



**Board of Directors Meeting**  
**August 16, 2023**

## TABLE OF CONTENTS

	PAGE
<b>Minutes of the June 15, 2023 meeting of the board of directors.....</b>	<b>3</b>
<b>Items pertaining to finance and administrative matters:</b>	
• Approval of interim financial statements and ratification of expenditures and check registers for June 30, 2023 and July 31, 2023 .....	7
• Second quarter Investment Report.....	33
• Second quarter DBE Report .....	34
• Recommendation from Nominating Committee and action thereon.....	35
• Authorization of Budget Reallocation as Reviewed .....	37
<b>Program Authorizations:</b>	
<i>Operations &amp; Maintenance</i>	
• Authorize additional expenditures for Allen Parkway maintenance and repairs.....	40
• Authorize additional expenditures for fountain repairs .....	41
• Authorize expenditure for enhanced street lighting costs.....	42
• Authorize expenditure for storage yard removal.....	43
• Authorize expenditure for Off Duty Program modifications .....	44
• Authorize agreement and expenditure for Market Square Park improvements .....	45
<i>Economic Development</i>	
• Authorize agreement and expenditures related to quarterly marketing reports.....	46
<i>Engagement</i>	
• Authorize agreement and expenditures for Public Art Program.....	47
• Authorize agreement and expenditures related to Marketing and Advertising .....	48
<b>Goal-Based Updates:</b>	
• Goal 1: Champion Downtown .....	50
• Goal 2: Enhance Downtown .....	51
• Goal 3: Connect Downtown .....	52
• Goal 4: Thrive Downtown.....	53
• Goal 5: Stakeholder Engagement .....	54
• Operations Dashboard .....	55

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

June 15, 2023

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 June 15, 2023, at 12:00 p.m., inside the Large Conference Room of the District’s office, located at 1221 McKinney Street, Houston, TX 77010, and the roll was called of the duly appointed members of the Board, to-wit:

**BOARD MEMBERS**

Crystal Allen	Roland Kennedy
Leslie Ashby	Sean Liu
Genora Boykins	Ben Llana
Clay Crawford	Nick Massad
Marcus Davis	Sherea A. McKenzie
Terry Demchak	Kenny Meyer
Jacques D’Rovencourt	Cat Nguyen
Kelly Foreman	Randy Pryor
Irma Galvan	Edna Ramos
Marian Harper	Frem Reggie
Gilbert A. Herrera	Grace Rodriguez
C.C. Huang	John Schafer
Angus Hughes	Richard Torres
Toni Jackson	Valerie Williams
Robbi Jones	

and all of the above were present, with the exception of Chair Ashby and Directors Allen, Davis, Harp[er, Herrera, Hughes, Kennedy, Liu, McKenzie, Nguyen, Pryor, Rodriguez, and Schafer.

Also in attendance were Kris Larson, President/CEO; Allen Douglas, COO & General Counsel; Jana Gunter, Director of Finance; and staff members Christal Ayala, Jacque Gonzalez, David Gwin, Aaron Hernandez, Lonnie Hoogeboom, Dusty McCartney, Jamie Perkins, Catherine Taraviras, and Ann Taylor; all with the District; Algenita Davis, consultant to the District; Danielle Paige with COH Public Works, and outside counsel Clark Lord of Bracewell; and guest presenters Sara Martinez and Ana Rausch with the Coalition for the Homeless.

In addition, members of the public in attendance included Eugene Lee with Essex; Eric Moen with the Episcopal Health Foundation; Jim Nelson with the Houston Ballet; and Linda Trevino with METRO.

**WELCOME**

Robbi Jones, in her capacity as interim Vice Chair, welcomed all and presided over the meeting. Jamie Perkins acted as Assistant Secretary. The meeting was called to order at approximately 12:10 PM.

## **PUBLIC COMMENT**

Interim Vice Chair Jones asked if anyone from the public had comments. Jim Nelson with the Houston Ballet indicated he did and was invited to share. On behalf of the Houston Ballet, Mr. Nelson thanked the both the District Board and staff for funding and for their efforts of coordinating the implementation of the Bigger Art. Bigger Change. project.

## **APPROVAL OF MINUTES**

The Board considered approving the minutes of the May 11, 2023 regular Board of Directors meeting. Hearing no additional comments or corrections, interim Vice Chair Jones called for a motion, which was moved by Director Ramos and seconded by Director Torres, and the May 11, 2023 minutes were approved as presented.

## **ITEMS PERTAINING TO FINANCE AND ADMINISTRATIVE MATTERS**

### **Approval of Financial Statements and Ratification of Expenditures**

Interim Vice Chair Jones asked Jana Gunter to present the interim financial statements and check registers for the period ending May 31, 2023. Ms. Gunter shared highlights from the May statements and check registers. Questions were asked and answered, and discussion took place.

Upon a motion made by interim Vice Chair Jones, the motion was moved by Director Crawford, and seconded by Director Ramos, and the Board accepted the May financial statements and check registers as presented.

### **Report of Audit Committee and acceptance of Audited Financial Statements for Year Ending December 31, 2022**

Valerie Williams shared information from the Audit Committee meeting held on June 9, 2023. She stated the Committee met to review and discuss the draft 2022 Audited Financial Statements, and noted a copy of the draft was included in the materials previously provided.

Next, she shared highlights from the Committee's review and called for questions. Hearing none, Ms. Williams concluded by stating it was the Committee's recommendation for the Board to consider accepting the draft 2022 Audited Financial Statements as presented.

Upon a motion made by interim Vice Chair Jones, moved by Director Ramos and seconded by Director Torres, the Board unanimously accepted the 2022 Audit Financial Statements as presented.

### **Resolution of Appreciation for Retiring Director**

On behalf of the District Board, interim Vice Chair Jones expressed gratitude to Valerie Williams and her many years of service on the District Board. President Larson presented a framed token of appreciation and resolution to Ms. Williams, who then shared a few words of thanks with the Board. No further action was taken.

### **Report from Nominating Committee**

President Larson provided an update on behalf of the Nominating Committee. He explained the overlap in Officer vacancies resulting from Ted Zwiég's recent retirement, noting Robbi Jones expressed an interest to fill the Vice Chair role full time. This would leave Ms. Jones' current role as Treasurer & Investment Officer vacant, in which Director Torres expressed an interest in occupying. President Larson

concluded by sharing the Nominating Committee's recommendation for the Board to consider appointing Richard Torres as Treasurer & Investment Officer.

Interim Vice Chair Jones called a motion, which was moved by Director Crawford and seconded by Director Ramos, and the Board accepted the Nominating Committee's recommendation to appoint Richard Torres as the District's Treasurer and Investment Officer.

## **2023 BUDGET AMENDMENT REVIEW AND PRESENTATION**

President Larson continued and presented to the Board the 2023 Budget Amendment Review. Questions were asked and answered, and discussion ensued. He invited and encouraged Board feedback and noted a final version of the 2023 Amended Budget will be presented for approval at the August Board meeting. No further action was taken.

## **PROGRAM AUTHORIZATIONS**

### Operations

President Larson invited Sara Martinez and Ana Rausch from the Coalition for the Homeless to share a presentation outlining how funding from the District supports local and regional homeless system management. Questions were asked and answered, discussion ensued. Larson concluded by sharing an authorization requesting an expenditure to the Coalition for the Homeless, in an amount not exceeding \$100,000, for general operating support. Interim Vice Chair Jones called for a motion, moved by Director Crawford, and seconded by Director Foreman, and the request for general operating support to the Coalition was approved as presented.

Next, Brett DeBord shared a request to authorize expenditures for sidewalk, curb and gutter repairs along Prairie Street, in an amount not to exceed \$35,000. Questions were asked and answered. A motion was called, which was moved by Director Crawford, and seconded by Director Ramos, and the request for sidewalk, curb and gutter repairs was approved as presented.

### Planning, Design & Capital Projects

Lonnie Hoogeboom introduced a request authorizing the President/CEO to execute an amended interlocal agreement with Ft. Bend County and related expenditures for Ft. Bend County Park & Ride transit services, in an amount not to exceed \$150,000. Hearing no questions or discussion, a motion was called, moved by Director Massad, and seconded by Director Crawford, and the Ft. Bend County Park & Ride request was approved as presented.

Next, Mr. Hoogeboom presented a request authorizing the President/CEO to execute an amended agreement and additional expenditures with Huitt-Zollars for professional services associated with the Southeast Sidewalks project, in an amount not to exceed \$175,000. Discussion ensued and questions were raised and answered. A motion was called, moved by Director Reggie, and seconded by Director Massad, and the Southeast Sidewalks request was approved as presented.

### Engagement

Ann Taylor presented a request that would authorize the President/CEO to execute agreements and related expenditures for marketing and video services to update the District's video library and new images of the Houston skyline, in an amount not to exceed \$50,000. Hearing no questions or need for discussion, a motion was called, moved by Director Ramos, and seconded by Director Reggie, and the marketing and video services request was approved as presented.

Next, Ms. Taylor presented a request that would authorize the President/CEO to execute agreements and related expenditures for marketing and place branding implementation in support of establishing our new public-facing brand identity, in an amount not to exceed \$50,000. Questions were asked and answered, then a motion was called; moved by Director Ramos, and seconded by Director Torres, and the marketing and place branding implementation request was approved as presented.

Ms. Taylor continued and presented a request to authorize the President/CEO to execute agreements and related expenditures for downtown holiday décor, in an amount not to exceed \$850,000. Questions were asked and answered; then a motion was called, moved by Director Ramos, and seconded by Director Massad, and the holiday décor request was approved as presented.

### **STRATEGIC ALIGNMENT UPDATES**

President Larson shared highlights of the prior month's efforts and progress made on initiatives outlined in the Strategic Alignment Update. No further action was required.

### **DIRECTORS' QUESTIONS ON OTHER INITIATIVES**

No further questions were raised.

### **OTHER BUSINESS**

Interim Vice Chair Jones noted the July Board meeting will be cancelled, and the next Board meeting is scheduled for August 10, 2023. There being no further business to come before the Board, the meeting was adjourned at 1:47 PM.

---

Jamie Perkins, Assistant Secretary  
Houston Downtown Management District

# YTD July 2023 Balance Sheet

---

## Assets

Operating Cash Balance is \$438K

TexPool Investment Funds \$16.1M

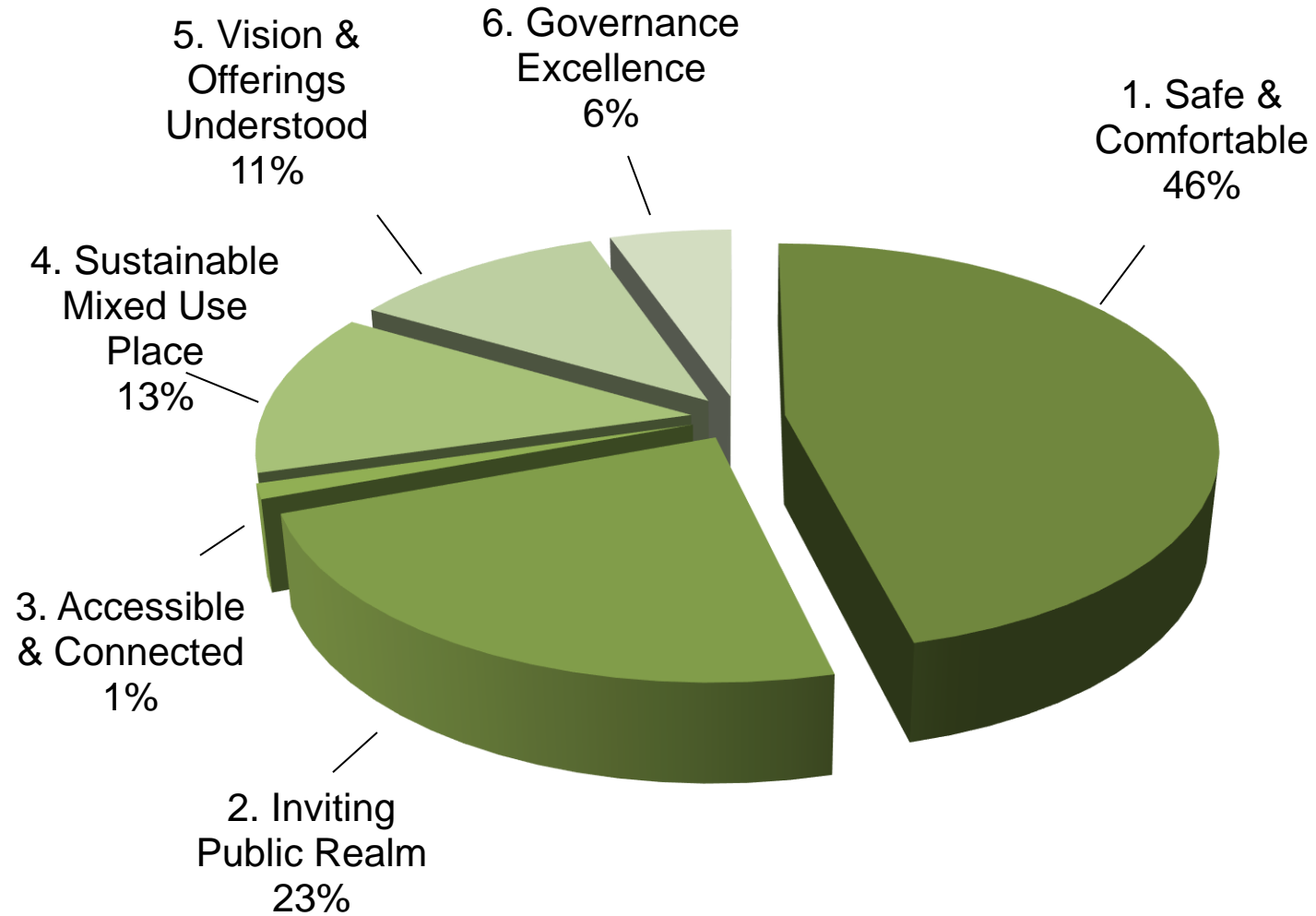
2022 Assessments Due: 98% have been collected

2022 Assessments Receivable \$384K

## Liabilities

Reserves for Property Value Protests are \$1.2M reflecting a projected loss rate of 11.5% for 2022 tax assessments.

# YTD July 2023 Budget

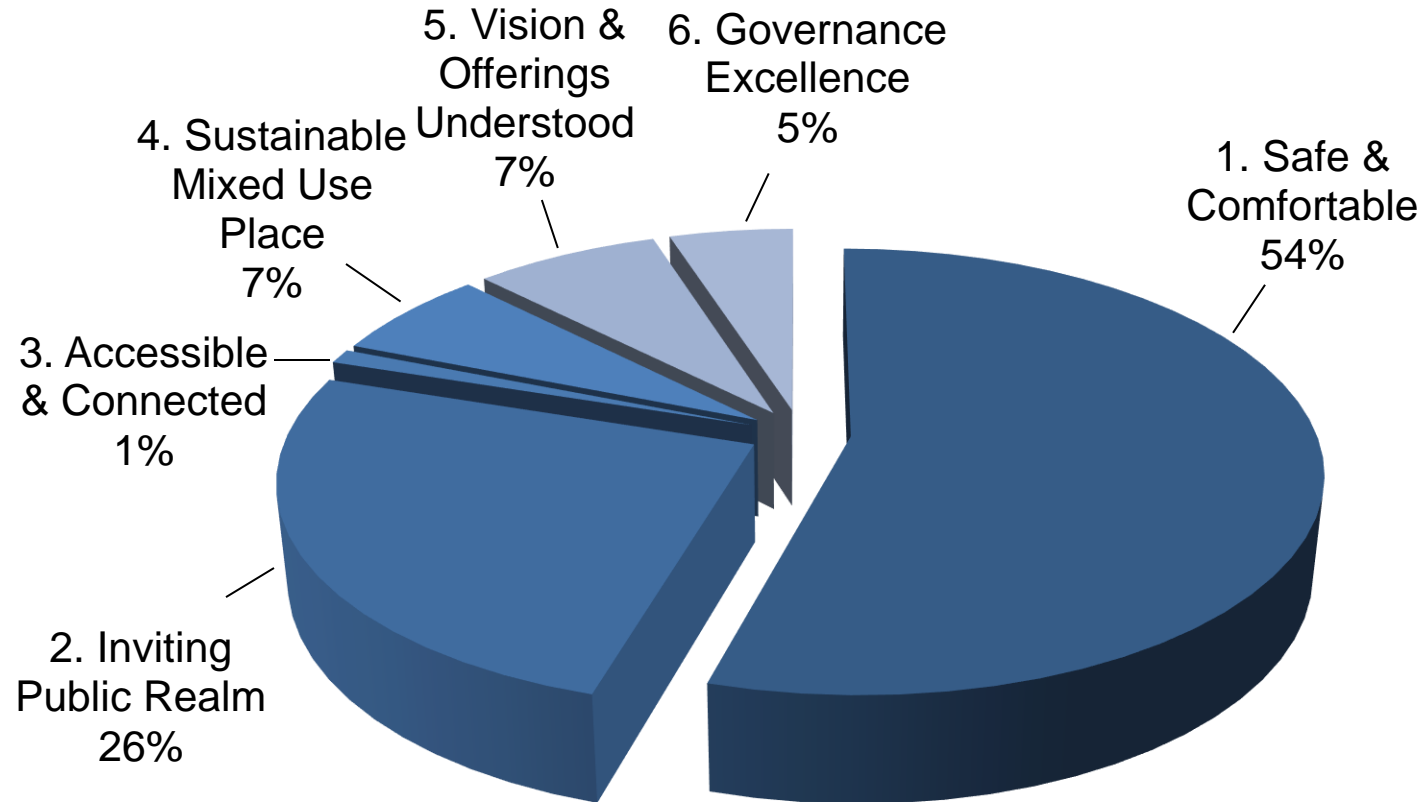


**Total: \$13,989,704**

Operating: \$11,641,468 Capital: \$2,348,236



# YTD July 2023 Spending



**Total: \$9,992,382 (\$4.0M below YTD 2023 Budget)**

Operating: \$9,224,970 Capital: \$767,412

# July 2023 Variance from Budget Highlights

---

- **Safe & Comfortable – (\$351K) under budget**
  - Under budget (\$212K) in Safety Guides and (\$86K) in Private Security.
    - The inability to hire and retain qualified personnel. The severe heat and dealing with homeless are the main reason.
  - Under budget (\$91K) in Homeless Outreach programs.
    - SEARCH is having a difficult time keeping the 3 budgeted employees on staff. Working with 2 staff to fulfill objectives.
  - Under budget (\$78K) in Street Lighting Expense, amenities and maintenance.
  - Over budget \$236K in Street Teams cleaning sidewalks and bus stops.
    - Block by Block is filling cleaning positions utilizing a DBE agency and is supplementing the loss of Safety Guides.
- **Public Realm in Charming, Inviting, Beautiful & Celebrates the Life of the City – (\$339K) under budget**
  - Under budget (\$114K) in Accent Plants.
    - Summer accent planting is completed but not billed completely. Replacement costs are built in the budget which have not needed to be utilized for materials lost.
  - Under budget (\$70K) in Park Maintenance and over budget \$27K in Park Programming.
    - Park Maintenance is under budget due to the delay of Trebly maintenance not being turned over to our contractor as early as planned.
  - Under budget (\$183K) in Holiday Logistics and (\$40K) in Seasonal Banner/Pot Maintenance. Over budget \$65K in Allen Parkway maintenance billed to the Downtown Redevelopment Authority

# July 2023 Variance from Budget Highlights

---

- **Vibrant, Sustainable Mixed-Use Place – (\$905K) under budget**
  - Under budget (\$173K) in Economic Development.
  - Under budget (\$716K) in Downtown Living Initiative 2022 rebates payments forecasted to be paid in 2Q 2023.
- **Downtown’s Vision and Offering Understood by All – (\$618K) under budget**
  - Under budget (\$418K) in Marketing Expenditures and (\$103K) in staffing.
  - Under budget (\$97K) in Planning Consultants & Expenses staffing.
- **Capital Improvement – (\$1.6M) under budget**
  - Under budget (\$206K) in Landscape Amenities-Irrigation.
  - Under budget (\$169K) in Banners, (\$35K) in Storefront/Streetscape Grants, (\$188K) for Storefront Activation and Improved Pedestrian Connection,(\$9K) for Trebly Park furnishings and (\$120K) in Landscape Enhancements-Urban Canopy.
  - Under budget (\$65K) for Vehicular and Pedestrian Wayfinding, (\$125K) for Sidewalk Infill Projects and under budget (\$394K) for Southeast Sidewalks TxDot project due to delay in start of project.
  - Under budget (\$45K) for DLI 2022 rebate scheduled to be paid in 2Q 2023 and (\$100K) for Retail Challenge Grants.
  - Under budget (\$125K) in Capital Replacement expenditures due to repairs have been minimal the first seven months of the year.

# Check register for July 2023

---

- Total checks issued in July 2023 were \$1.5 million.
  - Block by Block - \$454,357
  - Central Houston, Inc. - \$249,447
  - Color Specialists Landscaping - \$119,444
  - Coalition for the Homeless - \$100,000
  - Downtown Redevelopment Authority - \$95,511
  - Seal Security Solutions, LLC - \$73,988
  - Maintenance To Go - \$48,439

# Check register for June 2023

---

- Total checks issued in June 2023 were \$2.2 million.
  - Always in Season Decorating - \$493,767
  - Block by Block - \$419,531
  - Central Houston, Inc. - \$280,911
  - Hydropoint Data Systems, Inc. - \$148,346
  - Downtown Redevelopment Authority - \$120,398
  - Street Art for Mankind Corp - \$120,000
  - Maintenance To Go - \$96,710
  - Seal Security Solutions, LLC - \$77,602

# Investment Report

## 2Q – 4/1/2023 thru 6/30/2023

	4/1/2023			Net Changes	6/30/2023		
	Operating	Capital	Total		Operating	Capital	Total
JPMorgan Chase	\$78K	\$142K	\$220K	\$606K	\$708K	\$118K	\$826K
TexPool Prime*	\$17,905K	\$4,885K	\$22,790K	(\$5,390K)	\$13,057K	\$4,343K	\$17,400K
Total Cash	\$17,983K	\$5,027K	\$23,010K	(\$4,784K)	\$13,765K	\$4,461K	\$18,226K

\*Avg. Daily Yield: 5.32%

# 2023 Disadvantaged Business Enterprise Program (DBE) Activity Report (1/1 – 6/30)

	2023			2022		
	Operating	Capital	Total	Operating	Capital	Total
Total Certified MWBE	\$1,047K	\$16K	\$1,063K	\$803K	\$91K	\$894K
Adj. Total Spending	\$7,717K	\$706K	\$8,423K	\$7,694K	\$652K	\$8,346K
Less: Qualified Exclusions	(\$3,843K)	(\$362K)	(\$4,205K)	(\$4,809K)		(\$4,809K)
Qualifying Total Spending	\$3,874K	\$344K	\$4,218K	\$2,885K	\$652K	\$3,537K
% MWBE Certified	27.0%	4.6%	25.2%	27.8%	14.0%	25.3%
Total Self-Certified MWBE	\$40K	-	\$40K	\$477K	-	\$477K
% Cert. + Self Cert.	28.0%	4.6%	26.1%	44.4%	14.0%	38.8%
<b>GOAL</b>			<b>25.0%</b>			<b>25.0%</b>

**HOUSTON DOWNTOWN MANAGEMENT DISTRICT**

AP Check Register (Current by Bank)

Check Dates: 6/1/2023 to 6/30/2023

Check No.	Date		Vendor ID	Payee Name	Amount
<b>BANK ID: A - OPERATING ACCT-JPMORGAN</b>					<b>101.000</b>
3565	06/01/23	6/1/23	1200	CENTRAL HOUSTON, INC	(\$280,910.96)
3565	06/01/23		1200	CENTRAL HOUSTON, INC	\$280,910.96
3566	06/01/23	6/1/23	1200		
3567	06/01/23	6/1/23	1200		
3568	06/01/23	6/1/23	1200		
3569	06/01/23	6/1/23	1200		
3570	06/01/23	6/1/23	1200		
3571	06/01/23	6/1/23	1200		
3572	06/01/23	6/1/23	1200		
3573	06/01/23	6/1/23	1200		
3574	06/01/23	6/1/23	1200		
3575	06/01/23	6/1/23	1200		
3576	06/01/23	6/1/23	1200		
3577	06/01/23	6/1/23	1200		
3578	06/01/23	6/1/23	1200		
3579	06/01/23	6/1/23	1200		
3580	06/01/23	6/1/23	1200		
3581	06/01/23	6/1/23	1200		
3582	06/01/23	6/1/23	1200		
3583	06/01/23	6/1/23	1200		
* 35365	06/01/23		1200	CENTRAL HOUSTON, INC	\$280,910.96
35366	06/01/23	6/1/23	1200		
35367	06/01/23	6/1/23	1200		
35368	06/01/23	6/1/23	1200		
35369	06/01/23	6/1/23	1200		
35370	06/01/23	6/1/23	1200		
35371	06/01/23	6/1/23	1200		
35372	06/01/23	6/1/23	1200		
35373	06/01/23	6/1/23	1200		
35374	06/01/23	6/1/23	1200		
35375	06/01/23	6/1/23	1200		
35376	06/01/23	6/1/23	1200		
35377	06/01/23	6/1/23	1200		
35378	06/01/23	6/1/23	1200		
35379	06/01/23	6/1/23	1200		
35380	06/01/23	6/1/23	1200		
35381	06/01/23	6/1/23	1200		
35382	06/01/23	6/1/23	1200		
35383	06/01/23	6/1/23	1200		
35384	06/02/23		5986	DOWNTOWN REDEVELOPMENT	\$120,398.00
35385	06/01/23		999965	CPI MARQ CATALYSY OWNER LP	\$4,841.67
35386	06/01/23		1816	DETTE SHAN PROPERTIES	\$151.43
35387	06/01/23		999964	FRANK GARVEY	\$703.00
35388	06/01/23		999968	HHR HOUSTON DT LLC	\$1,052.26
35389	06/01/23		999966	JACK EZON TRUSTEE	\$79.75
35390	06/01/23		999961	JIMMY SHASTID	\$53.20



**HOUSTON DOWNTOWN MANAGEMENT DISTRICT****AP Check Register (Current by Bank)**

Check Dates: 6/1/2023 to 6/30/2023

<b>Check No.</b>	<b>Date</b>	<b>Vendor ID</b>	<b>Payee Name</b>	<b>Amount</b>
35391	06/01/23	999969	JOHNNY C GONZALES	\$35.55
35392	06/01/23	5648	LINEBARGER GOGGAN BLAIR	\$7,698.92
35393	06/01/23	999970	REGINA S WHITING	\$208.99
35394	06/26/23	0044	AABLE FINANCIAL GROUP, INC	\$6,250.00
35395	06/28/23	1532	CITY OF HOUSTON	\$1,221.87
35396	06/28/23	1559	CITY OF HOUSTON	\$1,874.25
* 70287	06/01/23	9067	WASTE MANAGEMENT OF TEXAS, INC	\$187.68
* 70290	06/01/23	1801	DIRECTV	\$97.98
* 70293	06/01/23	3279	GRAINGER	\$303.00
* 70296	06/01/23	5987	MAINTENANCE TO GO	\$40,618.00
* 70300	06/01/23	8353	SPLICE OF LIFE PRODUCTIONS LLC	\$29,975.00
* 70310	06/01/23	6321	MINER, LTD	\$873.40
* 70313	06/01/23	4756	CKP COMMUNICATIONS,LLC	\$7,500.00
* 70317	06/01/23	8552	TEXAS OUTHOUSE, INC.	\$2,110.00
* 70321	06/01/23	9888	MAURICE DUHON JR.	\$300.00
* 70325	06/01/23	3630	HOME DEPOT CREDIT SERVICES	\$214.82
* 70329	06/01/23	0598	STREET ART MANKIND CORP	\$120,000.00
* 70333	06/01/23	1735	CORE DESIGN STUDIO	\$1,020.00
* 70335	06/01/23	3548	HAMILTON PLUMBING SERVICE	\$572.94
* 70337	06/01/23	6298	JORDAN CUTLER	\$61.50
* 70339	06/01/23	8609	TOUCH & AGREE PROPERTY	\$2,521.60
* 70342	06/01/23	9045	WESTERN FIRST AID & SAFETY	\$209.73
* 1323924	06/08/23	3804	HOUSTON BUSINESS JOURNAL	\$20,000.00
* 1323926	06/08/23	8355	STERLING EXPRESS SERVICES, INC	\$87.40
* 1323928	06/08/23	1692	COSTAR GROUP, INC.	\$1,115.07
* 1323932	06/08/23	0490	ASSOCIATED LANDSCAPE SERVICES	\$24,723.83
* 1323936	06/08/23	7995	INCONTROL CONTRUCTION LLC	\$19,006.33
* 1323939	06/08/23	7400	PFEIFFER & SON, LTD	\$8,357.20
* 1323943	06/08/23	7525	PARTYPERKS	\$799.99
* 1323945	06/08/23	0594	STREETSENSE	\$4,423.02
* 1323947	06/08/23	0853	CAMARATA MASONRY SYSTEMS, LTD	\$5,735.05
* 1323949	06/08/23	5987	MAINTENANCE TO GO	\$6,494.55
* 1323951	06/08/23	5701	LONNIE HOOGEBOOM	\$1,067.54
* 1323953	06/08/23	7060	NEON ELECTRIC CORPORATION	\$5,690.00
* 1323957	06/08/23	1540	CITY OF HOUSTON (WATER DEPT)	\$951.22
* 1323961	06/08/23	5540	LINCOLN COLWELL	\$1,850.00
* 1323963	06/08/23	9081	WESTPARK COMMUNICATIONS, L.P	\$60.38
* 1323965	06/08/23	3113	GEOCENTRIC	\$9,000.00
* 1323967	06/08/23	3550	HARDY & HARDY	\$3,550.00
* 1323970	06/08/23	9819	BRYAN K BENNETT	\$1,916.00
* 1323973	06/08/23	3948	THE HARRIS CENTER FOR	\$18,666.67
* 1323978	06/08/23	1713	CREST PRINTING, INC	\$790.00
* 1323981	06/08/23	5703	MICHAEL LOESSIN	\$500.00
* 1323986	06/08/23	8392	SYNLAWN HOUSTON	\$4,897.35
* 1323989	06/08/23	0386	ANDES CAFE	\$900.00
* 1323992	06/08/23	5211	KEITH GOULD	\$63.56
* 1323998	06/08/23	2246	MELINDA ELLEN JOHNSON	\$1,375.00
* 1516202	06/08/23	8168	SEAL SECURITY SOLUTIONS, LLC	\$75,902.08

**HOUSTON DOWNTOWN MANAGEMENT DISTRICT**

AP Check Register (Current by Bank)

Check Dates: 6/1/2023 to 6/30/2023

Check No.	Date	Vendor ID	Payee Name	Amount
* 1648811	06/08/23	1518	CHARTWELLS DINING SERVICES	\$6,009.10
* 2955108	06/15/23	5710	LVA 4 HOUSTON GREENSTREET LP	\$20,497.60
* 2955110	06/15/23	0089	EGIDIO NARVAEZ PHOTOGRAHER	\$640.00
* 2955112	06/15/23	5996	MJB CONSULTING	\$9,931.22
* 2955116	06/15/23	1713	CREST PRINTING, INC	\$59.90
* 2955120	06/15/23	9089	WE 68 LLC	\$4,512.51
* 4691796	06/27/23	3288	BRACEWELL	\$3,443.75
* 4691803	06/27/23	6077	BARTLETT TREE EXPERTS	\$5,040.00
* 4691811	06/27/23	4704	JOHNSON CONTROLS SECURITY	\$690.18
* 4691815	06/27/23	8066	READYREFRESH	\$99.89
* 4691819	06/27/23	0352	ALWAYS IN SEASON DECORATING	\$493,766.98
* 4691824	06/27/23	8151	SEARCH HOMELESS SERVICES	\$30,704.98
* 4691827	06/27/23	0490	ASSOCIATED LANDSCAPE SERVICES	\$10,307.66
* 4691835	06/27/23	3298	GULF COAST PAVERS, INC.	\$16,800.00
* 4691839	06/27/23	8655	TRIPLE R BROTHERS, LTD	\$335.66
* 4691842	06/27/23	8168	SEAL SECURITY SOLUTIONS, LLC	\$1,700.00
* 4691848	06/27/23	8457	TLJ AGENCY	\$6,303.00
* 4691855	06/27/23	0034	ABC HOME & COMMERCIAL SERVICES	\$145.00
* 4691861	06/27/23	0027	AT&T	\$2,793.01
* 4691865	06/27/23	3395	LEONARD LOCKETT, JR	\$200.00
* 4691870	06/27/23	8695	DOG WASTE DEPOT	\$503.96
* 4691872	06/27/23	8552	TEXAS OUTHOUSE, INC.	\$2,110.00
* 4691874	06/27/23	4756	CKP COMMUNICATIONS, LLC	\$1,480.00
* 4691878	06/27/23	3548	HAMILTON PLUMBING SERVICE	\$735.00
* 4691882	06/27/23	5700	LONE STAR FLAGS AND FLAGPOLES	\$1,424.00
* 4691885	06/27/23	8609	TOUCH & AGREE PROPERTY	\$2,521.60
* 4691888	06/27/23	3550	HARDY & HARDY	\$1,900.00
* 4691891	06/27/23	3400	RAFFLE PARKING COMPANY, LLC	\$900.00
* 4691895	06/27/23	3573	HARRIS COUNTY TREASURER	\$9,242.00
* 4691898	06/27/23	9948	ORKIN PEST CONTROL	\$392.97
* 5712917	06/30/23	1860	THE DAVEY TREE EXPERT COMPANY	\$4,500.00
* 5712923	06/30/23	0511	BLOCK BY BLOCK	\$419,530.55
* 5712930	06/30/23	5987	MAINTENANCE TO GO	\$49,597.40
* 5712933	06/30/23	0321	AIR POWER SERVICES, INC	\$1,039.03
* 5712936	06/30/23	5211	KEITH GOULD	\$65.21
* 5712942	06/30/23	9045	WESTERN FIRST AID & SAFETY	\$215.40
* 5712944	06/30/23	3548	HAMILTON PLUMBING SERVICE	\$545.00
* 5712947	06/30/23	8900	VERIZON WIRELESS	\$576.08
* 5713869	06/30/23	3550	HARDY & HARDY	\$5,500.00
* 57129471	06/30/23	8900	VERIZON WIRELESS	\$100.00

**BANK A REGISTER TOTAL: \$1,966,826.38**

**HOUSTON DOWNTOWN MANAGEMENT DISTRICT**

AP Check Register (Current by Bank)

Check Dates: 6/1/2023 to 6/30/2023

Check No.	Date	Vendor ID	Payee Name	Amount
<b>BANK ID: B - CAPITAL ACCT-JPMORGAN</b>				<b>102.000</b>
1323787	06/08/23	3795	HOUSTON DOWNTOWN MGNT DISTRICT	\$1,613.28
* 2950755	06/15/23	1751	DESIGN WORKSHOP, INC	\$46,355.93
* 5712062	06/30/23	4017	HYDROPOINT DATA SYSTEMS, INC	\$148,345.50
* 5712446	06/30/23	7060	NEON ELECTRIC CORPORATION	\$11,116.00
<b>BANK B REGISTER TOTAL:</b>				<b>\$207,430.71</b>
<b>GRAND TOTAL :</b>				<b>\$2,174,257.09</b>

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

\*\* Denotes broken check sequence.



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 June 30, 2023 and 2022, 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  
July 10, 2023

**Houston Downtown Management District  
Governmental Fund Balance Sheets and  
Statement of Net Position  
June 30, 2023 and June 30, 2022**

	2023			2022		
	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)
<b>Assets</b>						
Cash	\$ 13,763,892	\$ 4,461,377	\$ 18,225,269	\$ 13,480,981	\$ 5,129,160	\$ 18,610,141
Assessments Due	357,051	30,842	387,893	411,979	14,303	426,282
Accounts Receivable	183,940	-	183,940	26,700	4,800	31,501
Prepaid Expense	26,235	-	26,235	26,235	-	26,235
Inventory	-	-	-	-	-	-
Property & Equipment, Net	571,812	560	572,372	604,293	7,685	611,978
Right of Use Lease Assets, Net	2,668,564	-	2,668,564	2,762,116	-	2,762,116
Intercompany Rec/Pay	(1,187,744)	1,187,744	-	62,425	(62,425)	-
<b>Total Assets</b>	<b>\$ 16,383,750</b>	<b>\$ 5,680,523</b>	<b>\$ 22,064,273</b>	<b>\$ 17,374,729</b>	<b>\$ 5,093,523</b>	<b>\$ 22,468,252</b>
<b>Liabilities</b>						
Accounts Payable & Accrued Expenses	\$ 419,648	\$ 35,795	\$ 455,443	\$ 711,179	\$ 43,000	\$ 754,179
Lease Liabilities	2,815,105	-	2,815,105	2,853,381	-	\$ 2,853,381
Deferred Revenue	-	-	-	-	-	-
Reserve for Refunds due to Property Protests	1,122,299	83,297	1,205,596	719,787	42,732	762,519
<b>Total Liabilities &amp; Deferred Revenue</b>	<b>4,357,052</b>	<b>119,092</b>	<b>4,476,144</b>	<b>4,284,347</b>	<b>85,732</b>	<b>4,370,080</b>
<b>Fund Balances</b>						
Unreserved, Undesignated	11,226,698		11,226,698	12,290,382		12,290,382
Unreserved, Designated for Catastrophy	800,000		800,000	800,000		800,000
Reserved for Capital Projects		5,561,431	5,561,431		5,007,791	5,007,791
	12,026,698	5,561,431	17,588,129	13,090,382	5,007,791	18,098,173
<b>Total Liabilities, Deferred Revenue &amp; Fund Balances</b>	<b>\$ 16,383,750</b>	<b>\$ 5,680,523</b>	<b>\$ 22,064,273</b>	<b>\$ 17,374,729</b>	<b>\$ 5,093,523</b>	<b>\$ 22,468,252</b>

**Houston Downtown Management District**  
**Statement of Activities**  
**For the Six Months Ended June 30, 2023**

	<u>Operating YTD Actual</u>	<u>Capital YTD Actual</u>	<u>Total YTD Actual</u>	<u>YTD Budget</u>	<u>Fav (Unfav) Variance</u>
<b>Revenues</b>					
Operations Revenue	287,232	-	287,232	372,000	(84,768)
Project Revenue	175,114	-	175,114	103,750	71,364
Other Income	6,959	-	6,959	-	6,959
Interest Income	330,719	114,652	445,371	180,000	265,371
<b>Total Revenues</b>	<b>\$ 800,024</b>	<b>\$ 114,652</b>	<b>\$ 914,676</b>	<b>\$ 655,750</b>	<b>\$ 258,926</b>
<b>Expenses</b>					
<b>Downtown Feels Safe &amp; Comfortable at All Times</b>					
Collaboration to Maintain Low Crime Rate	\$ 1,288,405	\$ -	\$ 1,288,405	\$ 1,537,189	\$ 248,784
Reduced Presence of Homeless & Street Persons	311,209	-	311,209	507,565	196,356
Downtown Sidewalks are Comfortably Lighted	54,380	-	54,380	129,763	75,383
Downtown Clean & Well-Kept Appearance	2,275,646	-	2,275,646	2,263,213	(12,433)
Remove Signs of Disorder in Downtown	43,081	-	43,081	43,661	580
Prepare for Emergencies	57,463	-	57,463	64,383	6,920
	4,030,183	-	4,030,183	4,545,775	515,591
<b>Public Realm is Charming, Inviting, Beautiful &amp; Celebrates the Life of the City</b>					
Key Pedestrian Streets are Inviting	206,856	-	206,856	233,828	26,972
Public Spaces Managed, Programmed, & Delightful	819,141	-	819,141	849,618	30,478
Place of Civic Celebration	1,086,811	-	1,086,811	793,114	(293,697)
	2,112,808	-	2,112,808	1,876,561	(236,248)
<b>Accessible to Region &amp; Easy to Get Around</b>					
Effective Transit Access More Places, More Hours	10,949	-	10,949	11,114	164
Convenient Circulation Without Personal Vehicle	-	-	-	-	-
Easy To Find Way Around	21,102	-	21,102	60,158	39,056
Connect Neighbors & Districts Inside/Outside Downtown	38,686	-	38,686	47,556	8,869
Convenient, Understandable & Managed Parking	3,757	-	3,757	3,693	(64)
	74,494	-	74,494	122,520	48,026
<b>Vibrant, Sustainable Mixed-Use Place</b>					
Best Place to Work in Region	179,842	-	179,842	310,663	130,821
Exciting Neighborhoods to Live In	299,811	-	299,811	1,118,523	818,712
Competitive Shopping Place	10,005	-	10,005	10,155	150
Remarkable Destination for Visitors	8,118	-	8,118	8,240	122
	497,776	-	497,776	1,447,582	949,805
<b>Downtown's Vision &amp; Offering Understood By All</b>					
Market to Region	189,924	-	189,924	660,193	470,269
Promote Downtown's Ease of Use	47,353	-	47,353	47,336	(17)
Vision/Development Framework Understood By All	328,393	-	328,393	387,641	59,247
Tools to Assist Continued Redevelopment	13,006	-	13,006	13,344	337
Develop & Maintain Information to Support Downtown	9,520	-	9,520	10,798	1,278
	588,195	-	588,195	1,119,311	531,116
<b>District Governance &amp; Service Known for Excellence</b>					
Engage Stakeholders in Decision Making	343,836	-	343,836	461,313	117,476
Communications to Owners, Tenants & Others	25,554	-	25,554	26,275	721
Preservation of Districts' Capital Assets	44,561	-	44,561	51,550	6,989
	413,951	-	413,951	539,138	125,187
<b>Capital Improvement &amp; Expenditures</b>					
Downtown Feels Safe & Comfortable	-	169,183	169,183	375,000	205,817
Public Realm is Charming, Inviting, & Beautiful	-	80,567	80,567	413,000	332,433
Accessible to Region & Easy to Get Around	-	411,624	411,624	989,936	578,312
Vibrant, Sustainable Mixed-Use Place	-	26,874	26,874	129,500	102,626
Downtown's Vision & Offering Understood By All	-	-	-	-	-
Capital Replacement Expenditure	-	17,645	17,645	132,200	114,555
	-	705,893	705,893	2,039,636	1,333,743
<b>Total Expenses</b>	<b>\$ 7,717,409</b>	<b>\$ 705,893</b>	<b>\$ 8,423,302</b>	<b>\$ 11,690,522</b>	<b>\$ 3,267,220</b>
Depreciation Expense	44,619	560	45,179	51,900	6,721
<b>Excess of Revenue Over Expenses GAAP Basis</b>	<b>\$ (6,962,004)</b>	<b>\$ (591,801)</b>	<b>\$ (7,553,805)</b>	<b>\$ (11,086,672)</b>	<b>\$ 3,532,867</b>

**Houston Downtown Management District**  
**Statement of Activities**  
**For the Six Months Ended June 30, 2023 and June 30, 2022**

	Operating YTD Actual	Capital YTD Actual	2023 Total YTD Actual	2022 Total YTD Actual	Fav (Unfav) Variance
<b>Revenues</b>					
Assessment Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
Operations Revenue	287,232	-	287,232	236,160	51,072
Project Revenue	175,114	-	175,114	27,153	147,961
Other Income	6,959	-	6,959	53,854	(46,895)
Interest Income	330,719	114,652	445,371	42,000	403,371
<b>Total Revenues</b>	<b>\$ 800,024</b>	<b>\$ 114,652</b>	<b>\$ 914,676</b>	<b>\$ 359,167</b>	<b>\$ 555,509</b>
<b>Expenses</b>					
<b>Downtown Feels Safe &amp; Comfortable at All Times</b>					
Collaboration to Maintain Low Crime Rate	\$ 1,288,405	\$ -	\$ 1,288,405	\$ 1,196,604	\$ (91,801)
Reduced Presence of Homeless & Street Persons	311,209	-	311,209	353,525	42,316
Downtown Sidewalks are Comfortably Lighted	54,380	-	54,380	71,688	17,308
Downtown Clean & Well-Kept Appearance	2,275,646	-	2,275,646	2,309,457	33,811
Remove Signs of Disorder in Downtown	43,081	-	43,081	19,841	(23,239)
Prepare for Emergencies	57,463	-	57,463	53,611	(3,853)
	4,030,183	-	4,030,183	4,004,726	(25,457)
<b>Public Realm is Charming, Inviting, Beautiful &amp; Celebrates the Life of the City</b>					
Key Pedestrian Streets are Inviting	206,856	-	206,856	193,806	(13,050)
Public Spaces Managed, Programmed, & Delightful	819,141	-	819,141	468,371	(350,770)
Place of Civic Celebration	1,086,811	-	1,086,811	737,690	(349,121)
	2,112,808	-	2,112,808	1,399,868	(712,940)
<b>Accessible to Region &amp; Easy to Get Around</b>					
Effective Transit Access More Places, More Hours	10,949	-	10,949	5,484	(5,466)
Convenient Circulation Without Personal Vehicle	-	-	-	-	-
Easy To Find Way Around	21,102	-	21,102	42,037	20,935
Connect Neighbors & Districts Inside/Outside Downtown	38,686	-	38,686	5,166	(33,520)
Convenient, Understandable & Managed Parking	3,757	-	3,757	16,402	12,646
	74,494	-	74,494	69,089	(5,406)
<b>Vibrant, Sustainable Mixed-Use Place</b>					
Best Place to Work in Region	179,842	-	179,842	202,358	22,516
Exciting Neighborhoods to Live In	299,811	-	299,811	517,595	217,784
Competitive Shopping Place	10,005	-	10,005	8,724	(1,281)
Remarkable Destination for Visitors	8,118	-	8,118	20,475	12,357
	497,776	-	497,776	749,153	251,376
<b>Downtown's Vision &amp; Offering Understood By All</b>					
Market to Region	189,924	-	189,924	594,162	404,238
Promote Downtown's Ease of Use	47,353	-	47,353	13,870	(33,483)
Vision/Development Framework Understood By All	328,393	-	328,393	369,646	41,252
Tools to Assist Continued Redevelopment	13,006	-	13,006	41,668	28,662
Develop & Maintain Information to Support Downtown	9,520	-	9,520	17,437	7,917
	588,195	-	588,195	1,036,783	448,587
<b>District Governance &amp; Service Known for Excellence</b>					
Engage Stakeholders in Decision Making	343,836	-	343,836	385,873	42,037
Communications to Owners, Tenants & Others	25,554	-	25,554	33,797	8,242
Preservation of Districts' Capital Assets	44,561	-	44,561	43,976	(585)
	413,951	-	413,951	463,645	49,694
<b>Capital Improvement &amp; Expenditures</b>					
Downtown Feels Safe & Comfortable	-	169,183	169,183	-	(169,183)
Public Realm is Charming, Inviting, & Beautiful	-	80,567	80,567	-	(80,567)
Accessible to Region & Easy to Get Around	-	411,624	411,624	128,746	(282,878)
Vibrant, Sustainable Mixed-Use Place	-	26,874	26,874	80,796	53,922
Downtown's Vision & Offering Understood By All	-	-	-	-	-
Capital Replacement Expenditure	-	17,645	17,645	182,608	164,963
	-	705,893	705,893	392,150	(313,743)
<b>Total Expenses</b>	<b>\$ 7,717,409</b>	<b>\$ 705,893</b>	<b>\$ 8,423,302</b>	<b>\$ 8,115,413</b>	<b>\$ (307,889)</b>
Depreciation Expense	44,619	560	45,179	49,984	4,805
<b>Excess of Revenue Over Expenses GAAP Basis</b>	<b>\$ (6,962,004)</b>	<b>\$ (591,801)</b>	<b>\$ (7,553,805)</b>	<b>\$ (7,806,230)</b>	<b>\$ 252,425</b>

## Houston Downtown Management District

### Variance Analysis

### For the Six Months Ended June 30, 2023

#### Revenue

1) Operations revenue is under budget (\$72K) in Metro bus stop cleaning, (\$15K) in Main Street Fountain Reimbursements, (\$20K) in Cotswold Fountain Reimbursements and (\$23K) in Trebly Park Tout Suite Utility Reimbursements. Over budget \$33K in the Trash Program and \$11K in Irrigation Reimbursements from Buffalo Bayou Park. Project revenue is over budget \$112K for DRA reimbursements and \$5K in Market Square Park reimbursements. Under budget (\$45K) for the Theater District Staff Reimbursement. HDMD and the Theater District have eliminated this position and pursued a contractor. The budget shortfalls are due to timing of invoicing or services have not yet been rendered. Other income includes event revenue and vending income which is \$6K and \$1K over budget, respectively. Interest income is over budget \$265K due to more favorable rates than projected.

#### **Operating Budget**

#### Expenses

- 2) Goal 1a-Collaboration to Maintain Low Crime Rate-Under budget (\$160K) in Safety Guides, (\$84K) in Private Security and (\$5K) in staffing.
- 3) Goal 1b-Reduced Presence of Homeless & Street Persons-Under budget (\$196K) in homeless outreach programs.
- 4) Goal 1c-Downtown Sidewalks are Comfortably Lighted-Under budget (\$75K) in Street Lighting Expense, amenities and maintenance.
- 5) Goal 1d-Downtown Noted for Cleanliness & Well-Kept Appearance- Over budget \$158K Street Teams cleaning sidewalks and bus stops and \$9K in Operations. Under budget (\$27K) in Paver repair and maintenance, (\$74K) in Landscaping and tree maintenance, (\$42K) in Irrigation maintenance and repair, (\$2K) in Trash Collection and (\$11K) in staffing.
- 6) Goal 1f-Prepare for Emergencies - Under budget (\$7K) in monitoring equipment and generator.
- 7) Goal 2a-Key Pedestrian Streets are Inviting-Under budget (\$18K) in accent plants and (\$9K) in staffing.
- 8) Goal 2b-Key Public Spaces Programmed and Delightful-Under budget (\$19K) in Trebly Park maintenance, (\$17K) in Cotswold maintenance and repairs and (\$15K) in Main Street Square maintenance. Under budget in Main Street Square programming (\$40K) and Collaborative programming (\$15K). Under budget (\$1K) in staffing. Over budget \$4K in Market Square Park maintenance, \$29K in Market Square Park programming and \$43K in Trebly Park programming due to the grand opening event in January.
- 9) Goal 2c-Place of Civic Celebration-Under budget (\$19K) in Seasonal Banner program, and (\$15K) in Banner/Pot maintenance. Over budget \$74K in Allen Parkway maintenance, \$117K in Holiday Logistics and \$136K for Street Art for Mankind installation.
- 10) Goal 3c-Easy to Find Way Around-Under budget (\$1K) in Maintaining Wayfinding, (\$30K) in Wayfinding Above & Below Map and (\$8K) in staffing.
- 11) Goal 3d-Connect Neighbors & Districts Inside/Outside Downtown-Under budget (\$9K) in staffing.
- 12) Goal 4a-Best Place to Work in the Region-Under budget (\$131K) in Economic Development.
- 13) Goal 4b-Exciting Neighborhoods To Live In-Under budget (\$804K) due to 2022 DLI payouts forecasted to be paid out in the first six months of 2023 have not been paid, and (\$14K) for Residential Market Research.
- 14) Goal 5a-Market to Region-Under budget (\$378K) in marketing expenditures and (\$92K) in staffing.
- 15) Goal 5c-Planning Consultants & Expenses are under budget (\$50K) and (\$9K) in staffing.
- 16) Goal 6a-Complete engagement by all stakeholders in District - Under budget (\$19K) in Operations, (\$12K) in Marketing and Communications, (\$16K) in Economic Development, (\$8K) in Planning Design & Construction, (\$58) in Administration and (\$4K) in staffing.
- 17) Goal 6c-Preservation of District's Capital Assets - Under budget (\$7K) in insurance expense due to renewals coming in lower than forecasted.

#### **Capital Budget**

- 18) Under budget (\$206K) in Landscape Amenities-Irrigation.
- 19) Under budget (\$19K) in Banners, (\$60K) in Storefront/Streetscape Grants,(\$125K) for Storefront Activation and Improved Pedestrian Connection, (\$9K) for Trebly Park furnishings and (\$120K) in Landscape Enhancements-Urban Canopy.
- 20) Under budget (\$84K) for Vehicular and Pedestrian Wayfinding, (\$100K) for Sidewalk Infill Projects and (\$394K) for Southeast Sidewalks TxDOT project due to timing of invoices.
- 21) Under budget (\$53K) for DLI rebate and (\$50K) for Retail Challenge Grants.
- 22) Under budget (\$115K) in Capital Replacement Expenditure due to repairs have been minimal the first six months of the year.



**HOUSTON DOWNTOWN MANAGEMENT DISTRICT**

AP Check Register (Current by Bank)

Check Dates: 7/1/2023 to 7/31/2023

Check No.	Date	Status*	Vendor ID	Payee Name	Amount
<b>BANK ID: A - OPERATING ACCT-JPMORGAN</b>					<b>101.000</b>
35397	07/01/23	P	1200	CENTRAL HOUSTON, INC	\$249,446.63
35398	07/01/23	V 7/1/23	1200		
35399	07/01/23	V 7/1/23	1200		
35400	07/01/23	V 7/1/23	1200		
35401	07/01/23	V 7/1/23	1200		
35402	07/01/23	V 7/1/23	1200		
35403	07/01/23	V 7/1/23	1200		
35404	07/01/23	V 7/1/23	1200		
35405	07/01/23	V 7/1/23	1200		
35406	07/01/23	V 7/1/23	1200		
35407	07/01/23	V 7/1/23	1200		
35408	07/01/23	V 7/1/23	1200		
35409	07/01/23	V 7/1/23	1200		
35410	07/01/23	V 7/1/23	1200		
35411	07/01/23	V 7/1/23	1200		
35412	07/01/23	V 7/1/23	1200		
35413	07/01/23	V 7/1/23	1200		
35414	07/01/23	V 7/1/23	1200		
35415	07/05/23	P	5986	DOWNTOWN REDEVELOPMENT	\$58,734.00
**1165918	07/25/23	M	5893	MARATHON MUSIC GROUP, LLC	\$13,000.00
**1165923	07/25/23	M	1601	COOPWOOD'S AIR CONDITIONING	\$480.00
**1165928	07/25/23	M	4442	STRATEGIC EQUIPMENT LLC dba	\$1,102.37
**1165930	07/25/23	M	2762	FIELD OF STUDY	\$11,250.00
**1165933	07/26/23	M	2082	D9 DESIGNS, LLC	\$1,445.60
**1165936	07/25/23	M	7995	INCONTROL CONTRUCTION LLC	\$330.00
**1165940	07/25/23	M	8027	RAE SECURITY SOUTHWEST, LLC	\$4,036.51
**1165945	07/25/23	M	9504	WAKEFIELD AV & CABLING, LLC	\$8,906.03
**1165948	07/25/23	M	9113	NCTP-CPAS PLLC	\$1,700.00
**1165950	07/25/23	M	8609	TOUCH & AGREE PROPERTY	\$2,521.60
**1165952	07/25/23	M	5700	LONE STAR FLAGS AND FLAGPOLES	\$1,922.00
**1165954	07/25/23	M	1191	CENTERPOINT ENERGY	\$313.53
**1165956	07/25/23	M	6037	MEDLEY INCORPORATED	\$24,000.00
**1511323	07/31/23	M	1718	JAMES KENNEDY	\$1,506.34
**1950854	07/31/23	M	0027	AT&T	\$1,475.13
**2530971	07/31/23	M	8066	READYREFRESH	\$99.89
**2530977	07/31/23	M	7525	PARTYPERKS	\$1,799.98
**2530980	07/31/23	M	0511	BLOCK BY BLOCK	\$453,078.95
**2530986	07/31/23	M	9888	MAURICE DUHON JR.	\$300.00
**2530988	07/31/23	M	0034	ABC HOME & COMMERCIAL SERVICES	\$145.00
**2530990	07/31/23	M	3395	LEONARD LOCKETT, JR	\$200.00
**2530992	07/31/23	M	8900	VERIZON WIRELESS	\$676.10
**2530995	07/31/23	M	0707	BOATMAN CONSTRUCTION	\$2,895.12
**2530998	07/31/23	M	1665	COLOR SPECIALISTS LANDSCAPING	\$102,893.95
**2531000	07/31/23	M	5987	MAINTENANCE TO GO	\$48,438.90
**2531003	07/31/23	M	3548	HAMILTON PLUMBING SERVICE	\$305.00
**2531008	07/31/23	M	9045	WESTERN FIRST AID & SAFETY	\$208.78
**2531010	07/31/23	M	7400	PFEIFFER & SON, LTD	\$659.14
**2531013	07/31/23	M	3573	HARRIS COUNTY TREASURER	\$9,242.00
**2531018	07/31/23	M	5211	KEITH GOULD	\$64.88
**2531240	07/31/23	M	0027	AT&T	\$1,256.68
**2546288	07/31/23	M	0027	AT&T	\$247.52
**5713873	07/03/23	M	0511	BLOCK BY BLOCK	\$1,277.75
**6110948	07/03/23	M	3400	RAFFLE PARKING COMPANY,LLC	\$1,851.80
6110949	07/01/23	P	99965	401 FRANKLIN STREET LTD	\$10,147.04
6110950	07/01/23	P	1699	CORELOGIC TAX SERVICES, LLC	\$162.45
6110951	07/01/23	P	5986	DOWNTOWN REDEVELOPMENT	\$36,777.00

\* Check Status Types: "P" - Printed ; "M" - Manual ; "V" - Void ( Void Date ); "A" - Application; "E" - EFT  
 \*\* Denotes broken check sequence.

**HOUSTON DOWNTOWN MANAGEMENT DISTRICT**

AP Check Register (Current by Bank)

Check Dates: 7/1/2023 to 7/31/2023

Check No.	Date	Status*	Vendor ID	Payee Name	Amount
6110952	07/01/23	P	999971	JIAN Z ZOU	\$223.56
6110953	07/01/23	P	999926	MCDONALD & WESSENDORFF	\$50.00
6110954	07/01/23	P	99919	MVL ESTATES FOUR LLC	\$475.82
6110955	07/01/23	P	99878	RICHARD DINGMAN TRUST	\$15.99
6110956	07/01/23	P	8131	RUSK AT SAN JACINTO PARTNERS L	\$10,955.55
**8526231	07/10/23	M	0490	ASSOCIATED LANDSCAPE SERVICES	\$294,208.34
8526231	07/10/23	V 7/10/23	0490	ASSOCIATED LANDSCAPE SERVICES	(\$294,208.34)
**8526237	07/10/23	M	7995	INCONTROL CONTRUCTION LLC	\$6,755.84
**8526243	07/10/23	M	1713	CREST PRINTING, INC	\$2,129.78
**8526248	07/10/23	M	8577	TEAMWORK CONSTRUCTION SERVICES	\$5,000.00
**8526251	07/10/23	M	5961	MELISSA TAYLOR	\$1,675.00
**8526255	07/10/23	M	6048	MATT SERICE	\$350.00
**8526262	07/10/23	M	9113	NCTP-CPAS PLLC	\$1,700.00
**8526266	07/10/23	M	3630	HOME DEPOT CREDIT SERVICES	\$71.76
**8526411	07/10/23	M	9067	WASTE MANAGEMENT OF TEXAS, INC	\$187.19
**8526417	07/10/23	M	1650	COALITION FOR THE HOMELESS	\$100,000.00
**8526421	07/10/23	M	5298	KINGWOOD ALARM LLC	\$420.00
**8526425	07/10/23	M	9081	WESTPARK COMMUNICATIONS, L.P	\$71.88
8526426	07/10/23	P	0490	ASSOCIATED LANDSCAPE SERVICES	\$294,208.34
8526426	07/13/23	V 7/13/23	0490	ASSOCIATED LANDSCAPE SERVICES	(\$294,208.34)
8526427	07/13/23	P	0490	ASSOCIATED LANDSCAPE SERVICES	\$25,613.42
8526427	07/13/23	V 7/13/23	0490	ASSOCIATED LANDSCAPE SERVICES	(\$25,613.42)
8526428	07/13/23	P	0490	ASSOCIATED LANDSCAPE SERVICES	\$25,613.42
8526429	07/13/23	V 7/13/23	0490		
**8527183	07/10/23	M	8355	STERLING EXPRESS SERVICES, INC	\$167.60
**8527188	07/10/23	M	0707	BOATMAN CONSTRUCTION	\$23,586.54
**8527190	07/10/23	M	5298	KINGWOOD ALARM LLC	\$420.00
**8527193	07/10/23	M	8609	TOUCH & AGREE PROPERTY	\$2,521.60
**8527197	07/10/23	M	8655	TRIPLE R BROTHERS, LTD	\$88.95
**8527200	07/10/23	M	5961	MELISSA TAYLOR	\$1,675.00
**8527204	07/10/23	M	3550	HARDY & HARDY	\$3,550.00
**8527214	07/10/23	M	9819	BRYAN K BENNETT	\$1,817.42
**8527218	07/10/23	M	5540	LINCOLN COLWELL	\$1,780.00
**8527222	07/10/23	M	8119	ROADRUNNER RECYCLING, INC	\$1,851.80
**8528051	07/10/23	M	1801	DIRECTV	\$97.98
**8528053	07/13/23	M	8604	TMS SOUTH	\$74.64
**8609867	07/10/23	M	1756	CROWDRIFF, INC.	\$10,000.00
**9869134	07/13/23	M	6077	BARTLETT TREE EXPERTS	\$472.50
**9869137	07/13/23	M	1692	COSTAR GROUP, INC.	\$1,602.40
**9869139	07/13/23	M	1665	COLOR SPECIALISTS LANDSCAPING	\$16,549.98
**9869143	07/13/23	M	8552	TEXAS OUTHOUSE, INC.	\$1,736.29
**9869148	07/13/23	M	7995	INCONTROL CONTRUCTION LLC	\$18,421.92
**9869151	07/13/23	M	8168	SEAL SECURITY SOLUTIONS, LLC	\$73,988.00
**9869156	07/13/23	M	6298	JORDAN CUTLER	\$32.44
**9869159	07/13/23	M	5703	MICHAEL LOESSIN	\$500.00
**9869162	07/13/23	M	8315	SWANK MOTION PICTURES, INC	\$6,305.00
**9869164	07/13/23	M	3298	GULF COAST PAVERS, INC.	\$21,600.00
**9869168	07/13/23	M	7400	PFEIFFER & SON, LTD	\$4,351.85
**9869171	07/13/23	M	3948	THE HARRIS CENTER FOR	\$18,666.67
**9869173	07/13/23	M	3548	HAMILTON PLUMBING SERVICE	\$3,033.00
**9869175	07/13/23	M	7896	JAMIE PERKINS	\$60.94
**9869177	07/13/23	M	3550	HARDY & HARDY	\$1,900.00
**9869179	07/13/23	M	0490	ASSOCIATED LANDSCAPE SERVICES	\$355.00
**9869181	07/13/23	M	5700	LONE STAR FLAGS AND FLAGPOLES	\$654.00
**9869183	07/13/23	M	5710	LVA 4 HOUSTON GREENSTREET LP	\$20,497.60
**9869185	07/13/23	M	7060	NEON ELECTRIC CORPORATION	\$432.00
**9869190	07/13/23	M	9089	WE 68 LLC	\$4,512.51
**9869193	07/13/23	M	1790	BRETT DEBORD	\$68.00

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

\*\* Denotes broken check sequence.

**HOUSTON DOWNTOWN MANAGEMENT DISTRICT**

AP Check Register (Current by Bank)

Check Dates: 7/1/2023 to 7/31/2023

Check No.	Date	Status*	Vendor ID	Payee Name	Amount
**9869196	07/13/23	M	1543	CITY OF HOUSTON	\$1,008.77
**9869200	07/13/23	M	0044	AABLE FINANCIAL GROUP, INC	\$3,125.00
**9869204	07/13/23	M	2246	MELINDA ELLEN JOHNSON	\$1,375.00

**BANK A REGISTER TOTAL: \$1,459,473.86**

**BANK ID: B - CAPITAL ACCT-JPMORGAN 102.000**

8526640	07/10/23	M	1735	CORE DESIGN STUDIO	\$4,305.80
**8526716	07/10/23	M	1821	DIRECT EMBED COATING SYSTEMS	\$18,782.50
**9868999	07/13/23	M	1751	DESIGN WORKSHOP, INC	\$19,800.57

**BANK B REGISTER TOTAL: \$42,888.87**

**GRAND TOTAL : \$1,502,362.73**

\* Check Status Types: "P" - Printed ; "M" - Manual ; "V" - Void ( Void Date ); "A" - Application; "E" - EFT  
\*\* Denotes broken check sequence.



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 July 31, 2023 and 2022, 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' in a cursive, lowercase style.

Houston, Texas  
August 8, 2023

**Houston Downtown Management District  
Governmental Fund Balance Sheets and  
Statement of Net Position  
July 31, 2023 and July 31, 2022**

	2023			2022		
	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)
<b>Assets</b>						
Cash	\$ 12,349,945	\$ 4,437,802	\$ 16,787,747	\$ 11,842,541	\$ 5,136,125	\$ 16,978,665
Assessments Due	353,063	30,502	383,565	408,745	14,002	422,748
Accounts Receivable	647,503	-	647,503	111,284	10,684	121,969
Prepaid Expense	26,235	-	26,235	26,235	-	26,235
Inventory	-	-	-	-	-	-
Property & Equipment, Net	564,190	467	564,657	597,026	6,591	603,617
Right of Use Lease Assets, Net	2,642,507	-	2,642,507	2,742,527	-	2,742,527
Intercompany Rec/Pay	(1,167,612)	1,167,612	-	(184,709)	(82,745)	(267,454)
<b>Total Assets</b>	<b>\$ 15,415,831</b>	<b>\$ 5,636,383</b>	<b>\$ 21,052,214</b>	<b>\$ 15,543,649</b>	<b>\$ 5,084,657</b>	<b>\$ 20,628,306</b>
<b>Liabilities</b>						
Accounts Payable & Accrued Expenses	\$ 846,309	\$ 35,795	\$ 882,104	\$ 524,099	\$ 43,000	\$ 567,099
Lease Liabilities	2,793,014	-	2,793,014	2,838,450	-	\$ 2,838,450
Deferred Revenue	-	-	-	-	-	-
Reserve for Refunds due to Property Protests	1,102,145	81,420	1,183,566	540,654	26,049	566,703
<b>Total Liabilities &amp; Deferred Revenue</b>	<b>4,741,468</b>	<b>117,215</b>	<b>4,858,684</b>	<b>3,903,202</b>	<b>69,049</b>	<b>3,972,251</b>
<b>Fund Balances</b>						
Unreserved, Undesignated	9,874,362		9,874,362	11,640,446		11,640,446
Unreserved, Designated for Catastrophy	800,000		800,000	-		-
Reserved for Capital Projects		5,519,167	5,519,167		5,015,608	5,015,608
	10,674,362	5,519,167	16,193,530	11,640,446	5,015,608	16,656,055
<b>Total Liabilities, Deferred Revenue &amp; Fund Balances</b>	<b>\$ 15,415,831</b>	<b>\$ 5,636,383</b>	<b>\$ 21,052,214</b>	<b>\$ 15,543,649</b>	<b>\$ 5,084,657</b>	<b>\$ 20,628,306</b>

**Houston Downtown Management District**  
**Statement of Activities**  
**For the Seven Months Ended July 31, 2023**

	<b>Operating YTD Actual</b>	<b>Capital YTD Actual</b>	<b>Total YTD Actual</b>	<b>YTD Budget</b>	<b>Fav (Unfav) Variance</b>
<b>Revenues</b>					
Assessment Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
Operations Revenue	388,278	-	388,278	490,000	(101,722)
Project Revenue	179,234	-	179,234	152,292	26,943
Other Income	9,024	-	9,024	-	9,024
Interest Income	386,334	134,000	520,335	210,000	310,335
<b>Total Revenues</b>	<b>\$ 962,871</b>	<b>\$ 134,000</b>	<b>\$ 1,096,871</b>	<b>\$ 852,292</b>	<b>\$ 244,580</b>
<b>Expenses</b>					
<b>Downtown Feels Safe &amp; Comfortable at All Times</b>					
Collaboration to Maintain Low Crime Rate	\$ 1,517,300	\$ -	\$ 1,517,300	\$ 1,826,901	\$ 309,601
Reduced Presence of Homeless & Street Persons	501,070	-	501,070	592,159	91,089
Downtown Sidewalks are Comfortably Lighted	65,121	-	65,121	143,057	77,936
Downtown Clean & Well-Kept Appearance	2,818,642	-	2,818,642	2,687,210	(131,432)
Remove Signs of Disorder in Downtown	49,869	-	49,869	50,937	1,068
Prepare for Emergencies	72,185	-	72,185	75,114	2,929
	5,024,187	-	5,024,187	5,375,378	351,192
<b>Public Realm is Charming, Inviting, Beautiful &amp; Celebrates the Life of the City</b>					
Key Pedestrian Streets are Inviting	302,200	-	302,200	420,022	117,822
Public Spaces Managed, Programmed, & Delightful	979,931	-	979,931	1,036,777	56,846
Place of Civic Celebration	1,071,990	-	1,071,990	1,236,133	164,143
	2,354,121	-	2,354,121	2,692,932	338,811
<b>Accessible to Region &amp; Easy to Get Around</b>					
Effective Transit Access More Places, More Hours	13,985	-	13,985	12,966	(1,019)
Convenient Circulation Without Personal Vehicle	-	-	-	-	-
Easy To Find Way Around	25,124	-	25,124	66,018	40,894
Connect Neighbors & Districts Inside/Outside Downtown	52,586	-	52,586	55,481	2,895
Convenient, Understandable & Managed Parking	4,527	-	4,527	4,309	(218)
	96,222	-	96,222	138,773	42,551
<b>Vibrant, Sustainable Mixed-Use Place</b>					
Best Place to Work in Region	189,545	-	189,545	362,440	172,896
Exciting Neighborhoods to Live In	389,819	-	389,819	1,122,709	732,890
Competitive Shopping Place	12,483	-	12,483	11,848	(635)
Remarkable Destination for Visitors	9,479	-	9,479	9,613	134
	601,326	-	601,326	1,506,611	905,285
<b>Downtown's Vision &amp; Offering Understood By All</b>					
Market to Region	239,186	-	239,186	760,642	521,455
Promote Downtown's Ease of Use	57,353	-	57,353	55,225	(2,127)
Vision/Development Framework Understood By All	364,790	-	364,790	462,247	97,457
Tools to Assist Continued Redevelopment	15,287	-	15,287	15,567	280
Develop & Maintain Information to Support Downtown	11,823	-	11,823	12,598	775
	688,439	-	688,439	1,306,280	617,840
<b>District Governance &amp; Service Known for Excellence</b>					
Engage Stakeholders in Decision Making	385,157	-	385,157	539,290	154,133
Communications to Owners, Tenants & Others	30,959	-	30,959	30,654	(304)
Preservation of Districts' Capital Assets	44,561	-	44,561	51,550	6,989
	460,676	-	460,676	621,494	160,818
<b>Capital Improvement &amp; Expenditures</b>					
Downtown Feels Safe & Comfortable	-	169,183	169,183	375,000	205,817
Public Realm is Charming, Inviting, & Beautiful	-	104,674	104,674	625,500	520,826
Accessible to Region & Easy to Get Around	-	430,406	430,406	1,014,936	584,530
Vibrant, Sustainable Mixed-Use Place	-	34,366	34,366	179,500	145,134
Downtown's Vision & Offering Understood By All	-	-	-	-	-
Capital Replacement Expenditure	-	28,783	28,783	153,300	124,517
	-	767,412	767,412	2,348,236	1,580,824
<b>Total Expenses</b>	<b>\$ 9,224,970</b>	<b>\$ 767,412</b>	<b>\$ 9,992,382</b>	<b>\$ 13,989,704</b>	<b>\$ 3,997,322</b>
Depreciation Expense	52,240	653	52,894	60,550	7,656
<b>Excess of Revenue Over Expenses GAAP Basis</b>	<b>\$ (8,314,340)</b>	<b>\$ (634,065)</b>	<b>\$ (8,948,404)</b>	<b>\$ (13,197,962)</b>	<b>\$ 4,249,558</b>

**Houston Downtown Management District**  
**Statement of Activities**  
**For the Seven Months Ended July 31, 2023 and July 31, 2022**

	Operating YTD Actual	Capital YTD Actual	2023 Total YTD Actual	2022 Total YTD Actual	Fav (Unfav) Variance
<b>Revenues</b>					
Assessment Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
Operations Revenue	388,278	-	388,278	340,033	48,246
Project Revenue	179,234	-	179,234	30,468	148,766
Other Income	9,024	-	9,024	64,637	(55,613)
Interest Income	386,334	134,000	520,335	66,290	454,045
<b>Total Revenues</b>	<b>\$ 962,871</b>	<b>\$ 134,000</b>	<b>\$ 1,096,871</b>	<b>\$ 501,427</b>	<b>\$ 595,444</b>
<b>Expenses</b>					
<b>Downtown Feels Safe &amp; Comfortable at All Times</b>					
Collaboration to Maintain Low Crime Rate	\$ 1,517,300	\$ -	\$ 1,517,300	\$ 1,423,163	\$ (94,137)
Reduced Presence of Homeless & Street Persons	501,070	-	501,070	401,200	(99,870)
Downtown Sidewalks are Comfortably Lighted	65,121	-	65,121	79,094	13,973
Downtown Clean & Well-Kept Appearance	2,818,642	-	2,818,642	2,777,498	(41,144)
Remove Signs of Disorder in Downtown	49,869	-	49,869	24,225	(25,644)
Prepare for Emergencies	72,185	-	72,185	61,894	(10,291)
	5,024,187	-	5,024,187	4,767,074	(257,113)
<b>Public Realm is Charming, Inviting, Beautiful &amp; Celebrates the Life of the City</b>					
Key Pedestrian Streets are Inviting	302,200	-	302,200	208,476	(93,724)
Public Spaces Managed, Programmed, & Delightful	979,931	-	979,931	548,199	(431,732)
Place of Civic Celebration	1,071,990	-	1,071,990	782,290	(289,700)
	2,354,121	-	2,354,121	1,538,965	(815,156)
<b>Accessible to Region &amp; Easy to Get Around</b>					
Effective Transit Access More Places, More Hours	13,985	-	13,985	6,421	(7,564)
Convenient Circulation Without Personal Vehicle	-	-	-	-	-
Easy To Find Way Around	25,124	-	25,124	45,847	20,723
Connect Neighbors & Districts Inside/Outside Downtown	52,586	-	52,586	6,027	(46,560)
Convenient, Understandable & Managed Parking	4,527	-	4,527	16,402	11,875
	96,222	-	96,222	74,697	(21,525)
<b>Vibrant, Sustainable Mixed-Use Place</b>					
Best Place to Work in Region	189,545	-	189,545	236,085	46,540
Exciting Neighborhoods to Live In	389,819	-	389,819	554,587	164,767
Competitive Shopping Place	12,483	-	12,483	10,178	(2,304)
Remarkable Destination for Visitors	9,479	-	9,479	21,451	11,972
	601,326	-	601,326	822,301	220,975
<b>Downtown's Vision &amp; Offering Understood By All</b>					
Market to Region	239,186	-	239,186	671,640	432,453
Promote Downtown's Ease of Use	57,353	-	57,353	16,240	(41,112)
Vision/Development Framework Understood By All	364,790	-	364,790	383,276	18,486
Tools to Assist Continued Redevelopment	15,287	-	15,287	46,025	30,738
Develop & Maintain Information to Support Downtown	11,823	-	11,823	20,926	9,104
	688,439	-	688,439	1,138,108	449,668
<b>District Governance &amp; Service Known for Excellence</b>					
Engage Stakeholders in Decision Making	385,157	-	385,157	447,060	61,903
Communications to Owners, Tenants & Others	30,959	-	30,959	35,281	4,322
Preservation of Districts' Capital Assets	44,561	-	44,561	43,976	(585)
	460,676	-	460,676	526,317	65,641
<b>Capital Improvement &amp; Expenditures</b>					
Downtown Feels Safe & Comfortable	-	169,183	169,183	-	(169,183)
Public Realm is Charming, Inviting, & Beautiful	-	104,674	104,674	-	(104,674)
Accessible to Region & Easy to Get Around	-	430,406	430,406	128,746	(301,660)
Vibrant, Sustainable Mixed-Use Place	-	34,366	34,366	83,642	49,276
Downtown's Vision & Offering Understood By All	-	-	-	-	-
Capital Replacement Expenditure	-	28,783	28,783	183,699	154,916
	-	767,412	767,412	396,087	(371,325)
<b>Total Expenses</b>	<b>\$ 9,224,970</b>	<b>\$ 767,412</b>	<b>\$ 9,992,382</b>	<b>\$ 9,263,548</b>	<b>\$ (728,834)</b>
Depreciation Expense	52,240	653	52,894	58,345	5,451
<b>Excess of Revenue Over Expenses GAAP Basis</b>	<b>\$ (8,314,340)</b>	<b>\$ (634,065)</b>	<b>\$ (8,948,404)</b>	<b>\$ (8,820,465)</b>	<b>\$ (127,939)</b>

## Houston Downtown Management District Variance Analysis For the Seven Months Ended July 31, 2023

### Revenue

1) Operations revenue is under budget (\$74K) in Metro bus stop cleaning, (\$30K) in Main Street Fountain Reimbursements, (\$19K) in Cotswold Fountain Reimbursements and (\$25K) in Trebly Park Tout Suite Utility Reimbursements. Over budget \$35K in the Trash Program and \$11K in Irrigation Reimbursements from Buffalo Bayou Park. Project revenue is over budget \$74K for DRA reimbursements, \$8K in Market Square Park Event Revenue and \$5K in Market Square Park reimbursements. Under budget (\$53K) for the Theater District Staff Reimbursement. HDMD and the Theater District have eliminated this position and pursued a contractor. The budget shortfalls are due to timing of invoicing or services have not yet been rendered. Other income includes event revenue and vending income which is \$8K and \$1K over budget, respectively. Interest income is over budget \$310K due to more favorable rates than projected.

### **Operating Budget**

#### Expenses

2) Goal 1a-Collaboration to Maintain Low Crime Rate-Under budget (\$212K) in Safety Guides, (\$86K) in Private Security, (\$6K) in Law Enforcement Support and (\$5K) in staffing. The decrease is due to the inability to hire and retain qualified personnel and the severe heat and dealing with the homeless.

is having a difficult time keeping the three budgeted employees on staff. They are working with two staff to fulfill objectives.

4) Goal 1c-Downtown Sidewalks are Comfortably Lighted-Under budget (\$78K) in Street Lighting Expense, amenities and maintenance.

5) Goal 1d-Downtown Noted for Cleanliness & Well-Kept Appearance- Over budget \$236K Street Teams cleaning sidewalks and bus stops. Under budget (\$35K) in Paver repair and maintenance, (\$37K) in Landscaping and tree maintenance, (\$10K) in Irrigation maintenance and repair, (\$13K) in Trash Collection and (\$10K) in staffing. Block by Block is filling cleaning positions utilizing a DBE agency and is supplementing the loss of Safety Guides.

6) Goal 1f-Prepare for Emergencies - Under budget (\$3K) in monitoring equipment and generator.

7) Goal 2a-Key Pedestrian Streets are Inviting-Under budget (\$114K) in accent plants and (\$4K) in staffing. Summer accent planting is completed but not billed completely. Replacement costs are built in the budget which have not needed to be utilized for materials lost.

8) Goal 2b-Key Public Spaces Programmed and Delightful-Under budget (\$22K) in Trebly Park maintenance, (\$17K) in Market Square Park Maintenance, (\$15K) in Cotswold maintenance and repairs and (\$31K) in Main Street Square maintenance. Under budget in Main Street Square programming (\$47K) and Collaborative programming (\$16K). Over budget \$55K in Market Square Park programming and \$35K in Trebly Park programming due to the grand opening event in January.

9) Goal 2c-Place of Civic Celebration-Under budget (\$183K) in Holiday Logistics, (\$23K) in Seasonal Banner program, (\$17K) in Banner/Pot maintenance and (\$7K) in Art programming. Over budget \$65K in Allen Parkway maintenance.

10) Goal 3c-Easy to Find Way Around-Under budget (\$3K) in Maintaining Wayfinding, (\$30K) in Wayfinding Above & Below Map and (\$8K) in staffing.

11) Goal 3d-Connect Neighbors & Districts Inside/Outside Downtown-Under budget (\$3K) in staffing.

12) Goal 4a-Best Place to Work in the Region-Under budget (\$173K) in Economic Development.

13) Goal 4b-Exciting Neighborhoods To Live In-Under budget (\$716K) due to 2022 DLI payouts forecasted to be paid out in the first six months of 2023 have not been paid, and (\$17K) for Residential Market Research.

14) Goal 5a-Market to Region-Under budget (\$418K) in marketing expenditures and (\$103K) in staffing.

15) Goal 5c-Planning Consultants & Expenses are under budget (\$110K) and over budget \$13K in staffing.

16) Goal 6a-Complete engagement by all stakeholders in District - Under budget (\$22K) in Operations, (\$14K) in Marketing and Communications, (\$19K) in Economic Development, (\$11K) in Planning Design & Construction, (\$85) in Administration and (\$3K) in staffing.

17) Goal 6c-Preservation of District's Capital Assets - Under budget (\$7K) in insurance expense due to renewals coming in lower than forecasted.

### **Capital Budget**

18) Under budget (\$206K) in Landscape Amenities-Irrigation.

19) Under budget (\$169K) in Banners, (\$35K) in Storefront/Streetscape Grants, (\$188K) for Storefront Activation and Improved Pedestrian Connection, (\$9K) for Trebly Park furnishings and (\$120K) in Landscape Enhancements-Urban Canopy.

20) Under budget (\$65K) for Vehicular and Pedestrian Wayfinding, (\$125K) for Sidewalk Infill Projects and (\$394K) for Southeast Sidewalks TxDOT project due to timing of invoices.

21) Under budget (\$45K) for DLI rebate and (\$100K) for Retail Challenge Grants.

22) Under budget (\$125K) in Capital Replacement Expenditure due to repairs have been minimal the first six months of the year.



**HOUSTON DOWNTOWN MANAGEMENT DISTRICT  
INVESTMENT REPORT, AUTHORIZATION AND REVIEW  
FOR THE PERIOD APRIL 1, 2023 THROUGH JUNE 30, 2023**

FUND	BEGINNING BAL. BOOK VALUE	BEGINNING BAL. MARKET VALUE	GAIN (LOSS) TO MARKET FILE	INTEREST EARNED / ACCRUED THIS PERIOD	NET DEPOSITS OR (WITHDRAWALS)	ENDING BALANCE BOOK VALUE	ENDING BALANCE MARKET VALUE	ENDING BALANCE % OF PORTFOLIO	AVG DAILY YIELD	AVG WAM
<b>HDMD</b>										
<b>OPERATING ACCOUNTS JP MORGAN CHASE</b>										
OPERATING	78,323.04	78,323.04	0.00	0.00	629,669.72	707,992.76	707,992.76	3.88%	N/A	1.00
CAPITAL	142,093.10	142,093.10	0.00	0.00	(23,541.49)	118,551.61	118,551.61	0.65%	N/A	1.00
<b>TOTAL</b>	<b>220,416.14</b>	<b>220,416.14</b>	<b>0.00</b>	<b>0.00</b>	<b>606,128.23</b>	<b>826,544.37</b>	<b>826,544.37</b>	<b>4.53%</b>		<b>1.00</b>
<b>POOLED FUNDS - TEXPOOL</b>										
OPERATING	17,904,850.59	17,904,850.59	0.00	201,709.07	(5,050,000.00)	13,056,559.66	13,056,559.66	71.64%	5.32%	34.00
CAPITAL	4,884,694.98	4,884,694.98	0.00	58,126.41	(600,000.00)	4,342,821.39	4,342,821.39	23.83%	5.32%	34.00
<b>TOTAL</b>	<b>22,789,545.57</b>	<b>22,789,545.57</b>	<b>0.00</b>	<b>259,835.48</b>	<b>(5,650,000.00)</b>	<b>17,399,381.05</b>	<b>17,399,381.05</b>	<b>95.47%</b>		
<b>TOTAL HDMD</b>	<b>23,009,961.71</b>	<b>23,009,961.71</b>	<b>0.00</b>	<b>259,835.48</b>	<b>(5,043,871.77)</b>	<b>18,225,925.42</b>	<b>18,225,925.42</b>	<b>100.00%</b>		

**COMPLIANCE  
STATEMENT  
REVIEW**

\*\*\*\* THE INVESTMENTS (REPORTED ON ABOVE) FOR THE PERIOD ARE, TO THE BEST OF OUR KNOWLEDGE, IN COMPLIANCE WITH THE INVESTMENT STRATEGY EXPRESSED IN THE DISTRICT'S INVESTMENT POLICY AND THE PUBLIC FUNDS INVESTMENT ACT.

\*\*\*\* THIS REPORT AND THE DISTRICT'S INVESTMENT POLICY ARE SUBMITTED TO THE BOARD FOR ITS REVIEW AND TO MAKE ANY CHANGES THERETO AS DETERMINED BY THE BOARD TO BE NECESSARY AND PRUDENT FOR THE MANAGEMENT OF THE DISTRICT FUNDS.

SIGNATURE

\_\_\_\_\_  
RICHARD TORRES  
TREASURER

\_\_\_\_\_  
ROBBIE JONES  
VICE CHAIR

\_\_\_\_\_  
LESLIE ASHBY  
CHAIRMAN

\_\_\_\_\_  
KRIS LARSON  
PRESIDENT - CEO

Houston Downtown Management District  
Disadvantaged Business Enterprise Program (DBE) Activity Report

**Reporting Period: 1/1/2023 - 6/30/2023**

	2023			2022		
	<u>Operating</u>	<u>Capital</u>	<u>Total</u>	<u>Operating</u>	<u>Capital</u>	<u>Total</u>
Total Certified MWBE	\$ 1,046,902	\$ 15,969	\$ 1,062,871	\$ 803,478	\$ 91,289	\$ 894,767
Adjusted Total Spending	\$ 7,717,409	\$ 705,893	\$ 8,423,302	\$ 7,693,784	\$ 652,406	\$ 8,346,190
Less Qualified for Exclusion	\$ (3,843,378)	\$ (362,259)	\$ (4,205,637)	\$ (4,808,728)	\$ -	\$ (4,808,728)
Qualifying Total Spending	\$ 3,874,031	\$ 343,634	\$ 4,217,665	\$ 2,885,056	\$ 652,406	\$ 3,537,462
%MWBE Certified	27.0%	4.6%	25.2%	27.8%	14.0%	25.3%
Total Self-Certified MWBE	\$ 39,713	\$ -	\$ 39,713	\$ 477,310	\$ -	\$ 477,310
% Certified + Self-Certified	28.0%	4.6%	26.1%	44.4%	14.0%	38.8%

## MEMORANDUM

**DATE:** August 11, 2023

**TO:** HDMD Board

**FROM:** HDMD Nominations Committee

**RE:** Recommendation to Appoint an Officer & Executive Committee Composition

### Officer – Vice Chair Position

At the March 9<sup>th</sup> Board Meeting, the Board approved the Nominating Committee's recommendation to have Robbi Jones serve as interim Vice Chair due to the vacancy created by Ted Zwiég's retirement. Since that time, Ms. Jones has expressed an interest in transitioning out of the Treasurer & Investment Officer role to participate full time as the District's Vice Chair. The Committee convened and discussed, and now request the Board to consider appointing Robbi Jones to fill the Vice Chair position.

**Recommended Action:** Accept the Nominating Committee's recommendation to appoint Robbi Jones as acting Vice Chair to the District Board.

### Executive Committee Composition

The District convenes an Executive Committee ("HDMD ExCom") for the purpose of providing CHI management with direct feedback about current & future HDMD ExCom initiatives, administrative matters, and other policies that pertain to the professional management of the HDMD ExCom that do not require the full attention of the Board. It is a non-voting committee that does not have the power to act on behalf of the Board. The HDMD ExCom operates on an ad-hoc basis, meaning that it is not a true standing committee of the Board codified in the organization's governing documents. Further, the HDMD ExCom has historically been comprised on an ex-officio basis meaning that its composition is determined by virtue of directors serving as officers of the Board or Committee chairs.

**MEMORANDUM**

August 11, 2023

Page 2 of 2

Prior to 2023 and the establishment of the new collaborative committees, the HDMD ExCom included Board members who filled the following positions:

Chair	Marketing & Communications Chair
Vice Chair	Planning, Design & Construction Chair
Immediate Past Chair	Retail & Economic Development Chair
Treasurer	Maintenance & Operations Chair
Secretary	Public Safety Chair
Audit Committee Chair	

In some instances, Board members held multiple positions, resulting in an Executive Committee that vacillated in number. With the transition to the Collaborative Committees complete, the composition of the Executive Committee compels formal consideration by the full HDMD board.

**Recommended Action:** Effective immediately, the composition for the HDMD Executive Committee should include the following ten positions:

1. Chair
2. Vice Chair
3. Immediate Past Chair
4. Secretary
5. Treasurer
6. Audit Committee Chair
7. Enhance Committee liaison (Jacques D’Rovencourt)
8. Connect Committee liaison (Kenny Meyer)
9. Thrive Committee liaison (Edna Ramos)
10. Engage Committee liaison (Angus Hughes)

	2023		
	Approved Budget	Budget Amendments	Amended Budget
<b>Revenues</b>			
Net Assessment revenue	\$1,288,661	\$0	\$1,288,661
Project revenue	\$0	\$0	\$0
Interest	\$120,000	\$89,001	\$209,001 a
Utilization of Surplus Fund Balance	\$0	\$0	\$0
<b>Prior Fund Balance</b>	<b>\$5,182,744</b>		<b>\$5,182,744</b>
<b>Total Funds Available</b>	<b>\$6,591,404</b>	<b>\$89,002</b>	<b>\$6,680,406</b>
<b>Expenses</b>			
<b>Goal 1 Downtown feel safe &amp; comfortable</b>			
Street lighting enhancements	\$0	\$0	\$0
Irrigation & Landscape Smart System Implementation	\$375,000	(\$104,163)	\$270,837 b
Additional Trash Receptacles	\$0	\$0	\$0
<b>Total Goal 1:</b>	<b>\$375,000</b>	<b>(\$104,163)</b>	<b>\$270,837</b>
<b>Goal 2 Public realm is charming, inviting, beautiful &amp; celebrates life of city</b>			
Landscape improvements	\$200,000	(\$50,000)	\$150,000 c
2022 Prairie Street project/2023 More Space Main Street 2.0	\$1,370,000	(\$635,161)	\$734,839 d
Banners	\$335,000	\$0	\$335,000
Public space amenities	\$13,000	\$41,404	\$54,404 e
Market Square Improvements	\$0	\$200,000	\$200,000 f
<b>Total Goal 2:</b>	<b>\$1,918,000</b>	<b>(\$443,757)</b>	<b>\$1,474,243</b>
<b>Goal 3 Accessible to region &amp; easy to get around</b>			
Lighted street/parking signs	\$0	\$0	\$0
Improved pedestrian connections	\$1,556,387	(\$361,800)	\$1,194,587 g
Wayfinding signage	\$95,349	\$0	\$95,349
<b>Total Goal 3:</b>	<b>\$1,651,736</b>	<b>(\$361,800)</b>	<b>\$1,289,936</b>
<b>Goal 4 Vibrant, sustainable mixed use place</b>			
Downtown Living Initiative Grants	\$79,500	\$0	\$79,500
Retail catalytic grants	\$250,000	\$0	\$250,000
<b>Total Goal 4:</b>	<b>\$329,500</b>	<b>\$0</b>	<b>\$329,500</b>
<b>Goal 5 Downtown's vision &amp; offerings are understood by all</b>			
Technical assistance grants	\$0	\$0	\$0
<b>Total Goal 5:</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Goal 6 District governance &amp; excellence known for excellence</b>			
Capital replacement	\$254,400	(\$30,000)	\$224,400 h
<b>Total Goal 6:</b>	<b>\$254,400</b>	<b>(\$30,000)</b>	<b>\$224,400</b>
<b>Total Expenditures</b>	<b>\$4,528,636</b>	<b>(\$939,720)</b>	<b>\$3,588,916</b>
<b>Revenue in Excess (Deficit) Expense</b>	<b>\$2,062,768</b>	<b>\$1,028,722</b>	<b>\$3,091,490</b>

a \$89K increase due to better than expected interest rates at TexPool prime.

b 2023 Irrigation expense is \$104K less than forecasted.

c Excluding \$685K in engineering costs that will not be expended in 2023. Added in \$50K for Main Street Market Square projection system.

d 2023 budget adjusted \$41K for replacement of sculpture fabric and cables earlier than expected at Trebly Park.

e \$50K decrease due to expenses are coming less than forecasted.

f \$200K increase for Market Square improvements.

g \$50K increase for expenditures expected to be paid to TxDot and Huitt Zollars for construction and design, \$412K decrease in planned expense for contingencies.

h \$30K reduction in forecast for capital replacement

Houston Downtown Management District  
2023 Budget Amendment Proposal  
August 16, 2023

	Approved Budget	2023 Budget Amendments	Amended Budget
<b>Revenues</b>			
Assessment revenue	15,141,762	-	15,141,762
Total Other Revenue	1,026,500	(88,084)	938,416 a
Interest	240,000	285,238	525,238 b
Utilization of Surplus Fund Balance	3,346,600	(696,722)	2,649,878 c
<b>Total Funds Available</b>	<b>19,754,862</b>	<b>(499,568)</b>	<b>19,255,294</b>
<b>Expenses</b>			
<b>Goal 1. Downtown feels comfortable and safe at all times</b>			
1a. Collaboration to maintain low crime rate	3,424,045	(59,031)	3,365,014 d
1b. Reduced presence of homeless & street persons	1,015,130		1,015,130
1c. Downtown's sidewalks are comfortably lighted	209,526	(2,784)	206,742 e
1d. Downtown noted for cleanliness and well kept appearance	4,992,788	206,252	5,199,040 f
1e. Remove conditions of disorder in downtown	87,321		87,321
1f. Prepare for and respond to emergencies	128,767	(7,945)	120,822 g
<b>Total Goal 1:</b>	<b>9,857,577</b>	<b>136,492</b>	<b>9,994,069</b>
<b>Goal 2. Public realm is charming, inviting, beautiful and celebrates the life of the city</b>			
2a. Key pedestrian areas are inviting	644,323	(33,268)	611,055 h
2b. Public spaces: managed, programmed and delightful	1,800,904	(35,939)	1,764,965 i
2c. Place of civic celebration	1,761,228	(91,023)	1,670,205 j
<b>Total Goal 2:</b>	<b>4,206,455</b>	<b>(160,230)</b>	<b>4,046,225</b>
<b>Goal 3. Accessible to region and easy to get around</b>			
3a. Effective transit access: more places, more hours	172,227		172,227
3b. Convenient circulation without a personal vehicle	-		-
3c. Easy to find way around	131,316	(3,467)	127,849 k
3d. Connect neighborhoods and districts inside/outside downtown	95,111		95,111
3e. Convenient, understandable and managed parking	7,386		7,386
<b>Total Goal 3:</b>	<b>406,040</b>	<b>(3,467)</b>	<b>402,573</b>
<b>Goal 4. Vibrant, sustainable mixed use place</b>			
4a. Best place to work in region	621,326	(1,400)	619,926 l
4b. Exciting neighborhoods to live in	1,143,640	(117,199)	1,026,441 m
4c. Competitive shopping place	20,311		20,311
4d. Remarkable destination for visitors	16,480		16,480
<b>Total Goal 4:</b>	<b>1,801,757</b>	<b>(118,599)</b>	<b>1,683,158</b>
<b>Goal 5. Downtown's vision and offerings are understood by all</b>			
5a. Market to region	1,305,386	(211,841)	1,093,545 n
5b. Promote downtown's ease of use	94,672		94,672
5c. Vision/ development framework understood by all	725,281	(100,000)	625,281 o
5d. Tools to assist continued redevelopment	26,687		26,687
5e. Information to support development, investment and marketing of	21,596		21,596
<b>Total Goal 5:</b>	<b>2,173,622</b>	<b>(311,841)</b>	<b>1,861,781</b>
<b>Goal 6. District governance and service known for excellence</b>			
6a. Board and administration: engage stakeholders in decision making	1,153,062	(41,683)	1,111,379 p
6b. Communications to owners, tenants and others	52,550	(417)	52,133 q
6c. Preservation of the District's capital assets	103,800	177	103,977 r
<b>Total Goal 6:</b>	<b>1,309,412</b>	<b>(41,923)</b>	<b>1,267,489</b>
<b>Total Expense</b>	<b>19,754,862</b>	<b>(499,568)</b>	<b>19,255,294</b>
Revenue in Excess (Deficit) Expense	-	-	-

Houston Downtown Management District  
2023 Budget Amendment Proposal

Footnotes

- a \$85K reduction in Marketing revenue due to elimination of Theater District reimbursement and \$4K reduction in utility reimbursements for Trebly Park offset by \$1K in vending revenue.
- b \$285K increase due to better than expected interest rates at TexPool Prime.
- c \$697K decrease in use of surplus fund as the result of \$500K in expense reductions and \$197K in increased revenue.
- d \$143K reduction in Safety Guide expense and \$5K Law Enforcement support. \$60K increase in HPD off-duty personnel costs, \$6K in HPD coordinator costs and \$28K in HPD off-duty equipment (new golf cart).
- e \$3K reduction in Street Lighting Amenities.
- f \$89K increase in Street Teams due to reduction in Safety Guides, \$98K increase in Landscaping for water, \$37K in Operations Center costs due to new lease accounting adjustment, offset by \$18K reduction in Trash Collection and Rat Abatement.
- g \$8K reduction in Emergency Preparedness costs.
- h \$33K reduction in Accent Plant costs.
- i \$22K reduction in Main Street Market Square maintenance costs for electricity and fountain plantings, \$2K reduction in Market Square maintenance costs and \$28K reduction in Trebly Park maintenance costs due to delayed opening. \$17K increase in programming due to Trebly Park grand opening
- j \$36K reduction in Pole & Pot maintenance, \$62K decrease in Holiday Promotions and Art Insurance offset by \$7K increase in Allen Parkway maintenance reimbursed by the DRA.
- k \$3K reduction in Wayfinding Contractor expense.
- l \$1K reduction in Economic Development expenses.
- m \$117K reduction in DLI payments due to decreasing property values.  
\$212K reduction in Marketing expense due to \$90K elimination of Theater District marketing expense and reductions overall in marketing expense.
- n \$100K reduction in planning & consulting for the North San Jacinto project due to delay in getting started.
- p \$26K reduction in Operations general expense budget for professional development, \$35K in Admin costs (legal, professional development, and insurance) \$6K reduction in Marketing general expense budget offset by \$25K in Admin Contractor adjustments for staff changes.
- q Slight decrease in web costs for the district.
- r Slight increase in depreciation.

<b>ACTION ITEM</b>	Authorize additional 2023 expenditures for the maintenance and repairs of the Allen Parkway amenities.
<b>SERVICE PLAN</b>	2021-2025
Account Code	834.202
Budget Year	2023
Budget Amount	\$150,000
<b>REQUEST</b>	Not to exceed \$100,000
<b>DESCRIPTION</b>	This action enables the District to continue to utilize the contractors to perform maintenance and repair work along Allen Parkway.
<b>DISCUSSION</b>	Several contractors will perform maintenance and repair tasks including, but not limited to, street lighting, irrigation, landscaping, tree replacements, median bollards, pavement markings, traffic signage and solar-powered speed feedback signs. This budgetary amount will fund the work to the end of the year. These costs are fully reimbursed by the DRA in the amount of \$750,000 over 5 years.
<b>DBE Participation</b>	Maintenance-to-Go, the District's current irrigation contractor is a City-certified DBE vendor.



<b>ACTION ITEM</b>	Authorize additional 2023 expenditures for the maintenance and repairs of the Main Street Square Fountain and the Cotswold fountains.			
<b>SERVICE PLAN</b>	2021-2025			
Account Code	835.202	835.200	443.210	443.220
Budget	\$120,000	\$60,000	\$100,000	\$150,000 (+75K)
<b>REQUEST</b>	Not to exceed \$430,000 (increase of \$75,000 from prior authorization)			
<b>DESCRIPTION</b>	The additional amount requested will allow more repair work to occur on the Cotswold fountains this year.			
<b>DISCUSSION</b>	The budgeted amount of \$75,000 for Cotswold fountain repairs that the Board initially authorized in January 2023 was an estimate which turned out to be lower than the actual not to exceed amount in the Houston First agreement. This request will authorize the District to spend up to the total not to exceed amount (\$250,000) stated in the Houston First agreement for the term ending on December 31, 2023. There are two possible annual renewals if both parties agree to extend the agreement after the initial term. The maintenance and repair costs for the Cotswold fountains are fully reimbursed by Houston First.			
<b>DBE Participation</b>	inCon-Trol Water Systems does not qualify as a DBE but plans to utilize DBE suppliers and potential sub-contractors when needed.			

<b>ACTION ITEM</b>	Authorize expenditure to the City of Houston for enhanced street lighting electricity expenses for 2022.
<b>SERVICE PLAN</b>	2021-2025
Account Code	812.200
Budget	\$50,000
<b>REQUEST</b>	Not to exceed \$28,000
<b>DESCRIPTION</b>	This annual payment is related to the incremental electricity cost increase for improved street lighting above and beyond the cost the City of Houston would have incurred based on the lighting scheme prior to new street lights being installed. The District pays the electricity costs for the incremental light wattage increase.
<b>DISCUSSION</b>	The current invoice amount is based on the streetlights installed through the end of 2022. Last year's invoice amount was approximately \$19,000.
<b>DBE Participation</b>	City of Houston is not a DBE.

<b>ACTION ITEM</b>	Authorize 2023 expenditure with Gulf Coast Pavers to remove the fence and materials from the Chartres storage yard.
<b>SERVICE PLAN</b>	2021-2025
Account Code	590.800
Budget & Year	\$ 250,000      2023
<b>REQUEST</b>	Not to exceed \$ 25,000
<b>DESCRIPTION</b>	This expenditure allows for the permanent removal of the storage yard fence and the relocation of stored materials from the smaller yard on Commerce @ Chartres.
<b>DISCUSSION</b>	Over the past years, the District installed multiple storage yards under the I-69 freeway at Commerce and Chartres. The storage areas were used to store pavers, planter pots, port-a-can shrouds and landscaping material. The City of Houston has requested the fence be removed so the bike trail segment located within this block can be re-opened for bicyclists to connect to the existing trail that continues to run northbound towards the bayou. The materials stored in the yard will be moved to other storage areas or discarded.
<b>DBE Participation</b>	Gulf Coast Pavers does not qualify as a DBE company.

**ACTION ITEM** Authorize 2023 expenditure to modify the Off Duty Police Officer Program.

<b>SERVICE PLAN</b>	2021-2025		
Account Code	818.301	816.200	818.200
Budget & Year	\$291,200	\$30,000	\$7,000

**REQUEST** Not to exceed \$93,500

**DESCRIPTION** The expenditure will allow modifications to the Off Duty Police Program to provide a stronger presence and be more mobile to respond to incidents and concerns.

**DISCUSSION** The Off Duty Police Program was created to add uniformed police presence to the streets. This action will allow the District to raise the pay rate from \$50/hr to \$60/hr and provide golf carts to each officer to be more visible, mobile, and efficient.

The funding for this modification will be offset from underspending in other budget codes.

**M/WBE Participation** N/A

<b>ACTION ITEM</b>	Authorize the President/CEO to enter into an agreement and related expenditures for Market Square Park improvements.
<b>SERVICE PLAN</b>	2021-2025
Account Code	596.406
Budget & Year	\$0 2023
<b>REQUEST</b>	Not to exceed \$200,000
<b>DESCRIPTION</b>	The expenditure will allow for the conversion of the dog parks to turf and replace decomposed granite in the dining area.
<b>DISCUSSION</b>	<p>Currently, the dog park surface is decomposed granite. The compaction of the granite is continually lost with rain and dog activity in the parks. The new turf will be easier to maintain and provide a fresh new aesthetically pleasing look to the Park. The decomposed granite in the dining area needs to be re-installed to provide more material to cover washed out spots and exposed tree roots.</p> <p>The funds allocated for this action will be offset from underspending in other account codes.</p>
<b>M/WBE Participation</b>	TBD

<b>ACTION ITEM</b>	Authorize Production of Quarterly Downtown Market Reports
<b>SERVICE PLAN</b>	2021-2025
Account Code	621.501
Budget	\$50,000 (as amended)
<b>REQUEST</b>	Not to exceed \$35,000
<b>DESCRIPTION</b>	Expenditure will cover the costs for design & printing of the 3Q 2023 Downtown Market report to debut and be distributed at the Nov 2 State of Downtown / Annual Meeting event.
<b>DISCUSSION</b>	<p>The new quarterly market reports will be a timely, trusted and beautifully packaged collection of market intelligence and insights that positions Central Houston as the subject matter expert on all things Downtown. Over time, this document will become one of the most anticipated work products of the organization. Content will include detailed analytical coverage on all real estate property types, plus other relevant market data such as demographics, transit utilization, the development pipeline, storefront openings, etc. Audiences include the real estate investment community, current and prospective Downtown stakeholders, business owners, etc., plus media and others looking for reliable information about the local market.</p> <p>As with the monthly “<i>What’s Next</i>” email, it is essential that HDMD publishes these reports with an established discipline and cadence to maintain their relevancy and reliability among stakeholders. A mailed distribution to local brokers, property owners, media and other influencers will complement in-person distribution to board members and local stakeholders. Streetsense, our vendor leading the new brand design work, will produce the design for the initial reports given their expertise with these types of documents and their first-hand knowledge of our new brand guidelines.</p>
<b>DBE Participation</b>	TBD

**ACTION ITEM** To advance the Downtown District Public Art Program, authorize the creation of interactive public art: Music Boxes, to be installed in Market Square Park and Trebly Park from the beginning of November, 2023 through January, 2024

**SERVICE PLAN** 2021-2025  
 Account Code 633.390  
 Budget Amount \$30,000 2023

**REQUEST** \$30,000

**DESCRIPTION** Public art that captivates the imagination and engages people of all ages not only provides aesthetic benefits, by encouraging exploration and increasing dwell time, it can also deliver economic impacts.

**DISCUSSION** In collaboration with placemaking initiatives in the Downtown Houston Theater District, this winter holiday season will see the introduction of eight unique, fun, interactive music boxes at three corners of Lynn Wyatt Square and in the Wortham Theater's Fish Plaza. By installing two additional music boxes, one in Market Square Park, and another in Trebly Park, with companion signage to encourage exploration of all 10 of Downtown's holiday music boxes, the delightful experience and happy memories can tie three key Downtown venues together.

Custom music boxes will be created in various shapes: a treble clef in Trebly Park, a harp or saxophone in Market Square Park, etc. Crank operated with a light feature and music that is powered by turning the crank, they require no external source of power.

**DBE PROGRAM** Vendor LeMonde Studio is not DBE certified

<b>ACTION ITEM</b>	Authorize the execution of agreements by the President/CEO and related expenditures for Marketing and Advertising
<b>SERVICE PLAN</b>	2021-2025
Account Code	643.366
Budget Amount	\$180,000      2023
<b>REQUEST</b>	\$60,000
<b>DESCRIPTION</b>	Capitalizing upon a refreshed brand identity and enhanced reasons to be in Downtown, targeted marketing and advertising will amplify recognition and excitement, and drive traffic to key Downtown offerings.
<b>DISCUSSION</b>	<p>The proposed marketing activities and advertising placement will focus on the Farmers Market, Lynn Wyatt Square, Downtown Houston Presents event series, and City Lights Holiday Celebration.</p> <p>Advertising creative will incorporate a strong call-to-action and impact measurement.</p> <p>Anticipated placements may include:  digital banner advertising in relevant business publications: HBJ, Houston Chronicle., Bisnow, etc.  IKE Kiosks (in addition to the public service space IKE is already required to provide us)  Regional buys with other strategically focused outlets  As feasible, additional out of home advertising</p>
<b>DBE PROGRAM</b>	Vendor Medley-Inc is DBE certified





CENTRAL HOUSTON, INC.

# STRATEGIC ALIGNMENT PLAN UPDATES

AUGUST 2023

# GOAL 1

## Champion major projects, initiatives and investments that improve Downtown.

- 1.1** Build and maintain cross-sector relationships with area leaders so that CHI can support, facilitate or lead on catalytic opportunities.

**Highlight:** For the first time, CHI is producing a mayoral candidate forum focused on issues important to Downtown stakeholders. The event will be held on August 22nd and will be hosted at the South Texas College of Law Houston (STCL). The Op-Ed editor at the *Houston Chronicle*, Lisa Gray, will serve as the event moderator. CHI staff has sought guidance from local political science professors and the League of Women Voters regarding the event program and structure, and has offered GHP, UHD and STCL the opportunity to invite their members, staff and students (where applicable) to the event. The last day for prospective candidates to file for a place on the ballot is Monday, August 21st.

**Participating Agencies:**



- 1.3** Plan collaboratively for Downtown’s evolving edges, connections, and major attractions.

**Highlight:** On June 28th, CHI leadership presented to the Mayor and his NHHIP Steering Committee a series of designs on the proposed 25 “Garden Bridges” that will link Downtown to adjacent neighborhoods. These Garden Bridges are made possible with the advent of the highway project. CHI has been working with TxDOT and adjacent communities to design these Garden Bridges with a wider, more comfortable pedestrian realm for increased safety for pedestrian and multi-modal users. The Garden Bridges will accommodate buffer plantings, separating vehicles from pedestrians and bicyclists, and will ease pedestrian use through the construction of shade trellises.

**Participating Agencies:**



## GOAL 2

### Enhance and maintain a comfortable, welcoming, and well-managed public realm.

- 2.7** Expand collaboration and explore novel approaches to maintain a low crime rate and make Downtown feel safe.

**Highlight:** CHI management has secured a lease of the former “Rachel’s Café” space across Prairie Street from the Beacon to serve as a “satellite” security outpost. This satellite would provide a high level of transparency for outreach, security, and law enforcement personnel and serve as a regular drop-in location for HPD officers. This strategy is intended to produce more consistent “eyes on the street”, a method used for decades to help improve public safety.

In a related strategy, Beacon leadership will conduct a two-week diversion of services to help facilitate a “reset” of the environmental conditions in the proximate area. During that period, CHI would rally an intense level of outreach and HPD enforcement within the area to help get people into housing and deter nuisance and criminal activity. The temporary service diversion is scheduled for Aug 5th – 14th. The aforementioned satellite space is opening on a commensurate timeline to help reinforce an elevated crime deterrence presence to support a sustained crime rate reduction.

**Participating Agency:**



- 2.10** Broadly address the needs of people experiencing homelessness and the associated impacts.

**Highlight:** As of August 3rd, the HDMD-funded housing surge pilot initiative, approved in November 2022, has successfully housed 96 individuals. Developed in partnership with The Coalition for the Homeless, the initiative provides interim rent subsidies, allowing unhoused individuals to wait for their future home, inside their home, during the 90-day waiting period for governmental subsidy approval. With HDMD's \$500K contribution, of which \$286K has been utilized, the initiative is set to exceed expectations in the number of people housed, therein significantly impacting homelessness in Downtown.

**Participating Agencies:**



## GOAL 3

Drive vibrancy through improved street-level connectivity, a commitment to walkability, and inclusive programming strategies.

- 3.5 Partner with public and private property owners to beautify targeted corridors or block faces to improve connectivity.

**Highlight:** In conjunction with the Beacon Service Diversion initiative, staff will deploy a contractor to address the failing curb and gutter in the 1100 – 1200 blocks of Prairie Street. The existing curb and gutter are in disrepair due to ground and base material subsidence which has resulted in major water ponding issues. These failures pose a significant trip and safety hazard for pedestrians and result in additional work for our cleaning and maintenance crews in dealing with the stagnant water. The failing portions of curb and gutter will be removed and reinstalled with positive drainage.

**Participating Agencies:**



- 3.8 Prioritize investments in pedestrian lighting on key walking corridors and near residential buildings.

**Highlight:** Arup has officially kicked off work on the Downtown Pedestrian Lighting Framework. They have completed the Pre-Assessment Report, a subjective analysis of the visual impressions and conditions in our Downtown based on their professional experience of comparable urban settings. In July, they also conducted the first round of multiple night surveys to measure and build a Survey of Existing Conditions for the entirety of Downtown. This includes capturing at least five light-level measurements per blockface plus one at each intersection. This survey effort will continue through September, followed by a deeper, dive Nighttime Vulnerability Assessment of strategically selected locations.

**Participating Agency:**



## GOAL 4

### Foster a vital and thriving economy through business growth, residential expansion, and enhanced reasons to be in Downtown.

- 4.10** Continue investing in innovation and technology start-ups to support the diversification of the Downtown employment base.

**Highlight:** To advance the framework by which the Downtown Launchpad start-up and innovation center can further its commitment to serve and attract a richly diversified Downtown employment base, CHI executive leadership has initiated a comprehensive assessment of opportunities for programmatic partnerships within the Launchpad. This preliminary study of the Downtown Launchpad’s ecosystem suggests several fruitful avenues that, once implemented, might serve to advance diversified business opportunities for entrepreneurs through the Launchpad that will enrich Downtown’s business climate. We look forward to announcing and implementing these suggestions as we engage the questions raised by the opportunity to make the Downtown Launchpad both a site for scaling business and a funnel for business retention Downtown.

**Participating Agencies:**



- 4.16** Enhance and expand data capabilities and reporting to provide more detailed intelligence to stakeholders and prospects.

**Highlight:** CHI management recently hired 2 individuals to comprise the organization’s research team. Brendan Harrison joined CHI on June 26th as the senior member of the in-house research team and will also take the lead on office-focused economic development strategies. Before joining CHI, Brendan worked as an Underwriting Associate for Trimont Real Estate Advisors in Dallas, TX where he prepared in-depth market research to support commercial acquisition strategies. Brendan possesses a MS in Economics from Texas A&M and moved back to his hometown of Houston, TX for the opportunity. Additionally, Tahsin Fairouz joined the research team in a support capacity on July 10th. Tahsin will support the organization’s research needs beyond real estate, including operations analyses & reporting, marketing metrics, and materials that help articulate CHI’s and Downtown’s progress. Tahsin graduated from the University of Houston in the spring of 2023 with a BA in Economics.

**Participating Agencies:**



## GOAL 5

Develop a hivemind of intelligence and goodwill by genuinely engaging and convening stakeholders.

- 5.4** Explore the potential for simplifying stakeholders' awareness of CHI and its affiliates by unifying their brand identities.

**Highlight:** The goal of unifying CHI, DRA, and HDMD brand identities to enhance and streamline stakeholders' awareness advanced through three virtual presentations to more than 40 board and collaborative committee members. Overwhelmingly positive feedback greeted the presentations. Comments included: "feels more forward-looking," "reflects the future of Downtown being for everyone," and "it shows how our city works together." One key aspect of the rebrand is that the four existing legal entities' names will remain distinct, while being brought together under a shared "umbrella" identity, via a single website and a more intuitive user experience. Logo design has commenced.

**Participating Agencies:**



- 5.7** Develop programs and collateral to orient new companies, employees, and residents to Downtown.

**Highlight:** Growing Downtown's residential base is a strategic priority for CHI, the City of Houston, and partners. It is specifically called out in our strategic plan, which aims to reach a residential population of 15,000 by 2027. With the most effective advertising for Downtown living being good word-of-mouth from current residents, the Residents and Rooftops summer event series launched to bring prospective residents together with Downtown residents, while showcasing some breathtaking views. Reporting positive experiences with the events, property managers requested making them a regular feature of Downtown District's community-building among "Downtowners by choice." Brava hosted the final event of the summer series on Wednesday, August 9th.

**Participating Agencies:**



Engagements

**60,332**

Total

Homeless Count

**253**

Average

Sidewalk Cleaning

**4.12**

Average

Garbage Disposed (Tons)

**1042**

Total

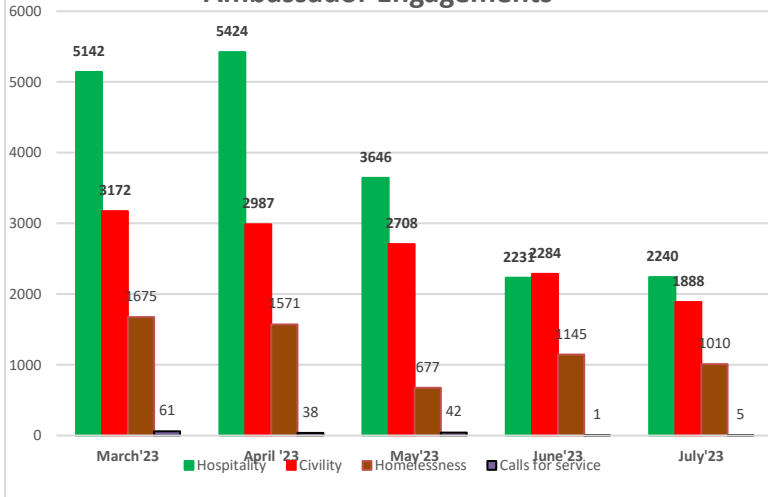
Reliability

**87%**

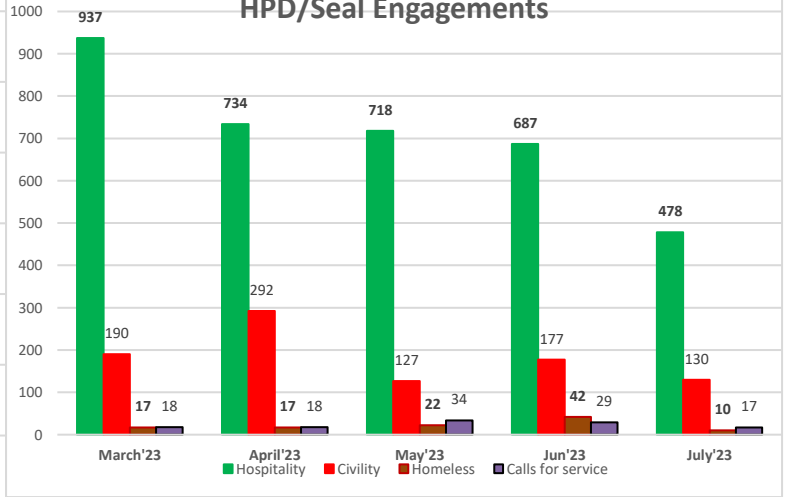
Average

## Safety & Quality Control

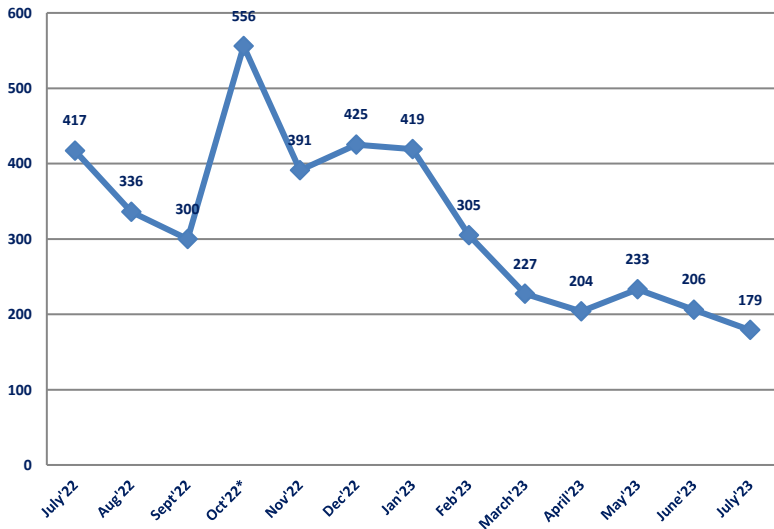
**Ambassador Engagements**



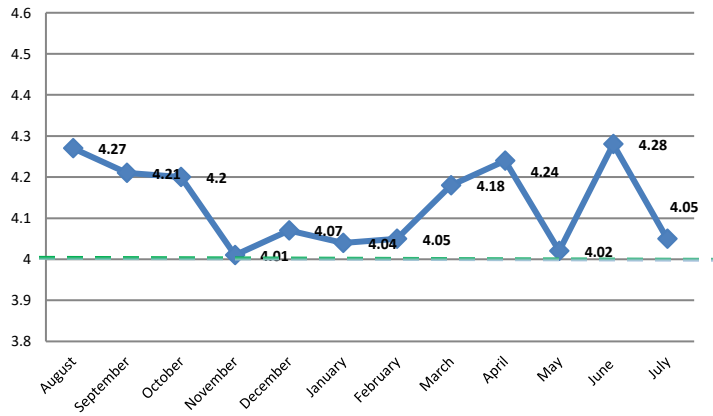
**HPD/Seal Engagements**



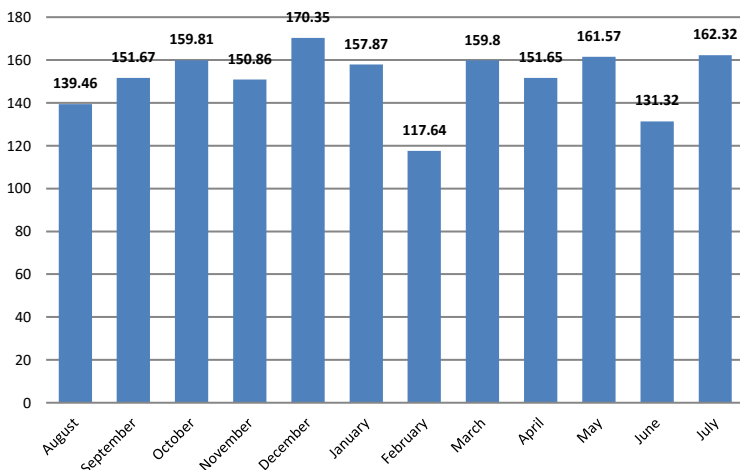
**Homeless Count**



**Sidewalk Cleaning**



**Garbage Disposed (Tons)**



**Reliability**

