOUSTON DOWNTOWN MANAGEMENT DISTRICT**

October 13, 2022

THE STATE OF TEXAS §
 §
COUNTY OF HARRIS §

The Board of Directors of the Houston Downtown Management District (the “District”) met in regular session, open to the public, on October 13, 2022, at 12:00 p.m., in-person inside the Lyondell Basell Tower, located 1221 McKinney Street, Houston, TX 77010, inside Exchange Conference Rooms B&C, and the roll was called of the duly appointed members of the Board, to-wit:

BOARD MEMBERS

Crystal Allen	Roland Kennedy
Leslie G. Ashby	Benjamin Llana
Genora Boykins	Nick Massad III
Clay Crawford	Sherea A. McKenzie
Jacques D’Rovencourt	Kenny Meyer
Marcus Davis	John Mooz
Terry Demchak	Cat Nguyen
Irma Galvan	Randy Pryor
Marian Harper	Edna Ramos
Gilbert A. Herrera	Scott Repass
C.C. Huang	Grace Rodriguez
Angus Hughes	Richard Torres
Toni M. Jackson	Valerie M. Williams
Robbi Jones	Ted Zwieg

and all of the above were present, with the exception of Directors Crystal Allen, Marcus Davis, Terry Demchak, Jacques D’Rovencourt, Irma Galvan, Angus Hughes, Toni Jackson, John Mooz, Randy Pryor, Scott Repass, and Valerie Williams.

Also present were Yeneby Angeles, Jenna Beasley, Kathleen Chisley, Jordan Cutler, Allen Douglas, Scott Finke, Jacque Gonzalez, Keith Gould, Jana Gunter, Lonnie Hoogeboom, Kris Larson, Jamie Perkins and Shelby Pipken of the District; Algenita Davis, consultant to the District; Robert Pieroni of Central Houston, Inc; Kinder Baumgartner of SWA; Danielle Paige with the City of Houston Public Works, and Mary Buzak of Bracewell LLP.

WELCOME

Chair Ashby welcomed all. Quorum was established and the meeting was called to order at approximately 12:11 p.m.

PUBLIC COMMENTS

Next, Chair Ashby asked if there were any comments from the Public. No comments were provided from the public.

APPROVAL OF MINUTES

The Board considered approving the minutes of the September 8, 2022 Board meeting. Upon a motion duly made and seconded, the Board approved the September 8th Board minutes as presented.

ITEMS PERTAINING TO FINANCE AND ADMINISTRATIVE MATTERS

Approval of Financial Statements and Ratification of Expenditures

Robbi Jones, Treasurer of the District, presented the interim financial statements and check registers for the period ending September 30, 2022. No questions were asked, and discussion did not take place.

Upon a motion duly made and seconded, the Board members voted unanimously to accept the interim financial statements and check registers for the period September 30, 2022 as presented.

Report of Audit Committee on DBE Program Review

Director Jones continued by presenting a report out from the Audit Committee's DBE Program review. Discussion ensued and questions were asked and answered. The Audit Committee recommended to keep the current goal for DBE's at 30%. No further action was required.

Third Quarter Investment Report

Next, Director Jones presented the Third Quarter Investment Report for the period ending September 30, 2022. There were no questions or comments.

A motion was called and duly seconded, and the Third Quarter Investment Report was accepted as presented.

Authorize expenditures for Tax Assessor/Collector

Jana Gunter presented the request to authorize expenditures for Utility Tax Services, in an amount not to exceed \$30,000, to cover the expenses related to the District's tax assessment and collection. There were no questions or comments.

Upon a motion made and seconded, the board approved this request as presented.

COMMITTEE SPOTLIGHT: BIG ART. BIGGER CHANGE.

Chair Ashby called on Shelby Pipken to share a presentation about the Street Art for Mankind project. Ms. Pipken shared a presentation capturing the eight (8) murals as they were being created and provided background about the artists, the choices of each art piece and what it represents in our community. She noted a ninth (9) mural was currently in the planning phase. Discussion ensued and questions were asked and answered. Ms. Pipken closed her presentation by inviting the directors to the grand opening VIP event unveiling the murals, scheduled for Saturday, October 15th.

2023 BUDGET ENGAGEMENT SESSION

Kris Larson, President & CEO of the District, shared an interactive presentation with the board to discuss and explore 2023 budgeting priorities. He noted a draft budget, which will include feedback from the interactive exercise, will be presented to the board at the November 10th board meeting. No further action was required.

PROGRAM AUTHORIZATIONS

Operations

Chair Ashby called on Brett DeBord to present the authorization requests for the Operations department. The first request was for the authorization to execute an inter-local agreement with METRO allowing the District to continue bus stop cleaning, in an amount not to exceed \$275,000. No questions were asked, and discussion did not take place. Upon a motion duly made and seconded, the Board approved this request as presented.

The second item was a request for board authorization to execute and enter into an agreement and related expenditures with inConTrol Water Systems for maintenance of the Main Street Square and Cotswold fountains, in an amount not to exceed \$331,000. Discussion ensued and questions were asked and answered.

The third request pairs with the prior authorization for the fountains, seeking board authorization for the President & CEO to execute and enter into an agreement with Houston First to transfer the maintenance responsibility of the Cotswold fountains. Doing so would result in a \$115,900 revenue to the District. Questions were asked and answered. Upon a motion made and duly seconded, the requests for the fountain maintenance with inConTrol and agreement with Houston First were approved as presented.

Marketing & Communications

Chair Ashby called on Shelby Pipken to present the Marketing & Communications items. The first request was an ask to authorize the President/CEO to execute and enter into an agreement and the related expenditures to continue additional consultant work with Weingarten, in an amount not to exceed the amount of \$36,000. No questions were asked and discussion did not take place. Upon a motion made and duly seconded, the board approved this request as presented.

Ms. Pipken continued by presenting a second request from the Marketing & Communications team, which would authorize the President & CEO to enter into an agreement and the related expenditures for Trebly Park holiday décor, in an amount not to exceed \$35,000. Questions were asked and answered. Upon a motion made and seconded, the board approved the Trebly Park holiday décor request as presented.

PROGRAM UPDATES

Operations

Mr. DeBord provided an update on Operations matters for the prior month, highlighting Trebly Park, Bagby Street, and the SEAL Street Teams. Next, he invited the board to the Public Safety Committee meeting scheduled for October 19th at Noon. No further action was required.

Economic Development Program

Mr. Pieroni provided an update on economic development matters for the prior month, highlighting the office vacancy rate, the return to work rates, and activity for the residential and hospitality areas. Discussion ensued, and questions were asked and answered. No further action was required.

Planning, Design and Capital Projects

Mr. Hoozeboom provided an update on planning, design and capital projects. He noted updates regarding the 3Q22 DLI Report, an update on the Main Street and Capitol side walk cafe extension, and an update on Trebly Park. No questions were asked. Discussion did not take place. Action was not required.

Marketing and Communications Report

Ms. Pipken provided an update on marketing and communications matters for the prior month. She noted several activation projects are occurring each week day through the Marketing Team. No questions or discussion took place. No action was required.

DIRECTORS' QUESTIONS ON OTHER INITIATIVES

There were no questions.

OTHER BUSINESS

No further business was presented to the board.

Chair Ashby stated that the next meeting is scheduled for November 10, 2022. There being no further business to come before the Board, the meeting was adjourned at 1:33 p.m.

Jamie Perkins, Assistant Secretary
Houston Downtown Management District

YTD October 2022 Balance Sheet

Assets

Cash Balance is \$13.2 million

Assessments Due: 99% have been collected.

Accounts Receivable include \$534K due from the City Of Houston for their share of the DLI grant.

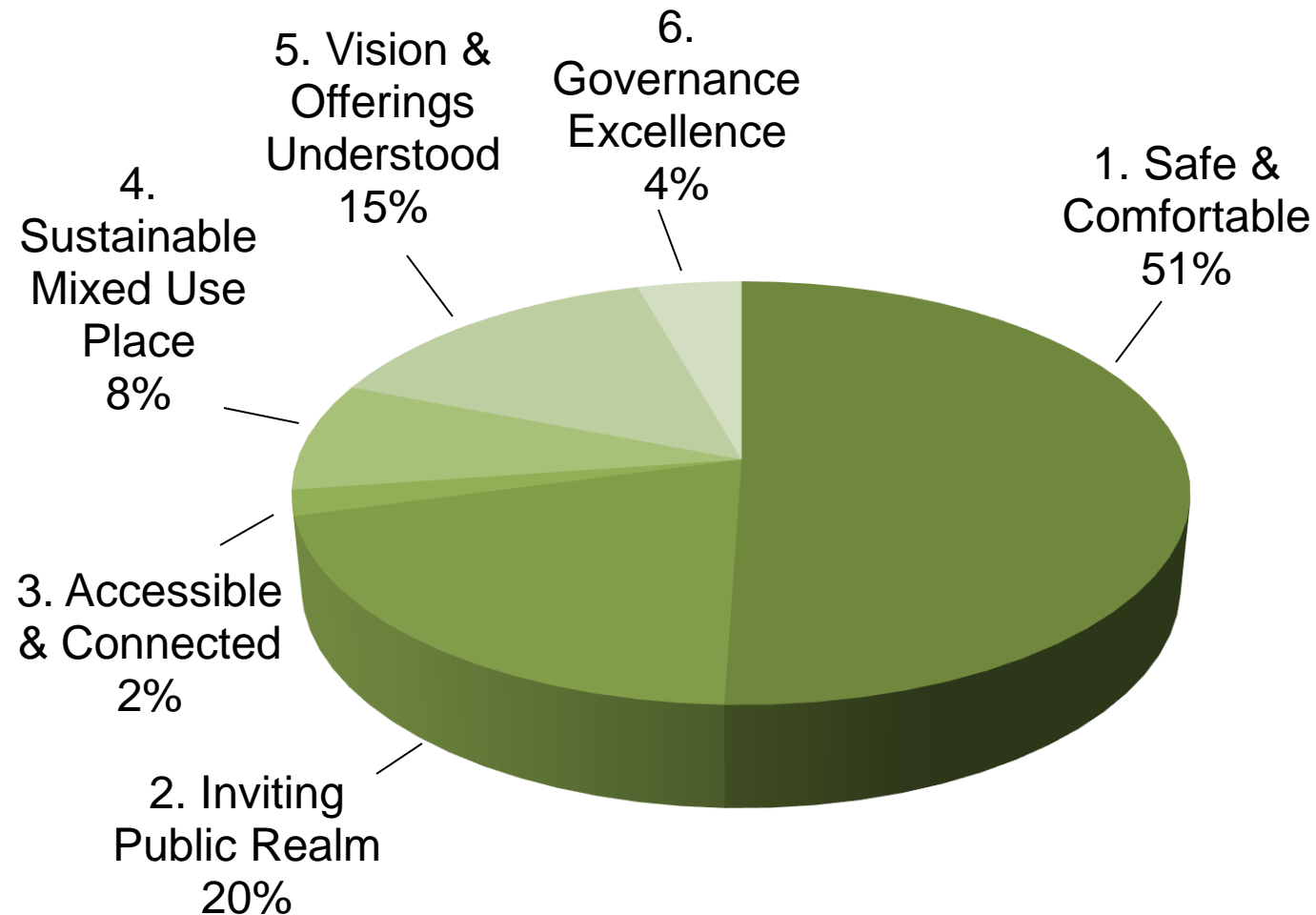
Liabilities

Accounts Payable include \$531K in DLI grants due when COH submits their payment

Reserves for Property Value Protests are \$475K, \$146K in excess of the Historic Loss Rate of 11%

\$1.2 million in refunds have been returned to property owners due to lower HCAD property values as a result of protests.

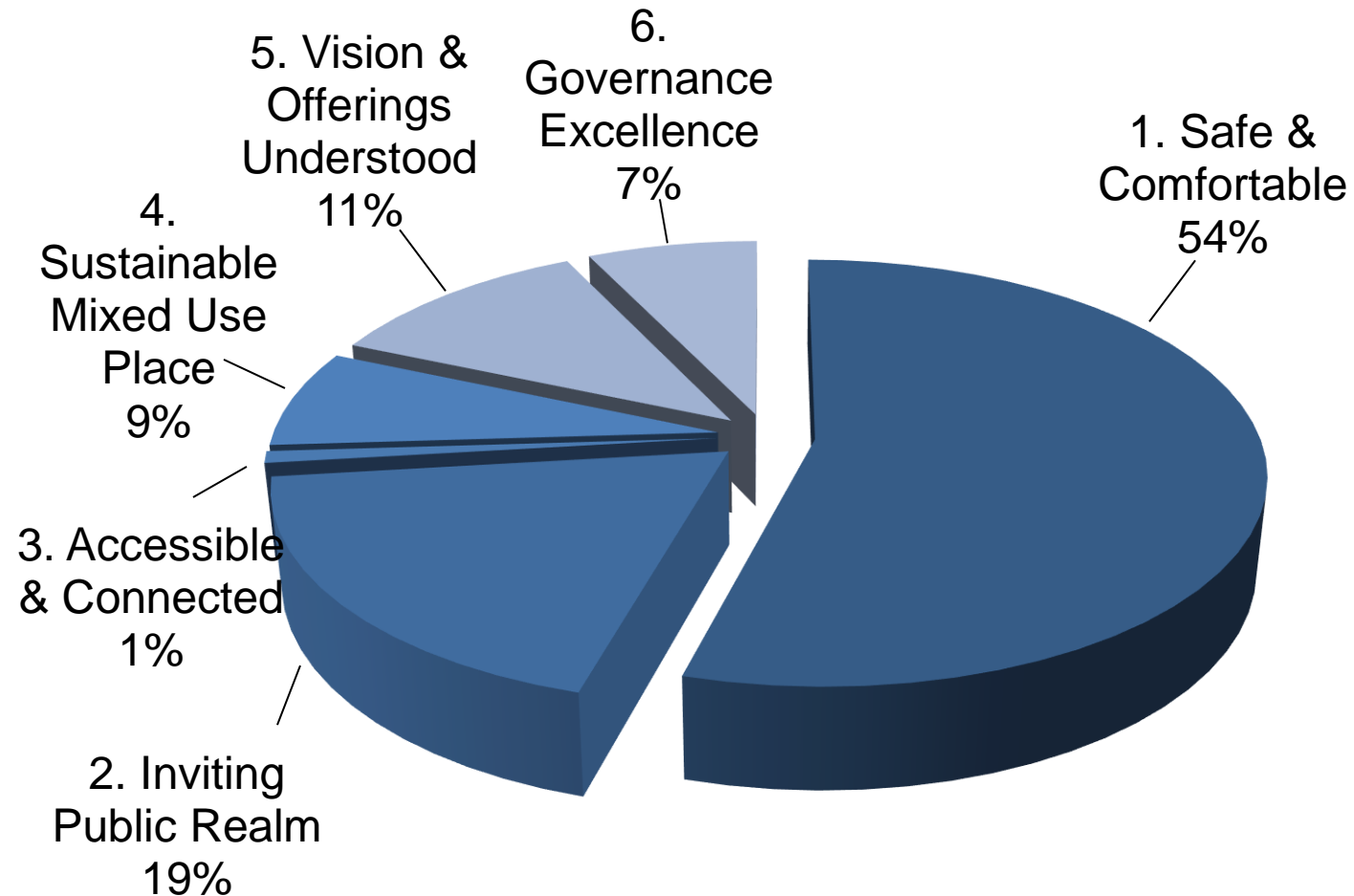
YTD October 2022 Budget



Total: \$17,514,472

Operating: \$15,411,972 Capital: \$2,102,500

YTD October 2022 Spending



Total: \$13,510,567 (\$4M below YTD 2022 Budget)

Operating: \$12,761,378 Capital: \$749,189

Oct.2022 Variance from Budget Highlights

- **Safe & Comfortable - \$854K under budget**
 - Safety Guides are under budget by \$399K due to Block by Block having difficulty hiring/retaining staff, Private Security, Off Duty Officers and Pit Program are under budget a combined total of \$93K.
 - Homeless outreach programs are under budget \$554K due to funding for housing programs has not been accessed and Street Lighting is under budget \$83K.
 - Street Teams cleaning sidewalks and bus stops is over budget \$256K.
 - Operations Center is over budget \$80K due to write off of work in progress costs for the generator and increased lease expense due to amortization of the Right of Use lease asset for 1313 Main.
- **Public Realm is Charming - \$721K under budget**
 - Holiday logistics and installation are under budget \$330K due to programming still under development, Holiday promotions for Retail support are \$72K under budget, Banner/Pole & Pot maintenance and Allen Pkwy maintenance are under budget a combined total of \$99K.
 - Floral Displays under budget \$176K.
 - Art Blocks programming is over budget \$132K due to unexpected costs related to securing parking lot space for SAM installation.

Oct. 2022 Variance from Budget Highlights

- Maintenance at Trebly Park is under budget \$139K due to rescheduling of opening of park to December because of construction/supply chain delays.
- Event programming is \$66K under budget.
- Accessible to Region - \$184K under budget
 - Funds designated for the Fort Bend County Park and Ride of \$150K have not been accessed because the bus is not providing services to downtown yet.
 - Wayfinding contractor expense and the Above and Below Map are \$43K under budget.
- Sustainable Mixed-Use Place – \$329K under budget
 - DLI payouts are under budget \$273K due to DLI payouts for 2020-2021 forecasted to be paid out in June, 2022 have not been requested by property owners.
 - Staffing costs are under budget \$54K.
- Vision & Offerings Understood - \$807K under budget
 - Marketing expense is under budget \$180K and funds allocated to the traffic study and streetscape design work is under budget \$603K.



Oct. 2022 Variance from Budget Highlights

- **Governance & Service Known for Excellence - \$244K over budget**
 - Reserves for refunds of assessments is over budget \$189K due to more property protests than forecasted.
 - Communications to stakeholders is over budget \$13K and insurance and admin cost are \$9K more than forecasted.
- **Capital Improvement - \$1.4 million under budget**
 - Public Realm – Banners are under budget \$163K due to a hold on the project until time permits and Prairie Street project is under budget \$180K.
 - Wayfinding & Street Signs are under budget \$215K, Congress St. Bridge project is under budget \$270K and Southeast Sidewalks TxDot project authorized in 2021 is under budget \$563K.
 - Capital Replacement Expenditure is over budget \$48K due to Main Street fountain repairs.

Check register for October, 2022

- Total checks issued in October 2022 were \$1.8M.
 - Block by Block - \$763,273
 - Central Houston, Inc. - \$200,123
 - Jerdon Enterprise, L.P. - \$139,384
 - Street Art Mankind Corp - \$79,918
 - Seal Security Solutions, LLC - \$64,164
 - Central Houston Civic Improvement - \$33,726
 - Gulf Coast Pavers, Inc. - \$32,968
 - Houston Recovery Center - \$31,250
 - Weingarten Art Group - \$27,680
 - Houston House LP - \$27,504

 - Block by Block invoice for September of \$387,288 was paid in October 2022.



To Management
Houston Downtown Management District

Management is responsible for the accompanying financial statements of the Houston Downtown Management District (the District), which comprise the governmental fund balance sheets and statements of net position as of October 31, 2022 and 2021, and the related statements of activities for the months then ended, in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements, nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

Management has elected to omit substantially all the disclosures required by accounting principles generally accepted in the United States of America and the required supplementary information that the Government Accounting Standards Board (GASB) requires to be presented to supplement the basic financial statements. If the omitted disclosures, and GASB required supplementary information were included in the financial statements, they might influence the user's conclusions about the District's financial position, results of operations, and cash flows. Accordingly, the financial statements are not designed for those who are not informed about such matters.

The Variance Analysis on page 4 is presented to supplement the basic financial statements. Such information is presented for purposes of additional analysis and, although not a required part of the basic financial statements. The Variance Analysis is the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The supplementary information was subject to our compilation engagement. We have not audited or reviewed the supplementary information and do not express an opinion, a conclusion, nor provide any assurance on such information.

Sincerely,

A handwritten signature in blue ink that reads 'nctp cpas, pllc'.

Houston, Texas
November 3, 2022

**Houston Downtown Management District
Governmental Fund Balance Sheets and
Statement of Net Position
October 31, 2022 and October 31, 2021**

	2022			2021		
	HDMD Operating Year to Date	HDMD Capital Year to Date	Total (Memo Only)	HDMD Operating Year to Date	HDMD Capital Year to Date	Total (Memo Only)
Assets						
Cash	\$ 8,116,682	\$ 5,077,865	\$ 13,194,547	\$ 10,230,943	\$ 4,594,368	\$ 14,825,311
Assessments Due	184,767	17,188	201,955	207,794	19,484	227,278
Accounts Receivable	623,443	-	623,443	27,924	4,800	32,724
Prepaid Expense	26,235	-	26,235	26,235	-	26,235
Inventory	-	-	-	-	-	-
Property & Equipment, Net	575,226	3,308	578,534	726,918	18,307	745,225
Right of Use Lease Asset 1313 Main, Net	2,683,758	-	2,683,758	-	-	-
Intercompany Rec/Pay	89,752	(89,752)	-	47,787	(47,787)	-
Total Assets	<u>\$ 12,299,864</u>	<u>\$ 5,008,609</u>	<u>\$ 17,308,472</u>	<u>\$ 11,267,601</u>	<u>\$ 4,589,172</u>	<u>\$ 15,856,773</u>
Liabilities						
Accounts Payable & Accrued Expenses	\$ 1,061,966	\$ 43,000	\$ 1,104,966	\$ 870,394	\$ 35,000	\$ 905,394
Lease Liability 1313 Main	2,793,497	-	2,793,497	-	-	-
Deferred Revenue & Reserve for Refunds	434,984	40,220	475,204	732,037	67,979	800,016
Total Liabilities & Deferred Revenue	<u>4,290,446</u>	<u>83,220</u>	<u>4,373,666</u>	<u>1,602,432</u>	<u>102,979</u>	<u>1,705,410</u>
Fund Balances						
Unreserved, Undesignated	7,209,417		7,209,417	8,865,169		8,865,169
Unreserved, Designated for Catastrophy	800,000		800,000	800,000		800,000
Reserved for Capital Projects		4,925,389	4,925,389		4,486,193	4,486,193
	<u>8,009,417</u>	<u>4,925,389</u>	<u>12,934,806</u>	<u>9,665,169</u>	<u>4,486,193</u>	<u>14,151,363</u>
Total Liabilities, Deferred Revenue & Fund Balances	<u>\$ 12,299,864</u>	<u>\$ 5,008,609</u>	<u>\$ 17,308,472</u>	<u>\$ 11,267,601</u>	<u>\$ 4,589,172</u>	<u>\$ 15,856,773</u>

Houston Downtown Management District
Statement of Activities
Ten Months Ended October 31, 2022

	<u>Operating YTD Actual</u>	<u>Capital YTD Actual</u>	<u>Total YTD Actual</u>	<u>YTD Budget</u>	<u>Fav (Unfav) Variance</u>
Revenues					
Assessment Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
Operations Revenue	447,080	-	447,080	419,835	27,245
Project Revenue	107,750	-	107,750	147,917	(40,167)
Other Income	70,783	-	70,783	41,667	29,116
Interest Income	114,791	51,621	166,411	13,333	153,078
Total Revenues	\$ 740,404	\$ 51,621	\$ 792,024	\$ 622,752	\$ 169,273
Expenses					
Downtown Feels Safe & Comfortable at All Times					
Collaboration to Maintain Low Crime Rate	\$ 2,044,458	\$ -	\$ 2,044,458	\$ 2,558,046	\$ 513,588
Reduced Presence of Homeless & Street Persons	542,645	-	542,645	1,092,093	549,449
Downtown Sidewalks are Comfortably Lighted	107,820	-	107,820	191,018	83,199
Downtown Clean & Well-Kept Appearance	4,106,368	-	4,106,368	3,812,582	(293,786)
Remove Signs of Disorder in Downtown	43,839	-	43,839	34,397	(9,442)
Prepare for Emergencies	87,641	-	87,641	98,275	10,634
	6,932,770	-	6,932,770	7,786,411	853,641
Public Realm is Charming, Inviting, Beautiful & Celebrates the Life of the City					
Key Pedestrian Streets are Inviting	355,280	-	355,280	525,427	170,148
Public Spaces Managed, Programmed, & Delightful	907,968	-	907,968	1,089,658	181,690
Place of Civic Celebration	1,137,405	-	1,137,405	1,506,579	369,174
	2,400,653	-	2,400,653	3,121,665	721,012
Accessible to Region & Easy to Get Around					
Effective Transit Access More Places, More Hours	9,272	-	9,272	159,277	150,004
Convenient Circulation Without Personal Vehicle	-	-	-	-	-
Easy To Find Way Around	79,136	-	79,136	121,589	42,452
Connect Neighbors & Districts Inside/Outside Downtown	8,610	-	8,610	8,750	140
Convenient, Understandable & Managed Parking	17,013	-	17,013	8,796	(8,217)
	114,031	-	114,031	298,412	184,380
Vibrant, Sustainable Mixed-Use Place					
Best Place to Work in Region	337,264	-	337,264	338,218	953
Exciting Neighborhoods to Live In	575,315	-	575,315	875,181	299,867
Competitive Shopping Place	14,541	-	14,541	14,750	209
Remarkable Destination for Visitors	24,378	-	24,378	52,400	28,022
	951,497	-	951,497	1,280,549	329,051
Downtown's Vision & Offering Understood By All					
Market to Region	904,985	-	904,985	1,085,302	180,317
Promote Downtown's Ease of Use	24,940	-	24,940	23,463	(1,477)
Vision/Development Framework Understood By All	424,642	-	424,642	1,023,318	598,676
Tools to Assist Continued Redevelopment	59,882	-	59,882	50,938	(8,944)
Develop & Maintain Information to Support Downtown	31,542	-	31,542	69,976	38,434
	1,445,990	-	1,445,990	2,252,997	807,007
District Governance & Service Known for Excellence					
Engage Stakeholders in Decision Making	814,167	17,021	831,189	607,495	(223,694)
Communications to Owners, Tenants & Others	41,272	-	41,272	28,393	(12,879)
Preservation of Districts' Capital Assets	43,976	-	43,976	36,050	(7,926)
	899,415	17,021	916,436	671,938	(244,498)
Capital Improvement & Expenditures					
Downtown Feels Safe & Comfortable	-	-	-	-	-
Public Realm is Charming, Inviting, & Beautiful	-	265,363	265,363	622,500	357,137
Accessible to Region & Easy to Get Around	-	130,996	130,996	1,177,000	1,046,004
Vibrant, Sustainable Mixed-Use Place	-	87,348	87,348	86,000	(1,348)
Downtown's Vision & Offering Understood By All	-	-	-	-	-
Capital Replacement Expenditure	-	265,482	265,482	217,000	(48,482)
	-	749,189	749,189	2,102,500	1,353,311
Total Expenses	\$ 12,744,357	\$ 766,210	\$ 13,510,567	\$ 17,514,472	\$ 4,003,905
Depreciation Expense	72,485	10,942	83,427	81,794	(1,633)
Excess of Revenue Over Expenses GAAP Basis	\$ (12,076,439)	\$ (725,531)	\$ (12,801,970)	\$ (16,973,514)	\$ 4,171,544

Houston Downtown Management District
Statement of Activities
Ten Months Ended October 31, 2022 and October 31, 2021

	Operating YTD Actual	Capital YTD Actual	2022 Total YTD Actual	2021 Total YTD Actual	Fav (Unfav) Variance
Revenues					
Assessment Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
Operations Revenue	447,080	-	447,080	383,738	63,343
Project Revenue	107,750	-	107,750	156,781	(49,031)
Other Income	70,783	-	70,783	67,288	3,495
Interest Income	114,791	51,621	166,411	12,643	153,768
Total Revenues	\$ 740,404	\$ 51,621	\$ 792,024	\$ 620,449	\$ 171,575
Expenses					
Downtown Feels Safe & Comfortable at All Times					
Collaboration to Maintain Low Crime Rate	\$ 2,044,458	\$ -	\$ 2,044,458	\$ 1,995,538	\$ (48,920)
Reduced Presence of Homeless & Street Persons	542,645	-	542,645	1,035,476	492,832
Downtown Sidewalks are Comfortably Lighted	107,820	-	107,820	81,560	(26,259)
Downtown Clean & Well-Kept Appearance	4,106,368	-	4,106,368	3,372,529	(733,839)
Remove Signs of Disorder in Downtown	43,839	-	43,839	34,138	(9,702)
Prepare for Emergencies	87,641	-	87,641	98,081	10,440
	6,932,770	-	6,932,770	6,617,322	(315,448)
Public Realm is Charming, Inviting, Beautiful & Celebrates the Life of the City					
Key Pedestrian Streets are Inviting	355,280	-	355,280	275,020	(80,260)
Public Spaces Managed, Programmed, & Delightful	907,968	-	907,968	767,552	(140,417)
Place of Civic Celebration	1,137,405	-	1,137,405	1,031,213	(106,192)
	2,400,653	-	2,400,653	2,073,784	(326,869)
Accessible to Region & Easy to Get Around					
Effective Transit Access More Places, More Hours	9,272	-	9,272	161,960	152,688
Convenient Circulation Without Personal Vehicle	-	-	-	30,364	30,364
Easy To Find Way Around	79,136	-	79,136	82,625	3,488
Connect Neighbors & Districts Inside/Outside Downtown	8,610	-	8,610	9,089	480
Convenient, Understandable & Managed Parking	17,013	-	17,013	6,382	(10,631)
	114,031	-	114,031	290,419	176,388
Vibrant, Sustainable Mixed-Use Place					
Best Place to Work in Region	337,264	-	337,264	263,482	(73,782)
Exciting Neighborhoods to Live In	575,315	-	575,315	617,156	41,841
Competitive Shopping Place	14,541	-	14,541	25,805	11,264
Remarkable Destination for Visitors	24,378	-	24,378	42,514	18,136
	951,497	-	951,497	948,956	(2,541)
Downtown's Vision & Offering Understood By All					
Market to Region	904,985	-	904,985	1,032,076	127,091
Promote Downtown's Ease of Use	24,940	-	24,940	21,545	(3,394)
Vision/Development Framework Understood By All	424,642	-	424,642	626,902	202,260
Tools to Assist Continued Redevelopment	59,882	-	59,882	74,944	15,063
Develop & Maintain Information to Support Downtown	31,542	-	31,542	33,382	1,840
	1,445,990	-	1,445,990	1,788,849	342,859
District Governance & Service Known for Excellence					
Engage Stakeholders in Decision Making	814,167	17,021	831,189	603,821	(227,367)
Communications to Owners, Tenants & Others	41,272	-	41,272	27,816	(13,456)
Preservation of Districts' Capital Assets	43,976	-	43,976	37,049	(6,926)
	899,415	17,021	916,436	668,687	(247,749)
Capital Improvement & Expenditures					
Downtown Feels Safe & Comfortable	-	-	-	-	-
Public Realm is Charming, Inviting, & Beautiful	-	265,363	265,363	145,000	(120,363)
Accessible to Region & Easy to Get Around	-	130,996	130,996	417,821	286,826
Vibrant, Sustainable Mixed-Use Place	-	87,348	87,348	94,344	6,996
Downtown's Vision & Offering Understood By All	-	-	-	-	-
Capital Replacement Expenditure	-	265,482	265,482	88,606	(176,876)
	-	749,189	749,189	745,772	(3,417)
Total Expenses	\$ 12,744,357	\$ 766,210	\$ 13,510,567	\$ 13,133,790	\$ (376,777)
Depreciation Expense	72,485	10,942	83,427	93,277	9,850
Excess of Revenue Over Expenses GAAP Basis	\$ (12,076,439)	\$ (725,531)	\$ (12,801,970)	\$ (12,606,618)	\$ (195,352)

Houston Downtown Management District Variance Analysis Ten Months Ended October 31, 2022

Operating Budget

Revenue

1) Operations revenue is over budget \$43K in Metro bus stop cleaning, under budget (\$7K) in trash program subscriptions and under budget (\$9K) in Main Street fountain reimbursements. Project revenue is over budget \$10K for Market Square Park, and under budget (\$50K) in DRA project reimbursements for Allen Parkway due to timing. Other Income is over budget \$19K in Bingo proceeds, Salary reimbursements \$43K to Central Houston, Inc. for 2021, not included in the 2022 budget and Miscellaneous Income is under budget (\$33K). Interest income is ahead of budget \$153K due to more favorable rates than projected.

Expenses

2) Goal 1a-Collaboration to Maintain Low Crime Rate-Under budget (\$399K) in Downtown Public Safety Guides, (\$4K) in Law Enforcement Support, (\$31K) in PIT Program, (\$58K) in Private Security and under budget (\$20K) in staffing.

3) Goal 1b-Reduced Presence of Homeless & Street Persons-Under budget (\$554K) in homeless outreach programs. Over budget \$5K in staffing.

4) Goal 1c-Downtown Sidewalks are Comfortably Lighted-Under budget (\$83K) in Street Lighting Expense, amenities and maintenance.

5) Goal 1d-Downtown Noted for Cleanliness & Well-Kept Appearance- Over budget \$256 in Street Teams cleaning sidewalks and bus stops, \$45K in Paver repair and maintenance, \$13K in Irrigation maintenance and repair and \$80K in the Operations center due to write-offs of the work-in-process costs for the generator and amortization of the Right of Use Lease asset for 1313 Main. Under budget (\$31K) in Trash Collection, (\$48K) in Landscaping and tree maintenance, and (\$21K) in staffing.

6) Goal 1e-Remove Signs of Disorder - Over budget \$9K in graffiti abatement.

7) Goal 1f-Prepare for Emergencies-Under budget (\$11K) in Emergency Operations Center-monitoring equipment, generator and staffing.

8) Goal 2a-Key Pedestrians Streets are Inviting - Under budget (\$176K) in floral displays and over budget \$6K in staffing.

9) Goal 2b-Key Public Spaces Programmed and Delightful-Under budget (\$139K) in Trebly Park maintenance, (\$32K) in Event programming and (\$34K) in staffing. Over budget \$12K in Main Street Square maintenance and \$12K in Market Square Park maintenance.

10) Goal 2c-Place of Civic Celebration-Under budget (\$45K) in seasonal banner program, (\$24K) in banner/pot maintenance, (\$30K) on Allen Parkway Maintenance reimbursed by DRA, (\$330K) in holiday logistics and installation and (\$72K) for Retail Support - Holiday Promotions. Over budget \$83K in Art Blocks programming and \$49K in staffing.

11) Goal 3a-Effective Transit Access More Places-Under budget (\$150K) due to the Fort Bend County Park and Ride is not providing services to downtown.

12) Goal 3c-Easy to Find Way Around-Under budget (\$21K) for Wayfinding contractor expense and (\$30K) for the Above & Below Map. Over budget \$8K in staffing.

13) Goal 3e-Convenient, Understandable & Managed Parking-Over budget \$8K in staffing.

14) Goal 4b-Exciting Neighborhoods To Live In-Under budget (\$273K) due to DLI payouts for years 2020-2021 forecasted to be paid out in June, 2022 have not been requested by property owners. Under budget (\$26K) in staffing.

15) Goal 4d-Remarkable Destination for Visitors-Under budget (\$28K) in staffing.

16) Goal 5a-Market to Region-Under budget (\$180K) in marketing expenditures.

17) Goal 5c-Vision/Development - Under budget (\$300K) committed to a traffic study not yet funded, (\$250K) for streetscape design work and under (\$53K) in staffing. Over budget \$4K in landscape architectural consulting fees.

18) Goal 5d-Tools to Assist Continued Redevelopment - Over budget \$9K in staffing.

19) Goal 5e-Develop & Maintain Information to Support Downtown - Under budget (\$38K) in staffing.

20) Goal 6a-Complete engagement by all stakeholders in District - Over budget \$189K in reserves for refunds of assessments due to property value protests, contract services for legal, audit and assessment collection and marketing and communications, \$5K in operations, \$11K in planning design & construction, \$3K in economic development and \$15K in staffing.

21) Goal 6b-Communication to Owners, Tenants & Others - Over budget \$13K in staffing.

22) Goal 6c-Preservation of District's Capital Assets - Over budget \$9K in insurance expense due to renewals coming in higher than forecasted.

Capital Budget

23) Under budget (\$163K) for banners, (\$15K) for Trebly Park furnishings and (\$180K) for the Prairie Street project.

24) Under budget (\$65K) for vehicular and pedestrian wayfinding, (\$150K) for updated street signs, (\$270K) for the Congress St. Bridge project and under budget (\$563K) for southeast sidewalks TxDOT project. Over budget \$2K for bicycle facilities/connections.

25) Over budget \$31K in Retail Challenge grants due to a payment forecasted for 2021 was paid in 2022 and under budget (\$30K) due to DLI payments forecasted to be paid in June, 2022 have not been requested by property owner.

26) Under budget (\$3K) in assessment collection fees.

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HOUSTON DOWNTOWN MANAGEMENT DISTRICT

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AP Check Register (Current by Bank)

Check Dates: 10/1/2022 to 10/31/2022

Check No.	Date	Status*	Vendor ID	Payee Name	Amount
BANK ID: A - OPERATING ACCT-JPMORGAN					101.000
**34874	10/28/22	V	10/28/22 9140	WEINGARTEN ART GROUP	(\$2,825.00)
**35158	10/01/22	P	1200	CENTRAL HOUSTON, INC	\$200,121.57
35159	10/01/22	V	10/1/22 1200		
35160	10/01/22	V	10/1/22 1200		
35161	10/01/22	V	10/1/22 1200		
35162	10/01/22	V	10/1/22 1200		
35163	10/01/22	V	10/1/22 1200		
35164	10/01/22	V	10/1/22 1200		
35165	10/01/22	V	10/1/22 1200		
35166	10/01/22	V	10/1/22 1200		
35167	10/01/22	V	10/1/22 1200		
35168	10/01/22	V	10/1/22 1200		
35169	10/01/22	V	10/1/22 1200		
35170	10/01/22	V	10/1/22 1200		
35171	10/03/22	P	999987	101 AUSTIN LLC	\$223.39
35172	10/03/22	P	999989	BRUCE L DARRELL	\$62.62
35173	10/03/22	P	999988	HOUSTON HOUSE LP	\$27,503.89
35174	10/03/22	P	5648	LINEBARGER GOGGAN BLAIR	\$794.11
35175	10/03/22	P	8793	UTS, LLC	\$11,406.65
**1021503	10/12/22	M	8355	STERLING EXPRESS SERVICES, INC	\$133.00
**1021507	10/12/22	M	9067	WASTE MANAGEMENT OF TEXAS, INC	\$157.75
**1021513	10/12/22	M	0490	ASSOCIATED LANDSCAPE SERVICES	\$24,592.00
**1021522	10/12/22	M	1665	COLOR SPECIALISTS LANDSCAPING	\$7,850.00
**1021532	10/12/22	M	4560	JERDON ENTERPRISE, L.P.	\$59,199.41
**1021536	10/12/22	M	5701	LONNIE HOOGEBOOM	\$1,010.77
**1021541	10/12/22	M	8562	TEXAS WASTE COMPANY	\$1,692.30
**1021553	10/12/22	M	0348	ALL ACCESS ART SHOW, LLC	\$17,700.00
**1021557	10/12/22	M	0363	ALLYSON LOPEZ	\$350.00
**1021561	10/12/22	M	1543	CITY OF HOUSTON	\$1,080.96
**1021564	10/12/22	M	1691	CORPORATE COMPUTER SOURCE, LTD	\$2,048.51
**1021568	10/12/22	M	8695	DOG WASTE DEPOT	\$359.97
**1021571	10/12/22	M	2112	EAST END DISTRICT	\$680.00
**1021574	10/12/22	M	3630	HOME DEPOT CREDIT SERVICES	\$947.92
**1021577	10/12/22	M	5211	KEITH GOULD	\$16.45
**1021579	10/12/22	M	5540	LINCOLN COLWELL	\$1,780.00
**1021581	10/12/22	M	6994	NEUE CREATIVE	\$6,545.00
**1021583	10/12/22	M	6321	MINER, LTD	\$1,611.77
**1021585	10/12/22	M	7323	PARKING MANAGEMENT COMPANY	\$5,000.00
**1021589	10/12/22	M	8168	SEAL SECURITY SOLUTIONS, LLC	\$1,700.00
**1021596	10/12/22	M	8391	STAGE DIRECTIONS	\$5,615.00
**1021600	10/12/22	M	0598	STREET ART MANKIND CORP	\$52,500.00
**1021602	10/12/22	M	8552	TEXAS OUTHOUSE, INC.	\$295.40
**1021604	10/12/22	M	0843	THE BLACK SHEEP AGENCY	\$14,857.50
**1021606	10/12/22	M	3948	THE HARRIS CENTER FOR	\$10,331.67
**1021611	10/12/22	M	8609	TOUCH & AGREE PROPERTY	\$2,496.00
**1236578	10/21/22	M	8743	UP ART STUDIO, LLC	\$7,500.00
**2078914	10/17/22	M	8046	RAVEN MECHANICAL, LP	\$2,004.90
**2078920	10/17/22	M	8022	QUIDDITY ENGINEERING, LLC	\$97.50
**2078923	10/17/22	M	0571	BEWITCHED BURLESQUE	\$500.00
**2078928	10/17/22	M	9819	BRYAN K BENNETT	\$1,859.70
**2078932	10/17/22	M	5087	CIRQUE LA VIE	\$500.00
**2078935	10/17/22	M	1550	CITY OF HOUSTON	\$1,535.88
**2078941	10/17/22	M	2761	FILM LAB CREATIVE	\$9,422.50
**2078943	10/17/22	M	3298	GULF COAST PAVERS, INC.	\$26,400.00
**2078954	10/17/22	M	6298	JORDAN CUTLER	\$41.84
**2078960	10/17/22	M	1752	LORETA KOVACIC	\$150.00

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HOUSTON DOWNTOWN MANAGEMENT DISTRICT

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AP Check Register (Current by Bank)

Check Dates: 10/1/2022 to 10/31/2022

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**2078967	10/17/22	M	5703	MICHAEL LOESSIN	\$500.00
**2078970	10/17/22	M	6249	MOONSTAR CINEMA SERVICES	\$745.75
**2078978	10/17/22	M	9853	NEXT UP GAME TRUCK, LLC	\$525.00
**2078984	10/17/22	M	7319	PARK FIRST OF TEXAS, LLC	\$700.00
**2078992	10/17/22	M	7783	PUBLIC CONTENT, LLC	\$7,500.00
**2078998	10/17/22	M	8034	RC SOLUTIONS, INC.	\$780.00
**2079003	10/17/22	M	8307	S&R WATERPROOFING AND ROOFING	\$4,271.00
**2081509	10/17/22	M	4757	JUST CALL MALIK	\$4,116.00
**2081511	10/17/22	M	2550	SCOTT FINKE	\$36.61
**2082021	10/17/22	M	9140	WEINGARTEN ART GROUP	\$3,326.65
**2082027	10/17/22	M	9081	WESTPARK COMMUNICATIONS, L.P	\$60.38
**2082419	10/17/22	M	8151	SEARCH HOMELESS SERVICES	\$16,790.01
**2467771	10/18/22	M	6077	BARTLETT TREE EXPERTS	\$2,520.00
**2467781	10/18/22	M	8315	SWANK MOTION PICTURES, INC	\$3,125.00
**2514529	10/20/22	M	1987	SHAME ON ME	\$500.00
2514530	10/20/22	P	1225	CENTRAL HOUSTON CIVIC IMPROVEM	\$33,726.41
**4135892	10/24/22	M	3288	BRACEWELL	\$691.25
**4135897	10/24/22	M	9885	BERNARD F SIMIEN	\$681.00
**4135902	10/24/22	M	0814	BRIDGETTE FOWLER	\$422.50
**4135906	10/24/22	M	1191	CENTERPOINT ENERGY	\$25.96
**4135910	10/24/22	M	2116	EDUARDO MEDRANO	\$422.50
**4135915	10/24/22	M	4021	HOUSTON RECOVERY CENTER,LGC	\$31,250.00
**4135922	10/24/22	M	3549	J & D ENTERTAINMENT, LLC	\$9,950.00
**4136146	10/24/22	M	5987	MAINTENANCE TO GO	\$21,000.05
**4136149	10/24/22	M	4571	JIMMY TRAN	\$500.00
**4136151	10/24/22	M	6298	JORDAN CUTLER	\$20.35
**4136153	10/24/22	M	5211	KEITH GOULD	\$20.37
**4136155	10/24/22	M	7764	KENNETH E. MILES	\$325.00
**4136157	10/24/22	M	4763	KOGAN KENO	\$422.50
**4136161	10/24/22	M	5700	LONE STAR FLAGS AND FLAGPOLES	\$2,461.50
**4136165	10/24/22	M	5710	LVA 4 HOUSTON GREENSTREET LP	\$19,996.30
**4136412	10/24/22	M	8552	TEXAS OUTHOUSE, INC.	\$910.57
**4136422	10/24/22	M	7400	PFEIFFER & SON, LTD	\$6,060.82
**4136431	10/24/22	M	8148	SABRINA NAULINGS	\$935.00
**4136436	10/24/22	M	8151	SEARCH HOMELESS SERVICES	\$10,934.94
**4136443	10/24/22	M	1950	SHANIQUEKA LEWIS	\$422.50
**4136450	10/24/22	M	8992	SHELBY ROTH	\$631.95
**4136697	10/24/22	M	7745	PENS PLUS, INC	\$300.00
**4136706	10/24/22	M	8609	TOUCH & AGREE PROPERTY	\$2,496.00
**4136713	10/24/22	M	8953	TUAN NGUYEN	\$585.00
**4136718	10/24/22	M	8904	VICKY HERNANDEZ	\$650.00
**4136723	10/25/22	M	9140	WEINGARTEN ART GROUP	\$2,825.00
**4136726	10/24/22	M	9045	WESTERN FIRST AID & SAFETY	\$208.75
**4138294	10/24/22	M	4560	JERDON ENTERPRISE, L.P.	\$14,372.31
**4341938	10/25/22	M	9113	NCTP-CPAS PLLC	\$1,700.00
**5631623	10/31/22	M	0511	BLOCK BY BLOCK	\$376,017.68
**5631635	10/31/22	M	7400	PFEIFFER & SON, LTD	\$6,945.31
**5631640	10/31/22	M	0598	STREET ART MANKIND CORP	\$27,417.86
**5631645	10/31/22	M	9140	WEINGARTEN ART GROUP	\$24,352.86
**5631650	10/31/22	M	0027	AT&T	\$1,473.96
**5631656	10/31/22	M	3400	RAFFLE PARKING COMPANY,LLC	\$1,800.00
**5631662	10/31/22	M	8552	TEXAS OUTHOUSE, INC.	\$295.40
**5631670	10/31/22	M	9089	WE 68 LLC	\$4,369.75
**5631674	10/31/22	M	9081	WESTPARK COMMUNICATIONS, L.P	\$60.38
**5631679	10/31/22	M	9211	YENEBY ANGELES	\$30.00
**5631889	10/31/22	M	5634	LESLIE'S SWIMMING POOL SUPPLY	\$759.76
**5631893	10/31/22	M	7525	PARTYPERKS	\$949.98
**5631898	10/31/22	M	8119	ROADRUNNER RECYCLING, INC	\$1,797.80

* Check Status Types: "P" - Printed ; "M" - Manual ; "V" - Void (Void Date); "A" - Application; "E" - EFT

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HOUSTON DOWNTOWN MANAGEMENT DISTRICT

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AP Check Register (Current by Bank)

Check Dates: 10/1/2022 to 10/31/2022

Check No.	Date	Status*	Vendor ID	Payee Name	Amount
**5631905	10/31/22	M	8900	VERIZON WIRELESS	\$676.63
**5632177	10/31/22	M	3825	HOUSTON POLICE FOUNDATION	\$5,000.00
**5632892	10/31/22	M	0363	ALLYSON LOPEZ	\$550.00
**5632894	10/31/22	M	1822	DLG ICE FACTORY, INC	\$2,500.00
**5632896	10/31/22	M	3573	HARRIS COUNTY TREASURER	\$18,480.00
**5632898	10/31/22	M	3915	HOUSTON CIVIC EVENTS,INC.	\$12,500.00
**5632900	10/31/22	M	5549	LARRY LOZANO	\$2,000.00
**5632902	10/31/22	M	3395	LEONARD LOCKETT, JR	\$875.00
**5632904	10/31/22	M	9888	MAURICE DUHON JR.	\$300.00
**5632906	10/31/22	M	7319	PARK FIRST OF TEXAS, LLC	\$1,400.00
**56316666	10/31/22	M	0009	THOMAS PRINTWORKS	\$144.71
**9016319	10/06/22	M	7400	PFEIFFER & SON, LTD	\$5,161.86
**9016322	10/06/22	M	0027	AT&T	\$1,482.10
**9016324	10/06/22	M	0668	BIKEHOUSTON, INC	\$1,250.00
**9016328	10/06/22	M	1191	CENTERPOINT ENERGY	\$73.68
**9016330	10/06/22	M	1532	CITY OF HOUSTON	\$250.00
**9016336	10/06/22	M	2929	FORT BEND BATTERY & GOLF CARTS	\$1,601.68
**9016338	10/06/22	M	3549	J & D ENTERTAINMENT, LLC	\$2,795.00
**9016340	10/06/22	M	4571	JIMMY TRAN	\$500.00
**9016343	10/06/22	M	6298	JORDAN CUTLER	\$148.95
**9016352	10/06/22	M	7767	KENNYGREWIT	\$2,500.00
**9016354	10/06/22	M	6450	MONTALBANO LUMBER	\$37.78
**9016359	10/06/22	M	7060	NEON ELECTRIC CORPORATION	\$16,948.00
**9016364	10/06/22	M	8119	ROADRUNNER RECYCLING, INC	\$1,797.80
**9016368	10/06/22	M	8148	SABRINA NAULINGS	\$935.00
**9016374	10/06/22	M	8992	SHELBY ROTH	\$1,305.33
**9016378	10/06/22	M	8345	STACEY ALEJANDRA MARTINEZ	\$1,368.00
**9016383	10/06/22	M	8552	TEXAS OUTHOUSE, INC.	\$295.40
**9016388	10/06/22	M	0009	THOMAS PRINTWORKS	\$634.31
**9016393	10/06/22	M	8900	VERIZON WIRELESS	\$636.96
**9016398	10/06/22	M	9068	WILDCAT ELECTRIC SUPPLY	\$3,825.00
9016399	10/06/22	P	1812	ANNETTE MICHELLE MARIN	\$380.00
9016400	10/06/22	P	8612	TOUR DE HOOD	\$250.00
9016401	10/12/22	P	7326	PATCHMASTER SERVING HOUSTON'S	\$1,257.30
9016402	10/13/22	P	2246	MELINDA ELLEN JOHNSON	\$1,375.00
**9540071	10/06/22	M	0511	BLOCK BY BLOCK	\$387,255.47
**9847320	10/07/22	M	3550	HARDY & HARDY	\$3,550.00
**9847695	10/07/22	M	1801	DIRECTV	\$96.98
**9848266	10/07/22	M	4441	IT EQUIPMENT FINANCING,LLC	\$304.73
**9851136	10/07/22	M	5961	MELISSA TAYLOR	\$1,575.00
**9851550	10/12/22	M	9948	ORKIN PEST CONTROL	\$120.00
**9852343	10/07/22	M	8168	SEAL SECURITY SOLUTIONS, LLC	\$62,464.00

BANK A REGISTER TOTAL: \$1,711,168.27

BANK ID: B - CAPITAL ACCT-JPMORGAN

102.000

3991	10/31/22	P	3795	HOUSTON DOWNTOWN MGNT DISTRICT	\$5,107.39
**1021532	10/12/22	M	4560	JERDON ENTERPRISE, L.P.	\$65,812.80
**2074724	10/17/22	M	3298	GULF COAST PAVERS,INC.	\$6,568.00
**737098	10/11/22	M	1735	CORE DESIGN STUDIO	\$3,705.80

BANK B REGISTER TOTAL: \$81,193.99

GRAND TOTAL : \$1,792,362.26

* Check Status Types: "P" - Printed ; "M" - Manual ; "V" - Void (Void Date); "A" - Application; "E" - EFT

** Denotes broken check sequence.

ACTION ITEM	Authorize expenditure with Linebarger Goggan Blain & Sampson, LLP for legal fees related to assessment collections.
SERVICE PLAN	2021-2025
Account Code	912.600
Budget & Year	\$20,000 2022
REQUEST	\$20,000
DESCRIPTION	The District has engaged with Linebarger Goggan Blain & Sampson, LLP in the past for their services to collect delinquent tax assessments. The delinquent assessments are reported by Utility Tax Services (UTS), the District's tax assessor and collector.
DISCUSSION	In years past, the cost of engaging Linebarger Blain & Sampson, LLP has been below the \$10,000 threshold. This year that cost has exceeded \$10,000 due to the number of accounts under protest and delinquent assessment accounts they are having to collect. UTS reports delinquent accounts to Linebarger Blain & Sampson.
DBE Participation	No

Houston Downtown Management District
First Draft 2023 Operating Budget Summary
 November 7, 2022

	2021-2025 Service Plan Avg. Annual	2022 Budget	2022 Projected	2023 Budget	2023 Budget vs. 2022 Projected	2023 Budget vs. 2022 Budget
Revenues						
Assessment revenue	\$17,065,269	\$13,812,379	\$13,812,379	\$14,055,103	\$242,725	\$242,725
Total Other Revenue	\$575,000	\$743,000	\$759,194	\$1,026,500	\$267,306	\$283,500
Interest	\$200,000	\$12,500	\$205,360	\$240,000	\$34,640	\$227,500
Utilization of Surplus Fund Balance	\$933,333	\$4,130,757	\$1,172,956	\$4,236,302	\$3,063,346	\$105,545
Total Funds Available	\$18,773,602	\$18,698,636	\$15,949,889	\$19,557,905	\$3,608,016	\$859,270
Expenses						
Goal 1. Downtown feels comfortable and safe at all times						
1a. Collaboration to maintain low crime rate	\$3,545,000	\$3,278,655	\$2,765,067	\$3,517,950	\$752,883	\$239,295
1b. Reduced presence of homeless & street persons	\$1,366,645	\$1,310,512	\$761,063	\$1,007,250	\$246,187	(\$303,262)
1c. Downtown's sidewalks are comfortably lighted	\$346,917	\$211,222	\$128,023	\$206,193	\$78,170	(\$5,029)
1d. Downtown noted for cleanliness and well kept appearance	\$4,591,002	\$4,867,931	\$5,156,717	\$4,959,190	(\$197,527)	\$91,259
1e. Remove conditions of disorder in downtown	\$36,794	\$41,277	\$50,719	\$83,000	\$32,281	\$41,723
1f. Prepare for and respond to emergencies	\$113,011	\$116,931	\$106,296	\$119,578	\$13,282	\$2,647
Total Goal 1:	\$9,999,369	\$9,826,526	\$8,967,885	\$9,893,161	\$925,276	\$66,634
Goal 2. Public realm is charming, inviting, beautiful and celebrates the life of the city						
2a. Key pedestrian areas are inviting	\$633,388	\$532,513	\$362,365	\$633,700	\$271,335	\$101,187
2b. Public spaces: managed, programmed and delightful	\$1,604,230	\$1,328,657	\$1,146,966	\$1,780,581	\$633,615	\$451,924
2c. Place of civic celebration	\$1,325,646	\$1,693,295	\$1,324,121	\$1,745,612	\$421,491	\$52,317
Total Goal 2:	\$3,563,264	\$3,554,465	\$2,833,452	\$4,159,893	\$1,326,441	\$605,428
Goal 3. Accessible to region and easy to get around						
3a. Effective transit access: more places, more hours	\$179,766	\$161,132	\$11,128	\$170,200	\$159,072	\$9,068
3b. Convenient circulation without a personal vehicle	\$26,282	\$0	\$0	\$0	\$0	\$0
3c. Easy to find way around	\$140,344	\$132,306	\$89,854	\$112,180	\$22,326	(\$20,126)
3d. Connect neighborhoods and districts inside/outside downtown	\$31,538	\$10,500	\$10,360	\$85,700	\$75,340	\$75,200
3e. Convenient, understandable and managed parking	\$34,166	\$10,556	\$18,772	\$7,100	(\$11,672)	(\$3,456)
Total Goal 3:	\$412,096	\$314,494	\$130,114	\$375,180	\$245,066	\$60,686
Goal 4. Vibrant, sustainable mixed use place						
4a. Best place to work in region	\$370,893	\$405,861	\$404,908	\$575,661	\$170,753	\$169,800
4b. Exciting neighborhoods to live in	\$854,153	\$896,318	\$596,451	\$1,141,706	\$545,255	\$245,388
4c. Competitive shopping place	\$26,282	\$17,700	\$17,491	\$18,600	\$1,109	\$900
4d. Remarkable destination for visitors	\$65,178	\$62,880	\$34,858	\$14,600	(\$20,258)	(\$48,280)
Total Goal 4:	\$1,316,506	\$1,382,759	\$1,053,708	\$1,750,567	\$696,859	\$367,808
Goal 5. Downtown's vision and offerings are understood by all						
5a. Market to region	\$1,181,727	\$1,313,862	\$1,133,545	\$1,281,945	\$148,400	(\$31,917)
5b. Promote downtown's ease of use	\$52,563	\$28,156	\$29,632	\$83,875	\$54,243	\$55,719
5c. Vision/ development framework understood by all	\$1,085,432	\$1,067,982	\$469,306	\$711,254	\$241,948	(\$356,728)
5d. Tools to assist continued redevelopment	\$84,101	\$61,126	\$70,069	\$24,400	(\$45,669)	(\$36,726)
5e. Information to support development, investment and marketing of downtown	\$42,051	\$83,971	\$45,537	\$20,000	(\$25,537)	(\$63,971)
Total Goal 5:	\$2,445,874	\$2,555,097	\$1,748,089	\$2,121,474	\$373,385	(\$433,623)
Goal 6. District governance and service known for excellence						
6a. Board and administration: engage stakeholders in decision making	\$870,399	\$933,070	\$1,125,714	\$1,107,326	(\$18,389)	\$174,256
6b. Communications to owners, tenants and others	\$39,659	\$34,072	\$46,951	\$46,505	(\$446)	\$12,433
6c. Preservation of the District's capital assets	\$126,257	\$98,153	\$43,976	\$103,800	\$59,824	\$5,647
Total Goal 6:	\$1,036,315	\$1,065,295	\$1,216,641	\$1,257,631	\$40,990	\$192,336
Total Expense	\$18,773,424	\$18,698,636	\$15,949,889	\$19,557,905	\$3,608,016	\$859,270
Revenue in Excess (Deficit) Expense	\$178	\$0	\$0	\$0	\$0	\$0

FY22 DLI grant carryforward is 282,736

Houston Downtown Management District
First Draft 2022 Operating Budget
 September 28, 2022

Analysis of functional expenses	Out of Pocket Expense		Admin Contractor Expense		Revenue		
	Expense	% of Bdgt	Expense	% of Bdgt	Budget Total	Partner Funding	Net Expense
Goal 1. Downtown feels safe and comfortable at all times	\$8,809,467	45.0%	\$1,083,694	5.5%	\$9,893,161	\$455,000	\$9,438,161
1a Collaboration to maintain low crime rate	3,104,500	15.9%	413,450	2.1%	3,517,950	0	3,517,950
Contract labor- public safety guides	2,035,000						
Off duty + private security/ + PIT team program	1,069,500						
1b Reduced presence of homeless & street persons	900,000	4.6%	107,250	0.5%	1,007,250	0	1,007,250
Homeless planning and services	900,000						
1c Downtown's sidewalks are comfortably lighted	165,000	0.8%	41,193	0.2%	206,193	0	206,193
Street lighting operating charge	50,000						
Utility expense-special lighting/amenities	30,000						
Lighting repair & maintenance	85,000						
1d Downtown noted for cleanliness & well-kept appearance	4,594,967	23.5%	364,223	1.9%	4,959,190	455,000	4,504,190
Contract labor- cleaning	1,965,000						
Contract labor - special events	10,000						
Contract labor- flagging	35,000						
Contract labor- trash collection	350,000					180,000	
Bus stop cleaning	150,000					275,000	
Recycling program	25,000						
Portable restroom servicing	30,000						
Trash bags/truck insurance	327,000						
Rat/bird abatement	84,500						
Landscape contractor	230,000						
Landscape water	275,000						
Tree maintenance contractor	110,000						
Irrigation maintenance & repair contractor	200,000					0	
Paver repair contractor	350,000						
Operations center expense	343,467						
Storage yard and warehouse	55,000						
Vehicle & cleaning equipment related expense	55,000						
1e Remove signs of disorder in downtown	30,000	0.2%	53,000	0.3%	83,000	0	83,000
Contract labor-graffiti abatement	30,000						
1f. Prepare for emergencies	15,000	0.1%	104,578	0.5%	119,578	0	119,578
Expense of Emergency Operations Center	15,000						
Goal 2. Public realm is charming, inviting, beautiful and celebrates the life of the city	\$3,683,000	18.8%	\$476,893	2.4%	\$4,159,893	\$481,500	\$3,678,393
2a Key pedestrian streets are inviting	530,000	2.7%	103,700	0.5%	633,700	0	633,700
Contractor floral accent planting and care	530,000						
Vacant space/window activation	0						
2b Public spaces: managed, programmed and delightful	1,566,000	8.0%	214,581	1.1%	1,780,581	331,500	1,449,081
Main Street Square fountain plantings	55,000						
Main Street fountain repairs	60,000						
Main Street Square fountain maintenance	120,000					60,000	
Main Street Square electricity	20,000						
Main Street Square attendant	140,000						
Main Street Square events & programming	80,000						
Cotswold Fountain Maintenance	100,000					175,000	
Cotswold Fountain Repairs	75,000						
Market Square Park landscaping	97,000						
Market Square Park operations	40,000						
Market Square Park attendant	140,000						
Market Square Park events & programming	125,000					30,000	
Market Square Park kiosk utilities	12,000					12,500	
Treble Park Accent Plants & Landscape Contractor	30,000						
Treble Park Accent Plants - Contractor & Materials	27,000						
Treble Park Attendant	140,000						
Treble Park Repairs, Supplies & Misc.	10,000						
Treble Park - Utilities	65,000					54,000	
Treble Park Programming and Events	100,000						
Treble Park Event Contractor	0						
Other Events	130,000						
2c Place of civic celebration	1,587,000	8.1%	158,612	0.8%	1,745,612	150,000	1,595,612
Street banners & pole repair contractor	120,000						
Allen Parkway maintenance	150,000					150,000	
Holiday logistics and installation	850,000						
Holiday season promotion expense	185,000						
Main Street Square art program	272,000						
Art consultant	10,000						

Houston Downtown Management District
First Draft 2022 Operating Budget
September 28, 2022

Analysis of functional expenses					Revenue		
	Out of Pocket Expense	% of Bdgt	Admin Contractor Expense	% of Bdgt	Budget Total	Partner Funding	Net Expense
Goal 3. Accessible to entire region all of the time and easy to get around	\$220,000	1.1%	\$155,180	0.8%	\$375,180	\$0	\$375,180
3a Effective transit access: more places, more hours	150,000	0.8%	20,200	0.1%	170,200	0	170,200
Ft. Bend Park and Ride	150,000						
3b Convenient circulation without personal vehicle	0	0.0%	0	0.0%	0	0	0
Circulator operation	0						
Consulting to pursue additional transportation funding	0						
3c Easy to find way around	70,000	0.4%	42,180	0.2%	112,180	0	112,180
Wayfinding system maintenance contractor	40,000						
Create and update informational maps	30,000						
3d Connect neighborhoods and districts inside/ outside downtown	0	0.0%	85,700	0.4%	85,700	0	85,700
Streetscape project coordination	0						
3e Convenient, understandable and managed parking	0		7,100		7,100	0	7,100
Parking program updates	0						
Goal 4. Vibrant, sustainable mixed-use place	\$1,489,406	7.6%	\$261,161	1.3%	\$1,750,567	\$0	\$1,750,567
4a Best place to work in region	366,000	1.9%	209,661	1.1%	575,661	0	575,661
CHI business development program	96,000						
Marketing	100,000						
Recruitment	75,000						
Retention/Expansion	20,000						
Cluster Collaboration Fund	75,000						
CHCI sustainability program	0						
4b Exciting neighborhoods to live in	1,123,406	5.7%	18,300	0.1%	1,141,706	0	1,141,706
Downtown Living Initiative Grants	1,093,406						
Open space, park & recreational offerings	30,000						
School, educational options	0						
4c Competitive shopping place	0	0.0%	18,600	0.1%	18,600	0	18,600
Retail core planning consultants	0						
Signage and advertising	0						
Recruitment consultant	0						
4d Remarkable destination for visitors	0	0.0%	14,600	0.1%	14,600	0	14,600
	0						
Goal 5. Downtown's vision and offerings understood by all	\$1,495,500	7.6%	\$625,974	3.2%	\$2,121,474	\$90,000	\$2,031,474
5a Market to region	945,500	4.8%	336,445	1.7%	1,281,945	90,000	1,191,945
Email blast	0						
Downtown web portal	75,000						
Downtown magazine	75,000					0	
Marketing/ event expense	100,500						
Marketing/Treble Park	20,000						
Marketing/Theater District	90,000					90,000	
Creative and strategy	75,000						
Distribution	0						
Media & Advertising	350,000					0	
Promotional Items	70,000						
Summer Intern Program	0						
PR consultants	90,000						
5b Promote downtown's ease of use	0	0.0%	83,875	0.4%	83,875	0	83,875
	0						
5c Vision/ development framework understood by all	550,000	2.8%	161,254	0.8%	711,254	0	711,254
Update of Downtown Framework- consultants	0						
Transportation infrastructure planning- consultants	300,000						
Major projects planning- consultants	250,000						
Streetscape technical consultants	0						
5d Tools to assist continued redevelopment	0	0.0%	24,400	0.1%	24,400	0	24,400
Help potential new redevelopment projects	0						
5e Develop/ maintain information to support development, investment and marketing of downtown	0	0.0%	20,000	0.1%	20,000	0	20,000

Houston Downtown Management District
First Draft 2022 Operating Budget
 September 28, 2022

Analysis of functional expenses	Out of Pocket Expense		Admin Contractor Expense		Revenue		
		% of Bdgt		% of Bdgt	Budget Total	Partner Funding	Net Expense
Goal 6. District governance and service known for excellence	\$565,250	2.9%	\$692,381	3.5%	\$1,257,631	\$0	\$1,257,631
6a Board and administration: engage stakeholders in decision making	460,450	2.4%	646,876	3.3%	1,107,326		1,107,326
Legal Counsel	32,000						
Accountant and auditor	50,000						
Assessment collector	60,000						
Administration contractor fee	60,000						
Insurance	43,550						
General out-of-pocket expenses	214,900						
6b Communications to owners, tenants and others	1,000	0.0%	45,505	0.2%	46,505	0	46,505
Downtown District Communication Quarterly	0						
Downtown District website	1,000						
6c Preservation of District's capital assets	103,800	0.5%	0	0.0%	103,800	0	103,800
Depreciation expense	103,800						
Grand Totals	\$16,262,623	83%	\$3,295,282	17%	\$19,557,905	\$1,026,500	\$18,531,405

Houston Downtown Management District
First Draft 2023 Capital Budget
 October 28, 2022

	2021-2025 Improvement Plan (5 years)	2022 Budget	2022 Projected	2023 Budget
Revenues				
Net Assessment revenue	\$6,094,739	\$1,284,872	\$1,284,872	\$1,303,926
Project revenue	\$0	\$0	\$0	\$0
Interest	\$50,000	\$3,500	\$75,632	\$120,000
Utilization of Surplus Fund Balance	\$333,333	\$0	\$0	\$0
Prior Fund Balance	\$0	\$5,597,480	\$4,658,353	\$5,173,101
Total Funds Available	\$6,478,072	\$6,885,853	\$6,018,857	\$6,597,027
Expenses				
Goal 1 Downtown feel safe & comfortable				
Street lighting enhancements	\$1,000,000	\$0	\$0	\$0
Irrigation & Landscape Smart System Implementation		\$0	\$0	\$375,000
Additional Trash Receptacles		\$0	\$0	\$0
Total Goal 1:	\$1,000,000	\$0	\$0	\$375,000
Goal 2 Public realm is charming, inviting, beautiful & celebrates life of city				
Landscape improvements	\$550,000	\$260,000	\$260,256	\$200,000
2022 Prairie Street project/2023 More Space Main Street 2.0	\$0	\$265,000	\$0	\$1,370,000
Banners	\$0	\$162,500	\$0	\$335,000
Public space amenities	\$0	\$20,000	\$20,000	\$13,000
Texas Avenue pole skirts	\$0	\$0	\$0	\$0
Total Goal 2:	\$550,000	\$707,500	\$280,256	\$1,918,000
Goal 3 Accessible to region & easy to get around				
Lighted street/parking signs	\$500,000	\$0	\$0	\$0
Improved pedestrian connections	\$3,000,000	\$902,000	\$100,977	\$1,556,387
Wayfinding signage	\$300,000	\$275,000	\$62,269	\$95,349
Total Goal 3:	\$3,800,000	\$1,177,000	\$163,246	\$1,651,736
Goal 4 Vibrant, sustainable mixed use place				
Downtown Living Initiative Grants	\$0	\$76,000	\$46,142	\$79,500
Retail catalytic grants	\$0	\$10,000	\$37,500	\$250,000
Total Goal 4:	\$0	\$86,000	\$83,642	\$329,500
Goal 5 Downtown's vision & offerings are understood by all				
Technical assistance grants	\$0	\$0	\$0	\$0
Total Goal 5:	\$0	\$0	\$0	\$0
Goal 6 District governance & excellence known for excellence				
Capital replacement	\$1,125,000	\$257,000	\$318,612	\$254,400
Total Goal 6:	\$1,125,000	\$257,000	\$318,612	\$254,400
Total Expenditures	\$6,475,000	\$2,227,500	\$845,756	\$4,528,636
Revenue in Excess (Deficit) Expense	\$3,072	\$4,658,353	\$5,173,101	\$2,068,391

**RESOLUTION ORDERING THE ANNUAL SETTING OF THE RATE
OF ASSESSMENT FOR THE YEAR 2022**

WHEREAS, the Houston Downtown Management District (the "District") was created by the Texas Legislature as a political subdivision of the State of Texas, for the purpose of providing services and improvements in the downtown area of the City of Houston, as authorized by Senate Bill 1620, Acts of the 74th Legislature, Regular Session, 1995, codified as Chapter 3801, Texas Special Districts Code and by Chapter 375, Texas Local Government Code, (the "Acts"); and

WHEREAS, in accordance with the Acts, there was presented to the Board of Directors of the District (the "Board") on September 10, 2020, a petition (the "Petition") requesting the District provide services and improvements as described therein and in the 2021-2025 Service and Improvement and Assessment Plan (the "Plan"); and

WHEREAS, after the issuance of proper notice pursuant to the Acts, the District held a public hearing on the Petition on October 27, 2020 to give property owners an opportunity to question and/or contest the granting of the Petition; and

WHEREAS, on November 12, 2020, the Board adopted its Order Granting Petition, Approving a Service Plan and an Assessment Roll for Houston Downtown Management District, Levying Annual Assessments Against Property Within the District for a Five-year Period, Specifying the Method of Payment and the Amount of Annual Installments of the Assessment, Providing Penalties and Interest on Delinquent Assessments, and Authorizing the Collection of Assessments (the "Order"); and

WHEREAS, the Plan stipulates the Board will act annually to set the services and capital improvement assessment rates; and

WHEREAS, the Board desires to comply with the requirements of the Acts, the Petition, the Plan and the Order:

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE HOUSTON DOWNTOWN MANAGEMENT DISTRICT THAT:

- 1) The rate of assessment for the year 2022 shall be \$ TBD per \$100 of assessed valuation for services and minor capital expenses. The rate of assessment for the year 2022 shall be \$\$ TBD per \$100 of assessed valuation for major capital improvements.

PASSED AND ADOPTED this 10th day November, 2022.

Kristopher Larson
President/CEO, Board of Directors
HOUSTON DOWNTOWN
MANAGEMENT DISTRICT

ATTEST: _____
Marian Harper
Secretary, Board of Directors
HOUSTON DOWNTOWN
MANAGEMENT DISTRICT

CERTIFICATE FOR RESOLUTION

THE STATE OF TEXAS §
COUNTY OF HARRIS §

I, the undersigned officer of the Board of Directors of the Houston Downtown Management District, hereby certify as follows:

1. The Board of Directors of the Houston Downtown Management District convened in regular session on the 10th day of November, 2022, and the roll was called of the duly constituted officers and members of the Board to-wit:

BOARD MEMBERS

Crystal Allen	Roland Kennedy
Leslie G. Ashby	Benjamin Llana
Genora Boykins	Nick Massad III
Clay Crawford	Sherea A. McKenzie
Jacques D’Rovencourt	Kenny Meyer
Marcus Davis	John Mooz
Terry Demchak	Cat Nguyen
Irma Galvan	Randy Pryor
Marian Harper	Edna Ramos
Gilbert A. Herrera	Scott Repass
C.C. Huang	Grace Rodriguez
Angus Hughes	Richard Torres
Toni M. Jackson	Valerie M. Williams
Robbi Jones	Ted Zwieng

and all of said persons were present, except Directors absent as recorded in the duly authorized minutes of the November 10, 2022 meeting of the Board of Directors, thus constituting a quorum. Whereupon, among other business, the following was transacted at the meeting: a written

RESOLUTION ORDERING THE ANNUAL SETTING OF THE RATE OF ASSESSMENT FOR THE YEAR 2022

was introduced for the consideration of the Board. It was then duly moved and seconded that the resolution be adopted, and, after due discussion, the motion, carrying with it the adoption of the resolution, prevailed and carried unanimously.

2. That a true, full and correct copy of the aforesaid Resolution adopted at the meeting described in the above and foregoing paragraph is attached to and follows this certificate; that the Resolution has been duly recorded in the Board’s minutes of the meeting; that the persons named in the above and foregoing paragraph are the duly

chosen, qualified and acting officers and members of the Board as indicated therein; that each of the officers and members of the Board was duly and sufficiently notified officially and personally, in advance, of the time, place and purpose of the aforesaid meeting, and that the Resolution would be introduced and considered for adoption at the meeting, and each of the officers and members consented, in advance, to the holding of the meeting for such purpose; that the meeting was open to the public as required by law; and that public notice of the time, place and subject of the meeting was given as required by Chapter 551, Texas Government Code.

SIGNED AND SEALED the 10th day of November, 2022.

(SEAL)

Marian Harper
Secretary, Board of Directors

ACTION ITEM	Authorize additional 2022 expenditures with the City of Houston for transit and lawn meter water costs.
SERVICE PLAN	2021-2025
Account Code	831.258
Budget & Year	\$220,000 2022
REVISED REQUEST	Not to exceed \$270,000 (increase of \$50,000 from prior authorization)
DESCRIPTION	The District maintains all the trees and landscaping installed within the Cotswold Projects, Transit Streets Projects, Main Street METRO Rail Project, South East Sidewalks Project, Dallas Street and recently completed Bagby Street Project. The water utilized to irrigate the landscaping and trees is metered and the District pays the City of Houston monthly for each of our 22 meters.
DISCUSSION	<p>These additional funds are necessary due to construction crews damaging our irrigation lines in the right of way throughout downtown resulting in an increase in water usage and our City of Houston water bills. We are in discussions with City Legal and Public Works to see if the District can be treated as a partner rather than a customer in regards to being held responsible for damages and higher water usage caused by others.</p> <p>The District employs methods to reduce the higher water consumption by scheduling our contractor to manually read the meters multiple times a week and schedule systems checks if we see contractors digging near our lines. We will be utilizing underspent funds in other budget line items within the Operations budget to pay for this increase in water usage.</p>
M/WBE Participation	City of Houston is not a DBE.

ACTION ITEM	Authorize additional 2022 expenditures with Maintenance To Go, Inc. for irrigation system repairs and maintenance.
SERVICE PLAN	2021-2025
Account Code	833.201
Budget & Year	\$150,000 2022
REQUEST	Not to exceed \$200,000 (increase of \$50,000 from prior authorization)
DESCRIPTION	This expenditure allows for the continued maintenance and repair of the vast irrigation systems throughout the District.
DISCUSSION	<p>The District routinely performs needed repairs and maintenance of the irrigation systems that supply water to all the trees, planter beds and planter pots. Repair work is being performed more frequently due to contractors damaging our irrigation lines located in the public right of way underneath the sidewalks and streets. Some of these contractors that cause the damage are discovered and we seek reimbursement from the contractors but other damaged lines are from non-permitted work that occurs in the middle of the night.</p> <p>We will be utilizing underspent funds in other budget line items within the Operations budget to pay for this increase in repair costs.</p>
DBE Participation	Maintenance To Go, Inc. is a certified DBE company.

ACTION ITEM	Authorize 2022 expenditure for a utility golf cart and truck purchase.
SERVICE PLAN	2021-2025
Account Code	824.200
Budget & Year	\$60,000 2022
REQUEST	Not to exceed \$50,000
DESCRIPTION	<p>This action allows the District to purchase a utility golf cart for the fountain maintenance contractor to utilize to transport and carry necessary tools and equipment to the Main Street Square fountain and the Cotswold fountains.</p> <p>The truck will be used by the District Operations staff to monitor the District and also be able to transport and pick up items from the warehouse and throughout the District.</p>
DISCUSSION	<p>Once the District officially takes over the responsibilities of the Cotswold fountains, the fountain technicians will need a vehicle that can be parked easily at each location and carry the equipment and tools necessary to perform the maintenance duties.</p> <p>Currently we have the Smart Car for the District staff to utilize but it has limitations as far as capacity and the inability to transport materials to different sites throughout the District including Market Square Park, Main Street Square and Trebly Park. The plan is to sell the Smart Car to help offset the costs of a truck purchase. These purchases will cause us to be over budget for this line item but we will be utilizing funds from underspent budget line items within the Operations budget.</p>
M/WBE Participation	TBD

ACTION ITEM	Authorize expenditures with various vendors for holiday activations.
SERVICE PLAN	2021-2025
Account Code	633.360
Budget Amount	\$160,000 2022
REQUEST	Not to exceed \$160,000
DESCRIPTION	The authorization covers the productions costs for our <i>City Lights, Downtown Holiday Magic</i> villages – Santa’s Village at Main Street Square, Winter Wonderland on Bagby Street, Mistletoe Square at Market Square Park and Candy Cane Lane at Trebly Park. Each village will have unique programming, ranging from holiday movie nights to photos with Santa. This also covers any additional security, curb lane closures, etc.
DISCUSSION	This is the first year for our organization to partner with Houston First on a Downtown-wide holiday activation, taking place each weekend from 11/18 through 12/30.
DBE PROGRAM	Vendors TBD

**MEMORANDUM**

November 10, 2022

TO: Board of Directors

FROM: Brett DeBord, Director of Operations and Capital Projects

RE: Operations Update

FACILITIES UPDATE: (Scott Finke, Operations Manager)**Holiday Decor:**

It is that time of year again! The District began installing the holiday pole décor last week along Main Street. The Bagby and Main Street décor and banner installs will soon follow. The multi-colored lights in the large oak trees at Market Square Park were installed on November 3rd & 4th. All the décor and twinkle light installations are scheduled to be completed during the week of November 14th. BBB will monitor the lights and décor daily for any issues with light outages or damages until the décor is taken down in early January.

Fountain Maintenance:

A meeting with InCon-trol Water Systems staff was held on November 1, 2022. InCon-trol will be the District's fountain maintenance contractor for the Main Street Square fountain and the Cotswold fountains. The focus will be on the Main Street Square first to get all the components working to the best of their ability and make recommendations and cost proposals for possible improvements or upgrades.

QUALITY CONTROL UPDATE: (Keith Gould, Quality Control Manager)**Landscaping:**

Demonstrations were presented by Tree Plotter and Arbor Scope regarding software for tree inventory and management. Both software programs will be assessed and recommendations will be made for 2023. All the trees for Market Square Park were pruned to help provide more light throughout the park. Asian Jasmine was added to the tree wells where the new Live Oak trees were planted in the Spring. Seasonal color change outs for the Fall/Winter season have begun as the McKinney/Lamar pots and Dallas planters have been completed. Main Street, Bagby Street, and Crawford Island will be completed in November.

MEMORANDUM

November 10, 2022

Page 2 of 3

Block By Block:

Block By Block scored a 4.20 for the month of October, which is almost the exact same score from September which was a 4.21. The scores have been holding steady over the last 6 months which is good considering pedestrian traffic has increased during that same period. Ambassador deployments have been focused on Main St and from the Historic District to Minute Maid Park as the Astros have progressed through the playoffs. The District is requesting that Block By Block operate 3 shifts of pressure washing with 2 shifts during the day and 1 in the evening. The changing of seasons will also impact the deployment of the ATLVs and Billy Goats, as leaves will begin falling and will need to be picked up in a reasonable timeframe. Graffiti removal dropped in October to 1,053 compared to 1,196 in September. Trash removed from Downtown reached 159.81 tons for the month of October, which is an increase from 151.67 in September. October's tonnage collected is the highest total for the year, another indication that more and more people are returning to Downtown.

Homeless Encampments:

Multiple cleanups with HPD at Chartres location were conducted to get the area clean for the baseball playoffs at Minute Maid Park. The tent count between Ruiz and Runnels remains in the high 50's, but the Orchard area north of Runnels has been low in tent counts with less than 10 observed. Pierce cleanups are quick and easy as the street population moves along as Block By Block cleans. Bagby Underpass has seen fewer individuals lying down on the sidewalks and in the median during the daytime hours. The Beacon still experiences a high number of homeless congregating on the sidewalks throughout the day and night. Multiple cleanings are done during the week with power washing, but homeless return to sidewalk once the pavement is dry.

CONSTRUCTION AND CAPITAL PROJECTS: (Dusty McCartney, Construction Manager)**Bagby Street Improvement Project:**

The Contractor has begun the layout work on the planter rails and continuing to address punch list items and working towards final completion. Due to logistical supply/demand issues, the official project closeout is delayed while we await the arrival of the remaining tree grate items to be installed at Sam Houston Park.

Trebly Park Project:

The Trebly Park project received its TCO - Temporary Certificate of Occupancy of the building and is working towards the site TCO. Tout Suite has started stocking the kitchen with restaurant items and is excited to have the grand opening. The stage trellis glass has been installed and the indoor and outdoor site furniture has arrived on site as well. The Zorro Zoysia (grass) in the main lawn has been installed and the District is currently working with marketing to coordinate the holiday décor for this upcoming holiday season. We are anticipating substantial completion in the coming weeks.

MEMORANDUM

November 10, 2022

Page 3 of 3

PUBLIC SAFETY AND EMERGENCY RESPONSE: (James Kennedy, Public Safety Manager)

Downtown Public Safety Guides:

The number of ambassador engagements rose to 9,778 in October compared to 9,007 in September. There was an increase in patron activity due to the Astros playoff run, the start of the Rockets season, and several successful events, concerts, and conventions. The number of civility related engagements dropped noticeably to 7,394 compared to 11,535 in September. This was due in large part to training issues identified with some of our newer ambassadors. Additionally, we have re-deployed our teams to strategic locations along Main Street, particularly Main Street Square, which has deterred many of the individuals that we routinely have issues with.

Off Duty HPD:

The Off Duty ambassador engagements were comparable to the previous month with 250 engagements for October compared to 258 in September. We are looking at re-modeling our Off Duty program to ensure we have the best officers available on our team and are deploying and scheduling them effectively. In-line with our Safety ambassadors, the number of civility engagements took a noticeable dip in October with 183 as compared to 209 in September.

SEAL Private Security:

Our SEAL Team continues to field a high number of calls for service with 339 in October, which is the third highest number of monthly calls since the inception of the program. Most of the issues are surrounding suspicious individuals in parking garages and folks loitering/laying on sidewalks. Over the past month, there has been an increase in concerns related to issues within contract parking garages due to the rise in burglaries of a motor vehicles. We are working with our partners at HPD to find a positive solution to this issue.

Positive Interactions

177,571

Total

Homeless Count

415

Average

Sidewalk Cleaning

4.26

Average

Garbage Disposed (Tons)

1398

Total

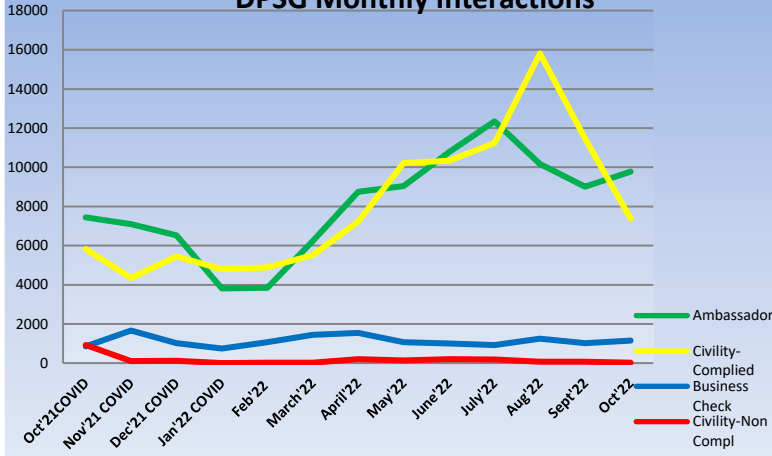
Reliability Report

76%

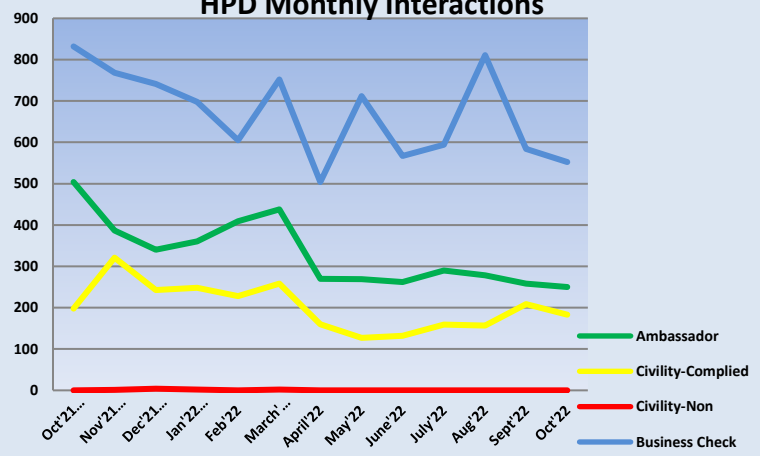
Average

Safety & Quality Control

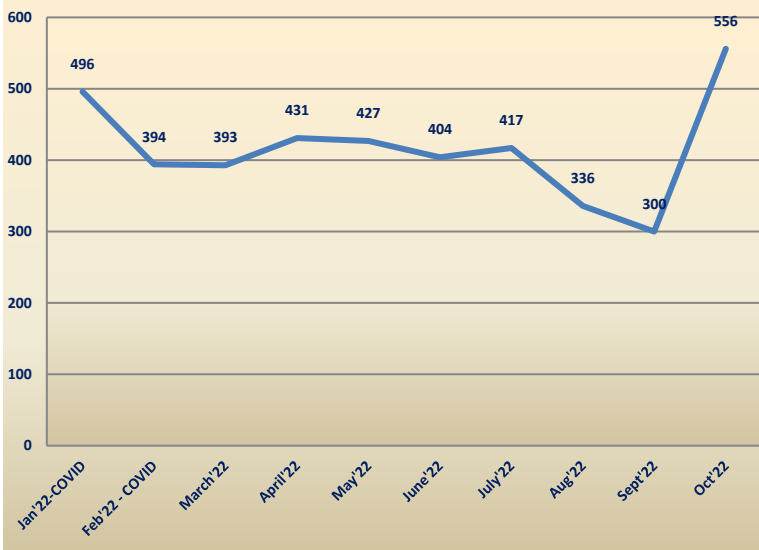
DPSG Monthly Interactions



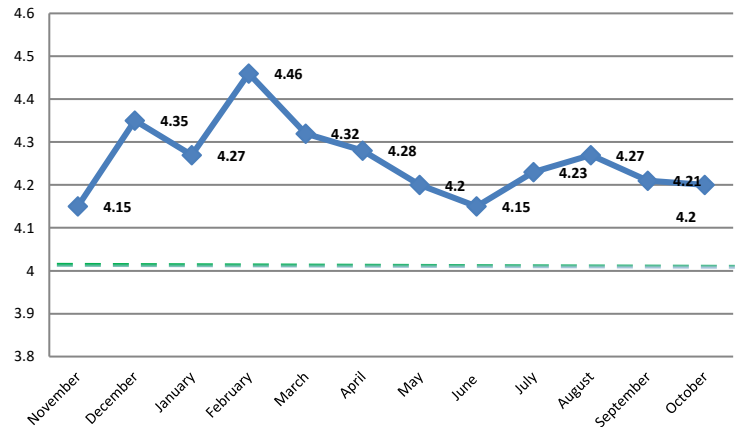
HPD Monthly Interactions



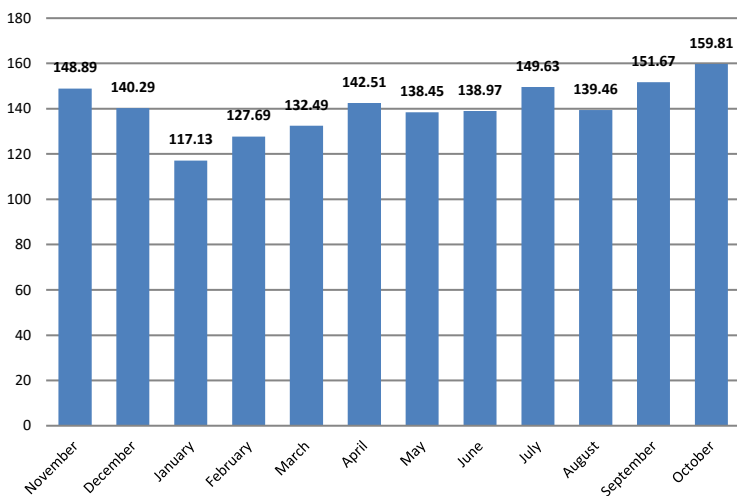
Homeless Count



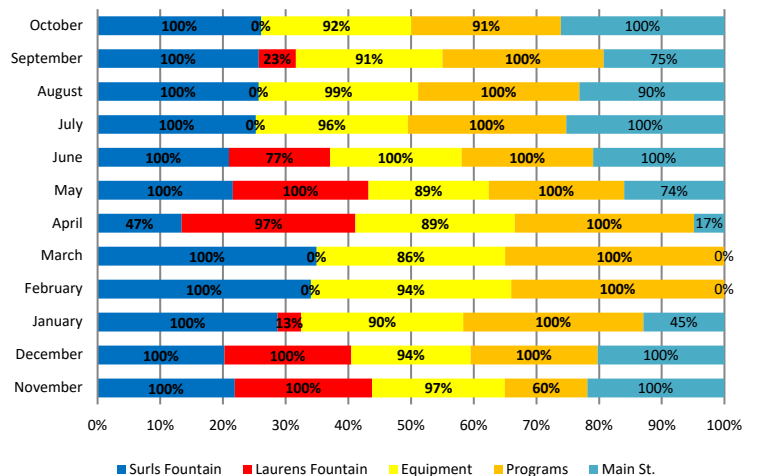
Sidewalk Cleaning



Garbage Disposed (Tons)



Reliability





MEMORANDUM

November 10, 2022

TO: Board of Directors

FROM: Robert C. Pieroni

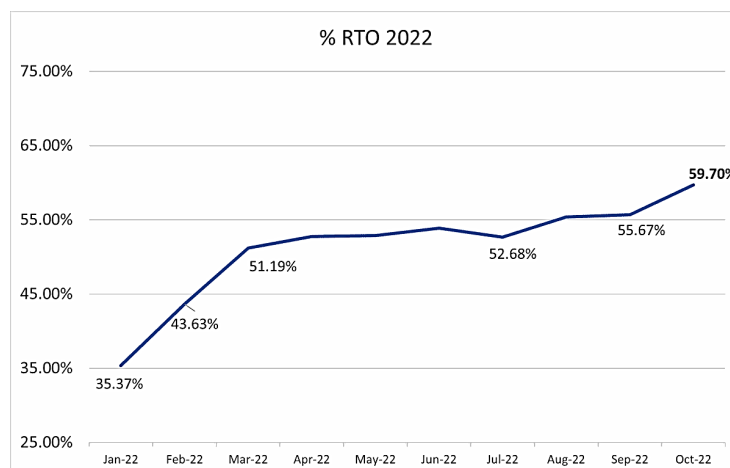
RE: Economic Development Program Update

Update on the Office Market: Downtown's office market continued to face headwinds in the third quarter of 2022 and is likely to maintain course through the end of the year. The market overall remains plagued by an elevated vacancy rate 24.5% (Regional Average 18.9%; Regional Class A Average 23.5%) and sluggish demand. Leasing activity in Downtown is below levels seen in pre-pandemic years, 2.1M square feet of year-to-date leasing activity in 168 deals.

Recruitment & Attraction Highlight: In August, staff participated with the Greater Houston Partnership as part of their in-person delegation of companies and community leaders to the Bay Area in California to highlight Houston's market strengths while learning about the innovative companies on the West Coast. The delegation was led by Bob Harvey and the team met with select energy 2.0, tech, and life science companies looking at potential expansion opportunities.

On November 2nd staff accompanied GHP on a Chicago delegation trip where they met with six of the prominent corporate relocation site selectors in the mid-west. The purpose of the mission was to provide them information on why Houston is the ideal destination for their clients.

Return-to-office: Trends for October posted a third consecutive month of growth after the flat spring & summer. The month closed with an average RTO rate of 59.70%, the highest since the onset of the pandemic, including a peak day of 71.2% on Tuesday, October 11th! Downtown RTO is approximately 12.1% higher than the National average of the 10 largest metros according to Kastle access control systems.



MEMORANDUM**November 10, 2022**

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Policy & Program Development: Request for Proposals Downtown Office Conversion Feasibility

Pursuant to the DRA Board's recommendation, Staff posted an RFP on October 13 seeking proposals for a consulting firm to conduct third-party feasibility studies on select buildings participating in exploring adaptive reuse of vacant office space. A pre-proposal conference was held October 27 for interested parties, with subsequent addenda to be issued on November 7. The feasibility studies are intended to assist participating property owners in developing proformas for multiple adaptive reuse scenarios once the program is formed, authorized by the DRA Board and approved by Houston City Council. These scenarios will provide a means to identify and appropriately assess the efficacy of the currently known financing tools that may be utilized to bridge capital or operational funding gaps related to office building conversions.

Residential: Downtown Houston's multifamily market solidified its status as a true live/work/play environment in recent years, and residents pay a notable premium \$2.41-SF/MO to live Downtown. Occupancy remains slightly lower than the regional at 83.4%, this is partly due to the supply-heavy additions of 1,300+ new units. Despite the supply increase the 12-month absorption continues to impress, as Downtown has seen 311 units rented over the past 12 months.

Hospitality: Downtown continues to draw both locals and out-of-town visitors alike with its vibrant entertainment and hospitality district. In fact, Downtown had over 3.4 million visitors in the month of October. The peak day of was on Saturday, October 29th with 172K visitors to Downtown. The Downtown hospitality market is comprised of 8,400+ hotel rooms spread across 28 properties, including large convention hotels, luxurious five-star accommodations and beautiful historic options. In the month of October (September Data*) hotel occupancy reached 62.3%, which is 90% recovered from a 5-year October pre-pandemic average (2015-2019). Other key performance indicators continued with tremendous growth: Average Daily Rate (ADR) \$208.20 (Aug: \$177); Revenue Per Available Room (RevPAR) \$129.70 (Aug: \$90); and Monthly Revenue \$32,883,350 (Aug: \$23,622,917).

Highlight: PA Hospitality, owned by Alif Maredia, obtained a \$37.4 million construction loan from Dallas-based Hall Structured Finance to build dual branded 221-room hotel at 1514 Leeland Street. The new hotel that will be developed is a Home2 Suites by Hilton and Tru by Hilton. The company expects to break ground by the end of the year and completion is planned in the third quarter of 2024.

Downtown Launchpad Program Highlight: gener8tor's pre-accelerator program, gBETA, the sixth Houston cohort for global startup accelerator and investor gener8tor's gBETA program is currently underway, and five Houston early-stage companies have joined the program. The program concludes at a public showcase event at 5 pm on November 17 at the Courtyard used by the Downtown Launch Pad at Amegy Bank (1801 Main Street).

Publications Update: November publications included the Downtown Economic Recovery Monthly Monitoring Update.



MEMORANDUM

November 10, 2022

TO: Board of Directors

FROM: Lonnie Hoogeboom & Brett DeBord

RE: Planning & Design and Capital Projects Update

2023 Planning & Design Projects – Budget Overview

At the October 27, 2022, meeting of the Planning & Design and Capital Projects (PD&CP) Committee, the following planning initiatives were discussed for purposes of inclusion in the 2023 Draft Budget of the Downtown District.

- A. Ft. Bend County Park & Ride Service: Initiated in planning phase during 2014 with Ft. Bend County Transit, a new fleet of park and ride buses is scheduled for service delivery in 2023. The interlocal agreement between Ft. Bend County and the Downtown District was executed November 11, 2020, following the October 24, 2020 Board authorization for total expenditures of \$450,000 in three equal installments. The first payment was processed in 2021; the second payment has been postponed during 2022 due to fleet procurement delays caused by the pandemic and a driver recruitment.

Recent conversations with Ft. Bend transit planners indicate this service should launch during 1Q 2024 with bus fleet delivered 3Q-4Q 2023, with the second installment to be invoiced for payment, pending 2023 Budget approvals and subsequent Board authorization. The third payment will be itemized during the 2024 budgeting cycle (October -December 2023) and likely authorized for payment in 1Q 2024.

Ft. Bend Park & Ride Service: \$150,000 (Account 723.600)

- B. North Houston Highway Improvement Project (NHHIP) / Civic Opportunities & TxDOT Technical Guideline Documents: In continuation of consultant planning work since 2012 when the NHHIP was re-launched and anticipating the lifting of the FHWA "Pause" order plus resolution of the Harris County suit against TxDOT, the Downtown District should anticipate 2023 as a busy year of planning and furtherance of past efforts.

To continue regular agency meetings with TxDOT, to support the City of Houston in its negotiations with TxDOT, and to collaborate with project-adjacent management districts and redevelopment authorities, staff and consultants will continue the planning work to develop aesthetic and technical documents that supplement TxDOT's project development and procurement process. As with 2018 through 2022, these District funds will be transferred to CHCI and combined with other resources to fund the 2023 planning efforts, which may also involve applications for planning grants administered through the U.S. Department of Transportation.

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NHHIP Planning: \$250,000 (Account 781.400)

- C. Downtown Enhanced Lighting Plan: As a comprehensive evaluation of downtown lighting conditions, this project will inventory the existing streetlights, develop a methodology to analyze existing lighting effects, identify the range of and map photometric lighting conditions, determine locations where light levels are sub-standard, and then recommend strategies to improve lighting.

Since the District's establishment, there have been numerous construction projects that have built Downtown's current lighting, either by comprehensive neighborhood/ sub-district lighting standards or by corridor project improvements. These projects have included streetlighting and in many instances pedestrian and landscape lighting. For several decades, the District has funded projects where enhanced streetlighting levels have been achieved above City baseline standards; for these enhancements, the District has funded the operational cost delta through its Streetlight Agreement with the City. Since CenterPoint Energy completed the city-wide implementation of LED luminaires, the City's electrical usage and billing have significantly reduced, in turn reducing the District's annual payment to the City. Additionally, as private or public projects come online, supplemental lighting has benefitted the ambient light conditions but resulted in highly variable light levels from block-to-block. The proposed lighting masterplan would take this long history into account and develop guidelines to continue lighting improvements in future public projects, perhaps with incentives to modify private building frontages with regards to lighting. This planning project will require lighting consultant procurement and significant collaborations with Houston Public Works and CenterPoint Energy. The planning work can be initiated during 2Q 2023, likely running through year-end 2023.

Downtown Enhanced Lighting Plan: \$250,000 (Account 773.400)

- D. 2023 Commute Survey: Previously delivered as a Central Houston, Inc. project in 2009, 2013 and 2018, this survey as a longitudinal study of commuter trends across multiple modes of transportation is due for the next iteration. Particularly following the workplace commute changes as a result of the pandemic and prior to the NHHIP initiating construction (likely to change commuter habits and preferences), a 2023 Commute Survey provides a timely planning resource. Administration of the survey and production of the report will generally be delivered by a consultant, with staff leading the public engagement during the survey and editing the draft reports for final issuance.

2023 Commute Survey: \$50,000 (Account ___.___)

- E. General PD&CP Expenses: As in prior budgeting cycles and for miscellaneous expenses incurred throughout the year, staff requests discretionary funds for materials, supplies, subscriptions, professional development, and committee support.

General Expenses: \$37,500 (Account 916.400)

- North San Jacinto Preliminary Engineering: As part of NHHIP Master Planning and Civic Opportunity Visioning, conceptual plans for North San Jacinto have been developed and reviewed with numerous parties including TxDOT, the Mayor, City Planning personnel, Greater Northside, UH-Downtown, and area stakeholders. TxDOT has committed to the

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November 10, 2022

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baseline condition for east- and westbound frontage street connections with a short extension of North San Jacinto from the current IH-10 alignment. The North San Jacinto lane capacity, on-street parking, on-street bicycle facilities, and sidewalks have been reviewed with the City and its North Canal consultant, HDR, in order to determine bridge width design parameters over the future North Canal.

In February 2022, District staff submitted this project's potential scope to Houston Public Works (HPW) respective of the City's Design Concept Review (DCR) process, a requirement to advance a public project; the DCR application was favorably reviewed and has been filed for project development. For 2022, this project was included in the Downtown District's Planning Budget, but the effort was not advanced due to scheduling uncertainties of both the NHHIP and the North Canal projects. At this time, staff is not including this project under the Downtown District's 2023 budgeting, but rather evaluating the future funding, design-engineering, public engagement, agency coordination, procurement, and capital improvements as a project by the Authority/ TIRZ 3.

- Congress Street Bridge Improvements: Based on the re-positioning of the Barbara Jordan US Post Office to the new POST Houston, the District was approached in 2021 by Lovett Commercial and their consultant Kimley-Horn to consider a shared funding improvement of the Congress Street Bridge from Smith to Franklin. The primary purpose and benefit is improved pedestrian sidewalks and safe intersection crossings between POST Houston and the Theater & Historic Districts. Based on conversations with the developer and HPW, the design proposal is roadway narrowing on the bridge with attendant widening of the sidewalks, with no modifications to the historic bridge railings.

At this time, staff is not including this project under the Downtown District's 2023 budgeting, but rather evaluating the future funding, design-engineering, public engagement, agency coordination, procurement, and capital improvements as a project by the Authority/ TIRZ 3. While specific terms and a shared funding agreement are yet to be processed, this proposed project will be an Authority-led capital improvement project with a contribution from Lovett to cover cost-share expenses related to design-engineering and a portion of the construction. For the Authority, improvements include 3 bridge-mounted streetlights and new traffic signalization at Congress & Smith and Congress & Franklin. There are also current project scope discussions to incorporate the Smith & Franklin intersection with new sidewalk, crosswalk ramps, and replaced street lighting over the Smith Street bridge. To deliver this project, staff will review the process with Authority Board members and then refine the project's development through a Collaborative Committee.

2023 Capital Improvement Projects – Budget Overview

At the October 27, 2022, meeting of the Planning & Design and Capital Projects (PD&CP) Committee, the following capital projects were discussed for purposes of inclusion in the 2023 Draft Budget of the Downtown District. Subsequently on November 3, 2022, the Committee's Board members and staff conducted a project prioritization exercise to identify priority 2023 budget expenditures for the Board's consideration, as enumerated below:

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1. Storefront & Streetscape Design & Construction – Main Street: At the request of the City Planning & Development and HPW through the Mayor’s Office, staff is preparing a design RFQ for consultants to develop streetscape standards for Main Street, north of Capitol Street, in order to continue the More Space Program, specifically with sidewalk café improvements. The current short-term program – implemented by the City and the District in response to pandemic-related small business impacts – expires in March 2023; but the City proposes to more permanently implement a corridor project that closes the northern stretch of Main to vehicular traffic while activating the street with more unified design standards. City staff will process the associated amendments to pertinent ordinances: sidewalk cafes, encroachments, and removal of abandoned or derelict facilities. The District will evaluate how best to activate the streetscape to accommodate pedestrians, cyclists, light rail transit, emergency response vehicles, and sidewalk café operations, bearing in mind past public and private investments for Main Street and for the More Space Program. Based on staff’s initial design assumptions, the proposed budget includes \$120,000 for design and \$750,000 for construction. At this time, the draft budget does not include additional grant expenditures to local businesses for sidewalk café enclosures or furnishings.

Storefront & Streetscape Design & Construction – Main Street:
\$870,000 (Account 583.800)

2. Storefront & Streetscape Activation – Improved Pedestrian Connections – Z-Corridor: Based on current research underway by staff and as a tactic of the *Strategic Alignment Plan*, this draft budget item proposes 2023 expenses associated with public realm improvements to activate sidewalks connecting the Convention District & Discovery Green with the Historic District (Market Square Park) and the Theater District (Lynn Wyatt Square). Potential sites along the “Z-Corridor” include: Dallas, Lamar, McKinney, & Walker (LaBranch to Milam); San Jacinto, Fannin, Travis & Milam (Dallas to Congress); and Texas, Prairie, Preston, Congress, Franklin (San Jacinto to Louisiana). Main Street (Dallas to Franklin) is, of course, integral to this activation and is considered under the previous “Item H: Main Street – More Space.” Proposed at an initial budget of \$500,000 for 2023, this connectivity project seeks to improve the pedestrian experience between Downtown’s major public parks through a series of tactical sidewalk interventions.

Storefront & Streetscape Activation – Improved Pedestrian Connections:
\$500,000 (Account 583. _ _)

3. Irrigation & Landscape Smart System Implementation: Following 2023 draft budget review with the Operations and Maintenance Committee, a smart system capital investment is presented for PD&CP Committee consideration. To monitor District assets, namely irrigation systems and existing trees, this technology will link to irrigation and tree well sensors to indicate disruptions in service, thereby improving maintenance service contracts by identifying problematic locations or conditions. The O&M Committee and staff request the PD&CP Committee consider a one-time capital expenditure to implement these new technologies in 2023, with ongoing maintenance of these technologies covered in future years by the Operations Budget.

Irrigation & Landscape Smart System Implementation:
\$375,000 (Account 594.800)

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4. Southeast Sidewalks – Construction Contingency: Per the Advance Funding Agreement (AFA) between TxDOT and the Downtown District, the District – as local sponsor of this federally funded project – is the party responsible for construction value change orders, with the contractor to be procured by TxDOT. Per the AFA construction estimate values including the District’s 20% local match, staff proposes a conservative 20% value be budgeted to cover the construction contingency. Staff recommends \$561,800 be set aside as a contingency to cover construction changes, for which the local agency is fully obligated. This construction contingency is budgeted for the latter half of 2023 following TxDOT’s contractor procurement and construction start, no earlier than August 2023, with invoiced installments relative to the chosen contractor’s applications for payments and approved change orders, expected to continue into mid-year 2024.

Southeast Sidewalks – Construction Contingency:**\$561,800 (Account 592.6 _ _)**

5. Landscape Enhancements – Urban Tree Canopy: Continuing on past investments to improve the urban greenscape, this item proposes additional locations for tree installation within Downtown. Initially, an evaluation of the irrigation systems and existing tree inventory will be conducted by staff. Where there are opportunity gaps, those will be infilled. Where possible, existing irrigation will be extended for new block runs of tree plantings. In some locations, trees may be proposed and planted requiring hand irrigation, in which case staff will review with the respective O&M and / or PD&CP Committees prior to implementation.

Landscape Enhancement – Urban Tree Canopy:**\$360,000 (Account 594. _ _ _)**

6. Retail Catalytic Grants: To support the growth of new retail businesses in Downtown and to implement Goal 4 of the *Strategic Alignment Plan*, this grant program is budgeted for 2023 as five (5) \$50,000 grants. The specific terms and conditions to award these grants will be developed by the Economic Development Team and vetted through a Collaborative Committee.

Retail Catalytic Grants:**\$250,000 (Account 579.800)**

7. Sidewalk Infill Projects: In order to address a number of impassable sidewalks, staff proposes a grants-based program to collaborate with and support property owners with sidewalk improvements. Potential locations have been identified in the past, but new or highly localized conditions deserve further investigation and prioritization by staff. In essence, staff would identify problematic or non-compliant sidewalk conditions, approach the respective property owner and propose a jointly-funded sidewalk restoration. While the specific terms and conditions to award these grants are to be developed by staff and vetted through a Collaborative Committee, the overarching project goal ties to tactics in the *Strategic Alignment Plan* for improving Downtown’s walkability and safety.

Sidewalk Infill Projects:**\$300,000 (Account 592.801)**

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November 10, 2022

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8. Banners Program: The project includes design and fabrication of a new banner program to replace and broadly expand upon the “poetic series,” in place since 2016. Staff estimates \$35,000 for design, \$232,500 for fabrication, and \$67,500 for deinstallation of existing / installation of new banners. This project will be jointly managed by the Marketing and Operations Teams, with inputs from Planning & Design.
- Banners Program:**
\$335,000 (Account 582.600)

2022 Carry-forward Capital Projects & Annual Recurring Capital Expenses – 2023 Budget Commitments: In addition to the prioritized capital improvement projects listed above (items 1-8), the following capital-related expenses are either carry-forward expenses from prior Board authorizations (items 9-12) or annual capital expenditure obligations (items 13-16):

9. Trebley Park Miscellaneous Furnishings: In anticipation of the new park’s opening in early-December 2022, staff has expended approximately 35% of the prior authorization for acquisition of primary furnishings for the park programming and operations storage areas. Staff requests this prior authorization remain open for 2023 to cover additional expenses to furnish and equip the park and café building.
- Trebley Park Miscellaneous Furnishings:**
\$13,000 (Account 588.600 / Authorization 2112.32)
10. Southeast Sidewalks – Engineering Consultant: With 2023 scheduled by TxDOT as the project letting and construction start year, staff and consultants are currently involved in extensive document coordination. With a project history dating to 2008 and the consultant effort dating to 2012, this carry-forward request maintains the current balance per the professional services agreement with Huitt-Zollars, in order to continue their work through the letting phase, with limited services during the construction phase.
- Southeast Sidewalks – Engineering Consultant:**
\$172,627 (Account 592.600 / Authorization 2106.03)
11. Southeast Sidewalks – TxDOT Advance Funding Agreement: The AFA was executed between the Downtown District and TxDOT in January 2022. A single “front end” project management fee of \$10,040 was subsequently paid to TxDOT. The remaining balance of a 2020 authorization is requested to carry-forward for liquidity to complete payment of the AFA at project letting, scheduled for May 2023.
- Southeast Sidewalks – TxDOT Advance Funding Agreement:**
\$621,960 (Account 592.600 / Authorization 2010.07)
12. Pedestrian Wayfinding Upgrades: Based on the 1Q 2022 messaging update for new facility names, a balance on the authorization with NEC remains for which additional wayfinding signage and messaging can receive updates during 2023.
- Pedestrian Wayfinding Upgrades:**
\$95,349 (Accounts 596.800 / Authorization 2112.31)

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13. Downtown Living Initiative (DLI) Grants: The annual set aside for distribution of the capital budget proportion of reimbursements to DLI participants.

DLI Grants:**\$79,500 (Account 590.803 / Multiple Authorizations 2012-2016)**

14. Capital Replacement: Staff proposes a \$250,000 capital replacement budget, same as approved in 2022. These funds permit District staff and contractors to restore past capital improvements, as needed. Typically, these expenses are associated with roadway or sidewalk paver restoration, tree replacement, irrigation restoration, and lighting replacement.

Capital Replacement:**\$250,000 (Account: 590.800)**

15. Assessment Collection Fees: For the proportionate amount of Capital budget relative to the Operations budget and based on projected assessment values, staff estimates \$4,400 over four quarterly payments to cover fees associated with collections from assessment payors, a slight decrease from the projected close-out of 2022 budget.

Assessment Collection Fees:**\$4,400 (Account 590.802)**

16. Depreciation: For depreciation of District capital assets, staff estimates \$16,200 for 2023, an increase of approximately \$3,000 from the project close-out of 2022 budget.

Depreciation:**\$16,200 (Account 582.999)**

The following projects were also presented to and evaluated by the PD&CP Committee, but have been culled by staff from the priority capital projects for the 2023 draft budget. These projects will be considered for budgeting and implementation in 2024-2025, out years of the current Service and Improvement Plan:

- Additional Trash Receptacles: While the District currently has an inventory of trash receptacles along sidewalks, there are several areas that would benefit from the installation of new inventory. This capital expenditure will have an associated operations expense which will be incorporated into the District's future budgets.
- Updated Street Signs: This potential project will enable the District to purchase blank signs, print street name info, remove existing signs, and install new signs as a single downtown-wide project.
- Welcome to Downtown Gateway Enhancement: Identified in mid-2021 as a potential "Art Blocks" site, the "Welcome to Downtown" monument – built by HPW in the late-1990s and periodically maintained by the District – is under consideration as a future public realm activation project. The site is bordered by Louisiana, Franklin and Smith Streets. This sign serves as a gateway into Downtown from the Smith Street ingress from IH-10. This peninsular bridge over Buffalo Bayou now receives higher pedestrian activity between the Historic District and POST Houston. In early 2022, the area was documented in a set of "as-

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November 10, 2022

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built" drawings, in preparation for an artist call of entries; that artist procurement was postponed due to other organizational priorities. Relative to other activation concepts for Downtown and with respect to the *Strategic Alignment Plan*, staff maintains interest in this site as a future project area for more permanent arts-related enhancements and as a unique pedestrian connector.

2023 PD&CP Budget Summary (Expenses Only)

NOTE: The District's 5-year Capital Budget per the *2021-2025 Service and Improvement Plan & Assessment Plan* is \$6,475,000 or \$1,295,000 annually.

Potential Planning & Design Projects

Fort Bend Park & Ride Service:	\$ 150,000
NHHIP Planning Civic Opportunities:	\$ 250,000
Downtown Enhanced Lighting Plan:	\$ 250,000
2023 Commute Survey:	\$ 50,000
General PD&CP:	\$ 37,500
TOTAL Expenses (Planning & Design Projects)	\$ 737,500

Potential Capital Projects

Storefront & Streetscape Improvements – Main Street:	\$ 870,000
Storefront & Streetscape Activation – Z-Corridor:	\$ 500,000
Irrigation & Landscape Smart System Implementation:	\$ 375,000
Southeast Sidewalks – Construction Contingency:	\$ 561,800
Landscape – Urban Tree Canopy:	\$ 200,000
Retail Catalytic Grants:	\$ 250,000
Sidewalk Infill Projects:	\$ 200,000
Banners Program:	\$ 335,000
2022 Carry Forward Capital Projects – 2023 Budget Commitments:	
Trebley Park – Miscellaneous Furnishings:	\$ 13,000
Southeast Sidewalks – Engineering Consultant:	\$ 172,627
Southeast Sidewalks – TxDOT Agreement:	\$ 621,960
Pedestrian Wayfinding Upgrades:	\$ 95,349

Recurring Capital Projects Expenses – 2023 Budget Commitments:

DLI Grants:	\$ 79,500
Capital Replacement:	\$ 250,000
Assessment Collection Fees:	\$ 4,400
Depreciation:	\$ 16,200
TOTAL Expenses (Capital Projects)	\$ 4,544,836

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November 10, 2022

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Project Status Updates:

Main Street: Staff has initiated the draft Request for Qualifications (RFQ) for the more permanent design solution along the northern stretch of Main from Capitol to Congress Street. The goal is to issue the RFQ in late-November and evaluate qualification submittals in January 2024, possibly conducting consultant interviews to make the final selection. This project is identified in the Draft 2023 Capital Budget with the highest priority. Design would occur approximately from March through June with implementation over the latter half of 2023. Staff is collaborating with the Mayor's Office and HPW to advance this project.

North Houston Highway Improvement Project (NHHIP): Staff is hopeful that resolution of the FHWA "pause order" and the Harris County lawsuit will occur before the end of the year. On November 3, 2022, staff held a high-level meeting with TxDOT, Midtown Redevelopment Authority, Almeda/ OST Redevelopment Authority, and Greater Southeast (Third Ward) Management District in order to refine the administrative process and potential funding contributions for development of the Civic Opportunities in Segments 3A and 3B. These inter-agencies meetings are expected to continue for the remainder of 2023 and into 2024.

Southeast Sidewalks: On August 4, 2022, staff issued to TxDOT the Design Summary Report (DSR). 90% construction documents have been submitted to TxDOT and are currently under review, with comments expected on November 17, 2022. Following that receipt, staff and Huitt-Zollars will edit the construction documents for the required 95% resubmittal by December 5, 2022. The project remains on schedule for TxDOT letting in May 2023.

North Canal: On November 30, 2022, staff has scheduled a one-on-one interagency meeting with the project manager for Houston Public Works' (HPW) and the project consultant, HDR. This meeting will be the first significant project update since the staff meeting with Steve Costello, the City's Chief Recovery Officer on August 11, 2022, and the Preliminary Engineering Report interagency conference on March 17, 2022.

PD&CP Committee: As a standing calendar invitation, the next monthly meeting is scheduled for November 17, 2022, with the time adjusted to one hour, 12:00-1:00 PM, as a ZOOM Meeting. Content for the meeting will be review of final 2023 Budget in advance of the December Board Meeting, including monthly projections for project scheduling and expenditures.



MEMORANDUM

November 10, 2022

TO: Board of Directors

FROM: Shelby Pipken, Director of Marketing and Communications

RE: Marketing/Communications Update

2022 Marketing & Communications

Overarching goal: Communicate a sense of urgency for Houstonians to experience the community of people, places and stories that make up Downtown through visual storytelling that has direct, specific and immediate calls-to-action. Provide comprehensive info on what to do, where to go and how to get there; build the size of the audience that interacts with Downtown; and increase awareness and engagement of Downtown through communications, marketing and programming.

Public Relations

Downtown media coverage for October had a **total circulation of 49.5M** valuing at **\$594,764**. Story highlights include a variety of media covering Big Art. Bigger Change., from television segments with Ruben Dominguez to online guides across most of our Houston media outlets. In addition, Secret Houston wrote about our upcoming holiday experience, *City Lights, Downtown Holiday Magic*.

Speaking of...

City Lights, Downtown Holiday Magic

We're thrilled to present our plans for the holiday season! For the first time, our organization has partnered with Houston First to host a joint holiday experience, titled *City Lights, Downtown Holiday Magic*. Traverse your way through eight holiday villages this season, from the chocolate display at the "Land of Sweets" (aka Hilton Americas) to holiday movie nights at "Mistletoe Square" (aka Market Square Park). We're pulling out all the stops to transform Downtown Houston into the perfect winter wonderland, **starting on November 18**.

We'll celebrate the holiday season with a kickoff event at Avenida Plaza (in front of Deck the Trees) starting at 5:30pm on 11/18.



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November 10, 2022

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You might be wondering... what are holiday villages? I'm glad you asked! Each holiday village is an area with concentrated activity, titled to coincide with the programming happening in each space.

The villages are:

Mistletoe Square [Market Square Park]

Texas' biggest mistletoe installation returns to historic Market Square Park aka Mistletoe Square for the holidays. Share a smooch with a loved one under this 150-inch ball of greenery hanging from a giant 15-foot candy cane. Snuggle up under the twinkling lights and enjoy a holiday movie – check www.marketsquarepark.com for details – or make your very own gingerbread house with Phoenicia Specialty Foods.

Santa's Village [Main Street Square]

Santa Claus is coming to town to share the wonder of the season. Get your photo with Kris Kringle every Friday and Saturday starting at 6 pm at Santa's Village in Main Street Square, known for its vibrantly lit 40-foot water bursts and 250-foot-long, eight-inch-deep reflecting pool. After Santa shares his magic, explore a series of holiday markets taking place every Friday and Saturday.

Winter Wonderland [Bagby Street]

Ensure your season is merry and bright as you stroll through 100,000 twinkling LED lights along recently reconstructed and beautified Bagby Street from Lamar to Preston. Signature elements include giant angel wings, constellation arches and an 80-foot light tunnel across from The Hobby Center for the Performing Arts.

Deck the Trees [Plaza at Avenida]

Benefitting the Alley Theatre's educational community and artistic initiatives, a display of 30 wonderfully festooned Christmas trees will appear in the Grand Holiday Window at the George R. Brown Convention Center facing Avenida de las Americas. Adding to the ambience is the Avenida Concert Series with live musical performances. Check out www.avendiahouston.com for the concert schedule. Every Saturday in November and December, Flea by Night brings an eclectic array of vendors selling items perfect for gifting that special someone.

Texas Winter Lights [Marriott Marquis]

The Marriott Marquis is bringing back their one-of-a-kind poolside tradition, Texas Winter Lights, an interactive walk-through - or float-under – lightscape on the Parkview Terrace. From November 11 – January 8, guests can set course through the Marriott's Grove of Trees, among the Archway of Lanterns, or kick back on the lazy river, which is heated all to a perfect 80 degrees all winter long, as lights glimmer from above. Enjoy a nightly snowfall and cozy up with a nostalgic, poolside holiday-themed movie every Thursday in November and December at nightfall. Tickets are priced at \$25 Monday - Wednesday and \$30 Thursday - Saturday and available via www.marriott.com/en-us/hotels/houmq-marriott-marquis-houston/experiences/. Make a night of and book [The](#)

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[Texas Winter Lights](#) package which includes views of the lazy river and light display and entrance to Texas Winter Lights for up to four people.

Holiday Ice Village [Discovery Green]

Glide your way into the holidays underneath the glittering lights of Downtown at this bustling, open-air ice-skating rink sponsored by Green Mountain Energy in the heart of Discovery Green. You can anticipate several quirky and cool, themed skate nights and even an opportunity to hit the ice with Santa. Tickets are priced at \$17 per person and include skate rental. And if skating isn't your thing, enjoy a holiday movie under the stars every Thursday evening or explore the park and Solstice Art Installation. Check www.discoverygreen.com for details.

Land of Sweets [Hilton Americas]

Get ready to be wowed in the lobby of the Hilton Americas with the return of its iconic holiday chocolate display. Sweeter than ever this year, this year's hand-sculpted and Minion-themed masterpiece will boast well over 2,000 pounds of chocolate. Check it out and explore all the festivities Downtown has to offer with the hotel's 'Tis the Season package, which includes luxurious accommodations, a holiday treat and two tickets to the Discovery Green ice rink.

Sugar Plum Plaza [Wortham Theater]

Looking for visions of sugarplums to dance in your head? For this magical time of year iconic Fish Plaza at the entrance of the Wortham Theater is being reimagined as an ode to the holiday season. Listen to cheerful tunes while you wander around seasonally renamed Sugar Plum Plaza to gaze at the larger-than-life custom-built ornaments.

And coming later this season...

Candy Cane Lane [Trebly Park]

Join us at Downtown's newest park space for nights filled with sweet treats galore (courtesy of Tout Suite), a hot chocolate bar sure to warm your spirits and unique art installations perfect for family photo ops! Write letters to Santa and send them on their way in our custom mailbox, which magically takes each one straight to the north pole!