



Board of Directors Meeting
November 9, 2023

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

October 12, 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 October 12, 2023 at 11:00 a.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	Lacee Jacobs
Leslie Ashby	Robbi Jones
Kinder Baumgartner	Roland Kennedy
Genora Boykins	Sean Liu
Clay Crawford	Ben Llana
Marcus Davis	Nick Massad
Terry Demchak	Sherea McKenzie
Jacques D’Rovencourt	Kenny Meyer
Kelly Foreman	Cat Nguyen
Irma Galvan	Randy Pryor
Marian Harper	Edna Ramos
Gilbert A. Herrera	Frem Reggie
C.C. Huang	Grace Rodriguez
Angus Hughes	John Schafer
Toni Jackson	Richard Torres

and all of the above were present, with the exception of Directors Allen, Baumgardner, Davis, D’Rovencourt, Galvan, Harper, Herrera, Huang, Hughes, Jackson, Jacobs, Liu, McKenzie, Nguyen, Ramos, and Schafer.

Also in attendance were Kris Larson, President/CEO; staff members Jacque Gonzalez, Albert Sanchez, and Jamie Perkins; and Clark Lord, outside counsel to the District.

2024 BUDGET PLANNING WORK SESSION

President Larson welcomed everyone in attendance at 11:07 a.m. Based on the number of Directors present at that time, quorum was not established, and no meeting business was conducted.

President Larson then provided a recap of the September 14th budget work session. He outlined the 2024 District Priorities, which were identified through Director discussions during the September planning session. Larson continued by engaging Directors in a deep dive into the seven focus areas of

Public Safety, Homelessness, Clean & Maintained, Public Realm & Programming, Capital Projects & Economic Development, Marketing & Communications and any other areas of interest.

President Larson concluded by thanking the Directors for their participation and announced the next steps, which included bringing a draft budget to the full Board to review in November and a public meeting for the community regarding the same.

MEETING BUSINESS & QUORUM

In addition to the thirteen Directors present for the 11:00 a.m. budget planning session, Directors Baumgardner, Davis, D’Rovencourt, Foreman, Huang, Hughes, Jackson, Jacobs, and Liu joined the meeting, constituting a quorum at 12:17 p.m.

Also joining the meeting were District staff members Allen Douglas, Jordan Cutler, Scott Finke, Keith Gould, Jana Gunter, David Gwin, James Kennedy, Dusty McCartney, Luis Nunez, Catherine Taraviras, and Ann Taylor.

Guests attending from the public included Eugene Lee with the One Market Square Parking Garage, Danielle Page with the City of Houston Public Works Department, and Linda Trevino with METRO. Chair Ashby called the Board meeting to order. Jamie Perkins served as Assistant Secretary.

PUBLIC COMMENT

Chair Ashby asked if anyone from the public had comments. No comments were brought forth from the public.

APPROVAL OF MINUTES

The Board considered approving the minutes of the August 16, 2023 and September 14, 2023 regular Board of Directors meetings. Hearing no questions or need for discussion, Chair Ashby called for a motion, which was moved and seconded, and the August and September Board minutes were approved as presented.

ITEMS PERTAINING TO FINANCE AND ADMINISTRATIVE MATTERS

Approval of Financial Statements and Ratification of Expenditures

Chair Ashby asked Richard Torres to present the interim financial statements and check registers for the periods ending August 31, 2023 and September 30, 2023. Director Torres shared highlights from the August and September statements and check registers. Questions were asked and answered.

Upon a motion made by Chair Ashby, the motion was moved by Director Hughes, and seconded by Director Davis, and the Board accepted the August and September 2023 financial statements and check registers as presented.

Report of Audit Committee on MWDBE Program Review

Vice Chair Jones provided a verbal update on the Audit Committee’s annual review of the MWDBE Program. She stated the Committee discussed a new initiative for 2024 focusing on assisting MWDBE business owners through the certification process of becoming certified at the local or state level. Next,

she disclosed the Committee's recommendation to set the 2024 MWDBE goal at 25%. Discussion ensued and questions were asked and answered.

Chair Ashby called for a motion, moved by Director Davis, and seconded by Director Rodriguez; and the Board accepted the Audit Committee's recommended 2024 DBE goal of 25%.

Authorize Execution of Agreements and expenditures for Tax Assessor/Collector and Related Legal Fees

Jana Gunter was called on to present a request that would authorize the execution of agreements and related expenditures for professional tax collector/assessor services with Utility Tax Services and related legal fees for assessment collections with Linebarger, Goggan Blain & Sampson, LLP in an amount not to exceed \$95,000. Questions were asked and answered.

Chair Ashby called for a motion; moved by Director Crawford and seconded by Director Meyer, and the board approved this request as presented.

UPDATE ON 2024 BUDGETING MATTERS

President Larson provided a brief recap to the full Board on the status of the 2024 Budget Work Sessions. He noted next steps, which included bringing a draft budget to the full Board for review in November and a public meeting for the community regarding the same.

PROJECT SPOTLIGHT – MORE SPACE MAIN STREET 2.0

Chair Ashby invited Jacque Gonzales to share a presentation about the More Space Main Street 2.0 project. Ms. Gonzalez provided an overview of the project's origins and shared details on how the District collaborated with local businesses and governmental stakeholders to implement the More Space Main Street concept on a permanent basis. Discussion ensued and questions were asked and answered. No further action was required.

PROGRAM AUTHORIZATIONS

Operations

Brett DeBord presented a request for Board consideration that would authorize the President/CEO to execute an agreement with the Harris County Sheriff's Office and the related expenditures to partner with law enforcement and outreach teams, in an amount not to exceed \$29,100. There were no questions and discussion did not take place.

A motion was called by Chair Ashby, moved by Director Baumgartner, and seconded by Director Massad, and the request for partnering with law enforcement and outreach teams was approved as presented.

Economic Development

Chair Ashby invited David Gwin to introduce a request for Board consideration that would authorize procurement of a consulting firm to provide guidance with developing a storefront business recruitment and retention strategy, in an amount not to exceed \$50,000. There were no questions and discussion did not occur.

A motion was called, which was moved by Director Hughes, and seconded by Director Huang, and the request for procuring a consulting firm for retail strategy guidance was approved as presented.

Engagement Team

Ann Taylor shared two requests on behalf of the Engagement Team. The first request would authorize the release of the remaining 2023 funds budgeted for media and advertising, in an amount not to exceed \$100,000. A motion was called, which was moved by Director Demchak, and seconded by Director Hughes, and the request for the remaining 2023 media and advertising funds was approved as presented.

Next, Ms. Taylor presented a request for expenditures related to 2023 holiday programming, in an amount not to exceed \$120,000. Questions were asked and answered. Then Chair Ashby called for a motion, moved by Director Kennedy and seconded by Director Massad, and the request for 2023 holiday programming 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

There were no questions or other matters brought forth by the Board.

OTHER BUSINESS

Chair Ashby reminded Directors of the need to form a Governance Task Force and called for volunteers. Directors Crawford, Jackson and Liu volunteered.

NEXT MEETINGS & ADJOURNMENT

Chair Ashby announced the next Board meeting is scheduled for November 9, 2023 and will be held in person. There being no further business to come before the Board, the meeting ended at 1:16 PM.

Jamie Perkins, Assistant Secretary
Houston Downtown Management District

YTD October 2023 Balance Sheet

Assets

Operating Cash Balance is \$1.3M

TexPool Investments \$9.9M

2022 Assessments Due: 98% have been collected

2022 Assessments Receivable \$365K

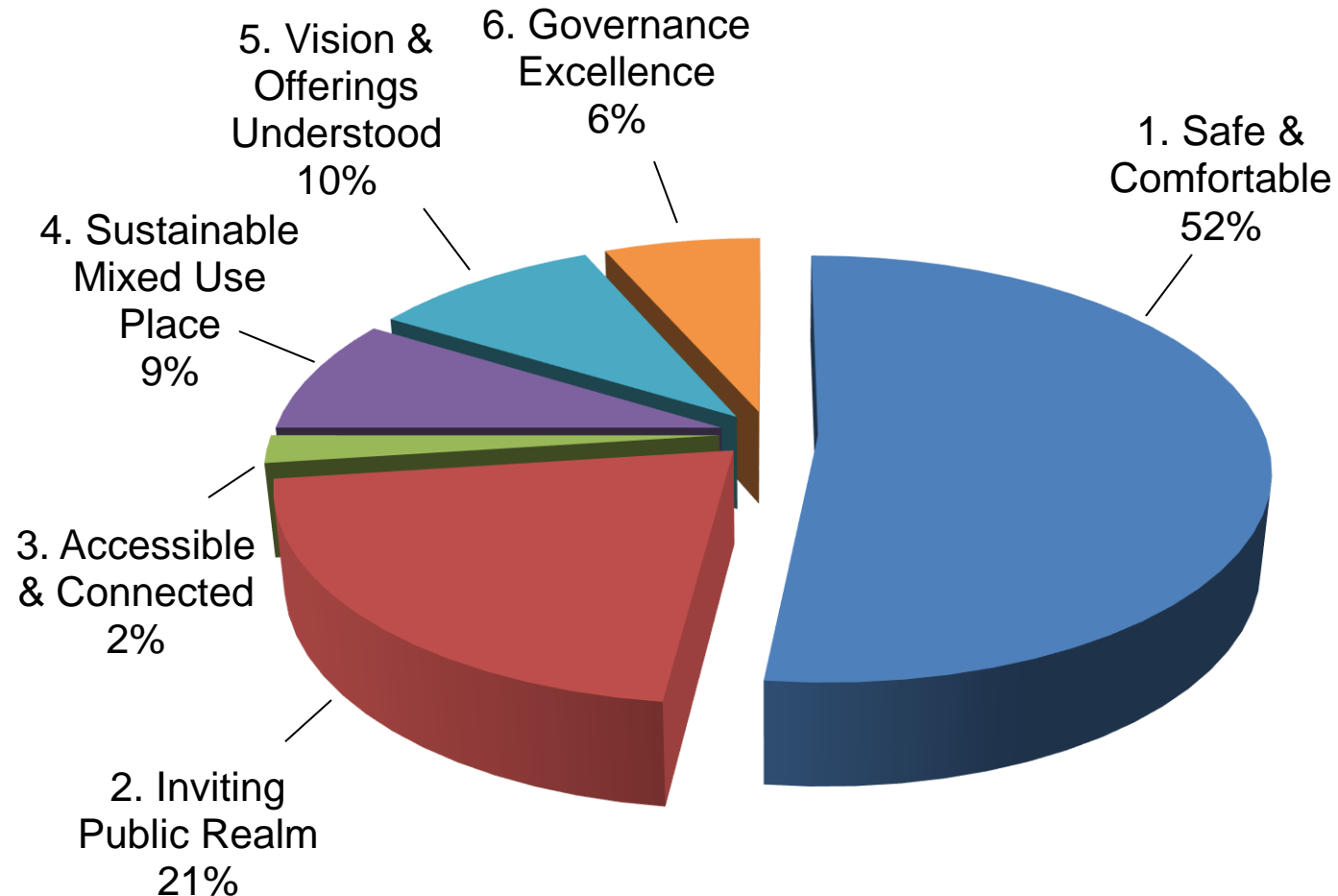
Liabilities

Reserves for Property Value Protests are \$636K. \$68K lower than projected using an average 8-year loss rate of 11.3% for 2022 tax assessments.

Fund Balance

Unrestricted Fund Balance is \$6.5M, \$1.7M in excess of 2023 Minimum Fund Balance Target of \$4.8M at October 31, 2023

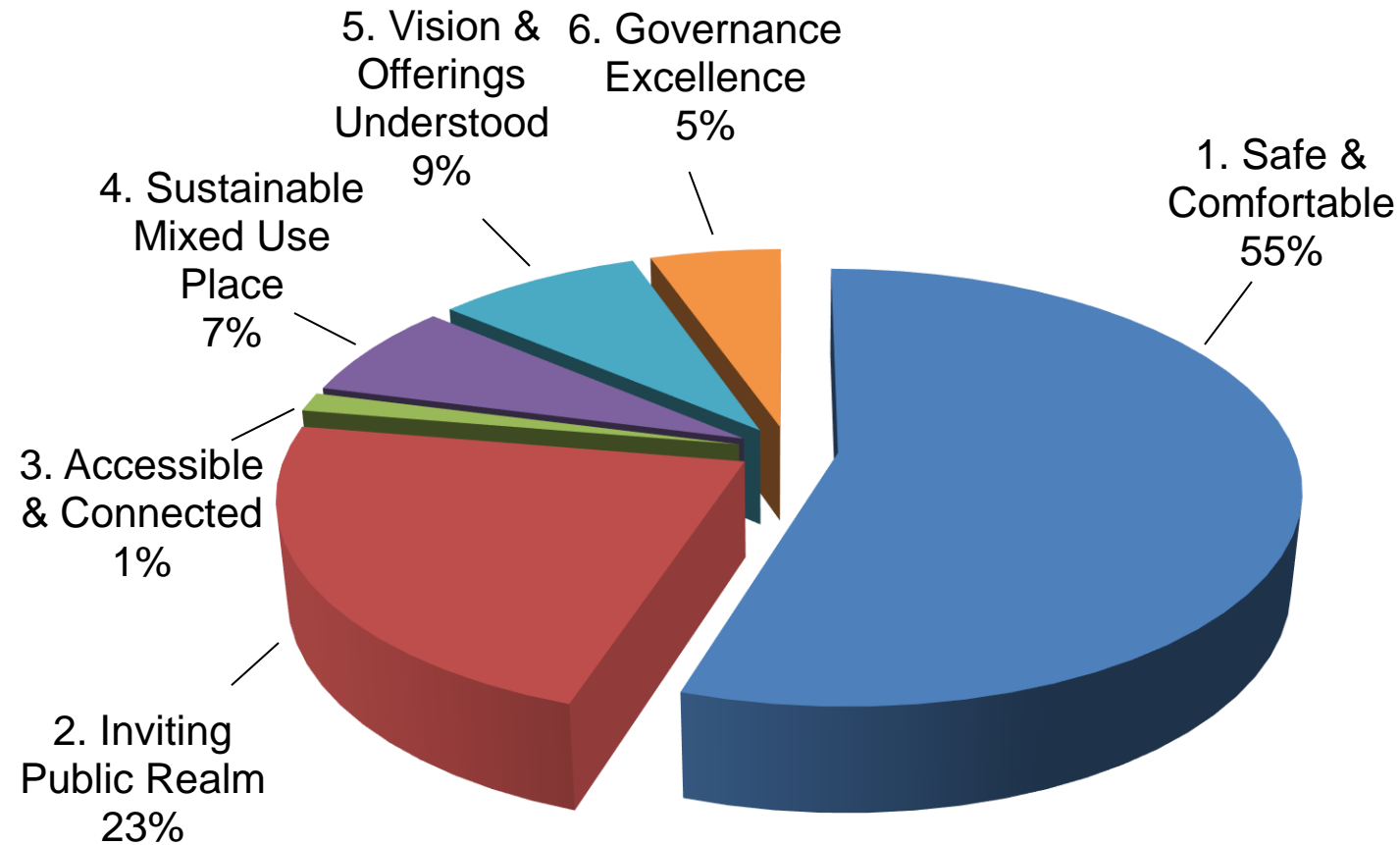
2023 Amended Budget



Total: \$22,844,210

Operating: \$19,255,294 Capital: \$3,588,916

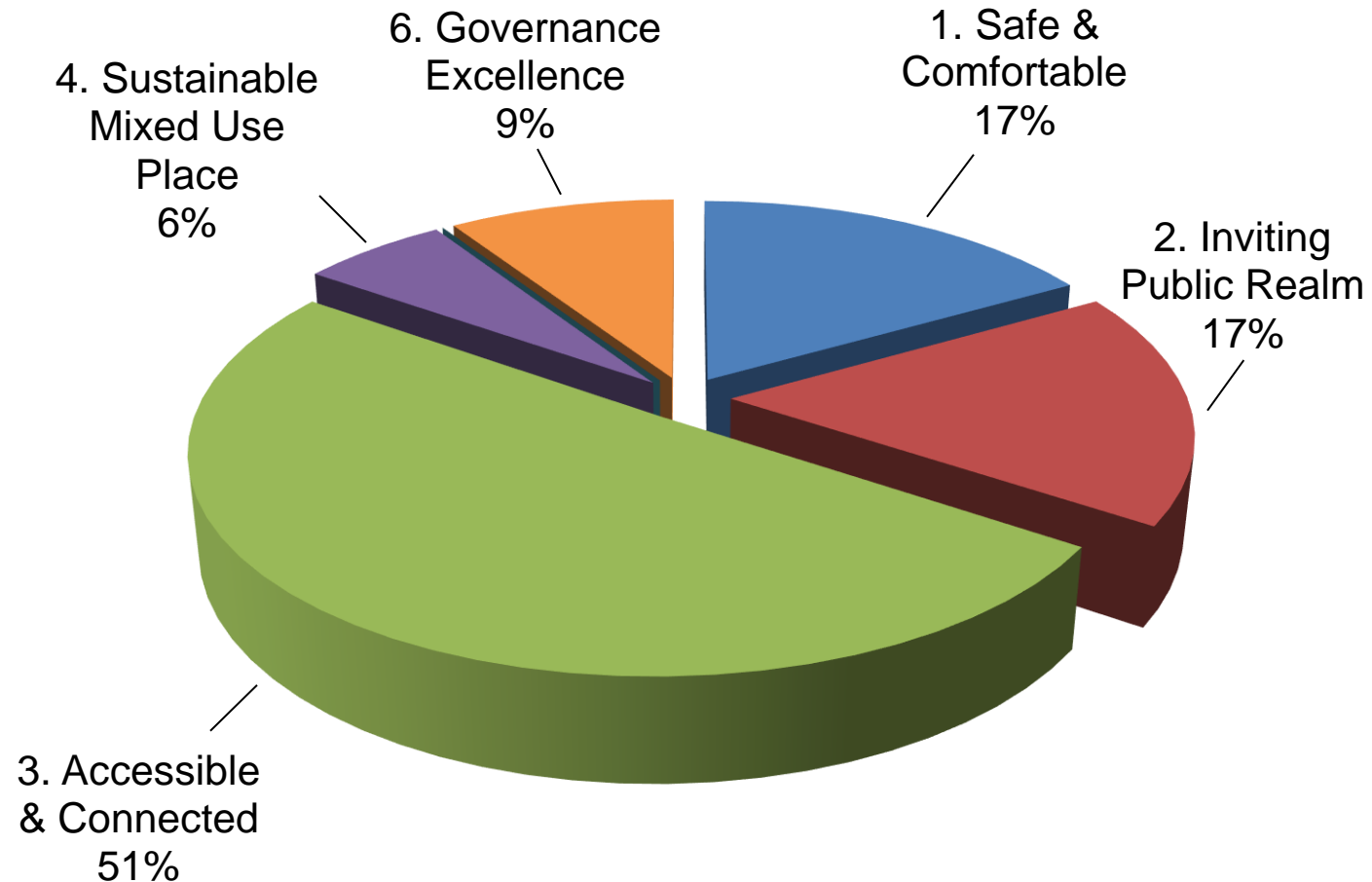
October 2023 Operating Spending



Total: \$13,661,166

Variance from amended budget (\$945,285) or (7%) under budget

October 2023 Capital Spending



Total: \$1,011,872

Variance from amended budget (\$1,067,757) or (51%) under budget

October 2023 Variances greater than 5% from Amended Budget

Operating – (\$945K) under budget or (7%)

- Accessible to Region (\$176K) or 48% under budget
 - Ft Bend transit support has not been funded of \$150K
- Sustainable Mixed-Used Place (\$200K) or 17% under budget
 - Economic Development Initiatives have not been funded.
- Vision & Offering Understood by All (\$273K) or 19% under budget
 - Rebranding, new website development costs and holiday activations will be expensed in the latter part of Q4.

October 2023 Variances greater than 5% from Amended Budget

Capital Improvement – (\$1.068M) under budget or (51%)

- Safe & Comfortable (\$60K) under budget in Irrigation refurbishment
- Inviting Public Realm (\$629K) under budget for Storefront activation and streetscape grants, More Space Main Street 2.0, Banners, MSQ Park improvements and Landscape enhancements.
- Accessible to Region (\$185K) under budget for Southeast Sidewalks TxDot, Sidewalk Infill Projects and Wayfinding
- Sustainable Mixed Used Place (\$149K) under budget for Retail Challenge Grants
- Capital Replacement (\$44K) under budget due to repairs being less than forecasted.

Check register for October 2023

- Total checks issued in October 2023 were \$2.8 million.
 - Block by Block - \$939,493
 - CPI/Marq Catalyst Owner, LP - \$427,108 (DLI)
 - Central Houston, Inc. - \$253,256
 - DPR Eighteen25 LLC - \$238,322 (DLI)
 - Houston Convention Center - \$100,852
 - Seal Security Solutions, LLC - \$75,193
 - Gulf Coast Pavers, Inc. - \$72,000

Investment Report

3Q – 7/1/2023 thru 9/30/2023

	7/1/2023			Net Changes	9/30/2023		
	Operating	Capital	Total		Operating	Capital	Total
JPMorgan Chase	\$708K	\$118K	\$826K	\$118K	\$487K	\$457K	\$944K
TexPool Prime*	\$13,057K	\$4,343K	\$17,400K	(\$4,735K)	\$8,975K	\$3,901K	\$12,876K
Total Cash	\$13,765K	\$4,461K	\$18,226K	(\$4,617K)	\$9,462K	\$4,358K	\$13,820K

*Avg. Daily Yield: 5.43%



To Management
Houston Downtown Management District

Management is responsible for the accompanying financial statements of the Houston Downtown Management District (the District), which comprise the governmental fund balance sheets and statements of net position as of October 31, 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
November 6, 2023

**Houston Downtown Management District
Governmental Fund Balance Sheets and
Statement of Net Position
October 31, 2023 and October 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)
Assets						
Cash	\$ 7,318,124	\$ 4,245,401	\$ 11,563,525	\$ 8,205,935	\$ 5,077,865	\$ 13,283,800
Assessments Due	336,084	28,603	364,686	184,767	17,188	201,955
Accounts Receivable	763,937	-	763,937	618,643	4,800	623,443
Prepaid Expense	26,235	-	26,235	26,235	-	26,235
Property & Equipment, Net	541,325	187	541,512	575,226	3,308	578,534
Right of Use Lease Assets, Net	2,564,336	-	2,564,336	2,683,758	-	2,683,758
Intercompany Rec/Pay	(1,092,691)	1,092,691	-	89,752	(89,752)	-
Total Assets	\$ 10,457,351	\$ 5,366,881	\$ 15,824,232	\$ 12,384,316	\$ 5,013,409	\$ 17,397,725
Liabilities						
Accounts Payable & Accrued Expenses	\$ 583,540	\$ -	\$ 583,540	\$ 1,061,966	\$ 43,000	\$ 1,104,966
Lease Liabilities	2,726,450	-	2,726,450	2,793,497	-	\$ 2,793,497
Deferred Revenue	-	-	-	-	-	-
Reserve for Refunds due to Property Protests	601,159	34,894	636,054	434,984	40,220	475,204
Total Liabilities & Deferred Revenue	3,911,149	34,894	3,946,043	4,290,446	83,220	4,373,666
Fund Balances						
Unreserved, Undesignated	5,746,202		5,746,202	7,293,869		7,293,869
Unreserved, Designated for Catastrophy	800,000		800,000	800,000		800,000
Reserved for Capital Projects		5,331,987	5,331,987		4,930,189	4,930,189
	6,546,202	5,331,987	11,878,189	8,093,869	4,930,189	13,024,059
Total Liabilities, Deferred Revenue & Fund Balances	\$ 10,457,351	\$ 5,366,881	\$ 15,824,232	\$ 12,384,316	\$ 5,013,409	\$ 17,397,725

**Houston Downtown Management District
Statement of Activities
For the Ten Months Ended October 31, 2023**

	Operating YTD Actual	Capital YTD Actual	Total YTD Actual	Amended YTD Budget	Fav (Unfav) Variance	% Var
Revenues						
Assessment Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	
Operations Revenue	570,640	-	570,640	576,890	(6,250)	-1%
Project Revenue	189,039	-	189,039	187,106	1,933	1%
Other Income	16,038	-	16,038	3,686	12,352	335%
Interest Income	518,054	191,559	709,613	670,336	39,277	6%
Total Revenues	\$ 1,293,771	\$ 191,559	\$ 1,485,330	\$ 1,438,018	\$ 47,312	3%
Expenses						
Downtown Feels Safe & Comfortable at All Times						
Collaboration to Maintain Low Crime Rate	\$ 2,222,268	\$ -	\$ 2,222,268	\$ 2,489,969	\$ 267,700	11%
Reduced Presence of Homeless & Street Persons	707,065	-	707,065	809,814	102,749	13%
Downtown Sidewalks are Comfortably Lighted	153,541	-	153,541	119,189	(34,352)	-29%
Downtown Clean & Well-Kept Appearance	4,254,906	-	4,254,906	4,144,046	(110,860)	-3%
Remove Signs of Disorder in Downtown	71,695	-	71,695	71,224	(471)	-1%
Prepare for Emergencies	101,755	-	101,755	101,677	(79)	0%
	7,511,230	-	7,511,230	7,735,918	224,688	3%
Public Realm is Charming, Inviting, Beautiful & Celebrates the Life of the City						
Key Pedestrian Streets are Inviting	444,725	-	444,725	505,024	60,300	12%
Public Spaces Managed, Programmed, & Delightful	1,480,392	-	1,480,392	1,428,739	(51,653)	-4%
Place of Civic Celebration	1,171,207	-	1,171,207	1,223,229	52,022	4%
	3,096,324	-	3,096,324	3,156,993	60,669	2%
Accessible to Region & Easy to Get Around						
Effective Transit Access More Places, More Hours	24,515	-	24,515	168,523	144,008	85%
Convenient Circulation Without Personal Vehicle	-	-	-	-	-	N/A
Easy To Find Way Around	55,927	-	55,927	113,440	57,513	51%
Connect Neighbors & Districts Inside/Outside Downtown	103,752	-	103,752	79,259	(24,493)	-31%
Convenient, Understandable & Managed Parking	6,871	-	6,871	6,155	(716)	-12%
	191,065	-	191,065	367,376	176,311	48%
Vibrant, Sustainable Mixed-Use Place						
Best Place to Work in Region	223,832	-	223,832	390,999	167,168	43%
Exciting Neighborhoods to Live In	715,299	-	715,299	752,381	37,081	5%
Competitive Shopping Place	20,868	-	20,868	16,926	(3,942)	-23%
Remarkable Destination for Visitors	13,575	-	13,575	13,733	158	1%
	973,574	-	973,574	1,174,039	200,465	17%
Downtown's Vision & Offering Understood By All						
Market to Region	465,427	-	465,427	790,215	324,788	41%
Promote Downtown's Ease of Use	87,641	-	87,641	78,893	(8,748)	-11%
Vision/Development Framework Understood By All	553,887	-	553,887	516,068	(37,820)	-7%
Tools to Assist Continued Redevelopment	22,627	-	22,627	22,239	(388)	-2%
Develop & Maintain Information to Support Downtown	22,389	-	22,389	17,997	(4,393)	-24%
	1,151,972	-	1,151,972	1,425,412	273,440	19%
District Governance & Service Known for Excellence						
Engage Stakeholders in Decision Making	644,675	-	644,675	658,844	14,169	2%
Communications to Owners, Tenants & Others	47,766	-	47,766	43,309	(4,456)	-10%
Preservation of Districts' Capital Assets	44,561	-	44,561	44,560	(1)	0%
	737,001	-	737,001	746,713	9,712	1%
Capital Improvement & Expenditures						
Downtown Feels Safe & Comfortable	-	169,992	169,992	230,176	60,184	26%
Public Realm is Charming, Inviting, & Beautiful	-	176,299	176,299	804,998	628,699	78%
Accessible to Region & Easy to Get Around	-	510,610	510,610	695,842	185,232	27%
Vibrant, Sustainable Mixed-Use Place	-	60,983	60,983	210,375	149,392	71%
Downtown's Vision & Offering Understood By All	-	-	-	-	-	N/A
Capital Replacement Expenditure	-	93,988	93,988	138,238	44,250	32%
	-	1,011,872	1,011,872	2,079,629	1,067,757	51%
Total Expenses	\$ 13,661,166	\$ 1,011,872	\$ 14,673,038	\$ 16,686,079	\$ 2,013,042	12%
Depreciation Expense	75,105	933	76,038	86,648	10,609	
Excess of Revenue Over Expenses GAAP Basis	\$ (12,442,500)	\$ (821,246)	\$ (13,263,746)	\$ (15,334,709)	\$ 2,070,963	

Houston Downtown Management District
Statement of Activities
For the Ten Months Ended October 31, 2023 and October 31, 2022

	Operating YTD Actual	Capital YTD Actual	2023 Total YTD Actual	2022 Total YTD Actual	Fav (Unfav) Variance	% Var
Revenues						
Assessment Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	
Operations Revenue	570,640	-	570,640	447,080	123,560	28%
Project Revenue	189,039	-	189,039	107,750	81,289	75%
Other Income	16,038	-	16,038	70,783	(54,745)	-77%
Interest Income	518,054	191,559	709,613	166,411	543,202	326%
Total Revenues	\$ 1,293,771	\$ 191,559	\$ 1,485,330	\$ 792,024	\$ 693,306	88%
Expenses						
Downtown Feels Safe & Comfortable at All Times						
Collaboration to Maintain Low Crime Rate	\$ 2,222,268	\$ -	\$ 2,222,268	\$ 2,044,458	\$ (177,811)	-9%
Reduced Presence of Homeless & Street Persons	707,065	-	707,065	542,645	(164,420)	-30%
Downtown Sidewalks are Comfortably Lighted	153,541	-	153,541	107,820	(45,721)	-42%
Downtown Clean & Well-Kept Appearance	4,254,906	-	4,254,906	4,103,059	(151,847)	-4%
Remove Signs of Disorder in Downtown	71,695	-	71,695	43,839	(27,856)	-64%
Prepare for Emergencies	101,755	-	101,755	87,641	(14,114)	-16%
	7,511,230	-	7,511,230	6,929,461	(581,769)	-8%
Public Realm is Charming, Inviting, Beautiful & Celebrates the Life of the City						
Key Pedestrian Streets are Inviting	444,725	-	444,725	355,280	(89,445)	-25%
Public Spaces Managed, Programmed, & Delightful	1,480,392	-	1,480,392	907,968	(572,424)	-63%
Place of Civic Celebration	1,171,207	-	1,171,207	1,137,405	(33,802)	-3%
	3,096,324	-	3,096,324	2,400,653	(695,671)	-29%
Accessible to Region & Easy to Get Around						
Effective Transit Access More Places, More Hours	24,515	-	24,515	9,272	(15,243)	-164%
Convenient Circulation Without Personal Vehicle	-	-	-	-	-	N/A
Easy To Find Way Around	55,927	-	55,927	79,136	23,209	29%
Connect Neighbors & Districts Inside/Outside Downtown	103,752	-	103,752	8,610	(95,143)	-1105%
Convenient, Understandable & Managed Parking	6,871	-	6,871	17,013	10,142	60%
	191,065	-	191,065	114,031	(77,034)	-68%
Vibrant, Sustainable Mixed-Use Place						
Best Place to Work in Region	223,832	-	223,832	337,264	113,433	34%
Exciting Neighborhoods to Live In	715,299	-	715,299	575,315	(139,985)	-24%
Competitive Shopping Place	20,868	-	20,868	14,541	(6,328)	-44%
Remarkable Destination for Visitors	13,575	-	13,575	24,378	10,803	44%
	973,574	-	973,574	951,497	(22,077)	-2%
Downtown's Vision & Offering Understood By All						
Market to Region	465,427	-	465,427	904,985	439,558	49%
Promote Downtown's Ease of Use	87,641	-	87,641	24,940	(62,702)	-251%
Vision/Development Framework Understood By All	553,887	-	553,887	424,642	(129,245)	-30%
Tools to Assist Continued Redevelopment	22,627	-	22,627	59,882	37,255	62%
Develop & Maintain Information to Support Downtown	22,389	-	22,389	31,542	9,152	29%
	1,151,972	-	1,151,972	1,445,990	294,018	20%
District Governance & Service Known for Excellence						
Engage Stakeholders in Decision Making	644,675	-	644,675	831,189	186,514	22%
Communications to Owners, Tenants & Others	47,766	-	47,766	41,272	(6,494)	-16%
Preservation of Districts' Capital Assets	44,561	-	44,561	43,976	(585)	-1%
	737,001	-	737,001	916,436	179,435	20%
Capital Improvement & Expenditures						
Downtown Feels Safe & Comfortable	-	169,992	169,992	-	(169,992)	N/A
Public Realm is Charming, Inviting, & Beautiful	-	176,299	176,299	5,107	(171,192)	N/A
Accessible to Region & Easy to Get Around	-	510,610	510,610	130,996	(379,614)	-290%
Vibrant, Sustainable Mixed-Use Place	-	60,983	60,983	87,348	26,365	30%
Downtown's Vision & Offering Understood By All	-	-	-	-	-	N/A
Capital Replacement Expenditure	-	93,988	93,988	265,482	171,494	65%
	-	1,011,872	1,011,872	488,933	(522,939)	-107%
Total Expenses	\$ 13,661,166	\$ 1,011,872	\$ 14,673,038	\$ 13,247,002	\$ (1,426,035)	-11%
Depreciation Expense	75,105	933	76,038	83,427	7,389	
Excess of Revenue Over Expenses GAAP Basis	\$ (12,442,500)	\$ (821,246)	\$ (13,263,746)	\$ (12,538,405)	\$ (725,341)	

Houston Downtown Management District Variance Analysis to Amended 2023 Budget For the Ten Months Ended October 31, 2023

Revenue

1) Operations revenue is under budget (\$18K) in Cotswold Fountain reimbursements, (\$17K) in Trebly Park Tout Suite Utility reimbursements and (\$1K) in DRA reimbursements. The budget shortfall for the fountains is due to timing of invoicing or services have not yet been rendered for the fountains. The shortfall for Trebly Park Tout Suite is due to a necessary contract revision no longer requiring reimbursements for utility expenses. Over budget \$8K in Main Street Fountain Reimbursements, \$9K in the Trash Program, \$11K in Irrigation Reimbursements from Buffalo Bayou Park and \$2K in METRO Bus Stop Cleaning due to timing of receipts. Project revenue is over budget \$2K in Market Square Park reimbursements. Other income includes Market Square Park event revenue which is \$11K over budget. Interest income is over budget \$39K due to more favorable rates than projected.

Operating Budget

Expenses

2) Goal 1a-Collaboration to Maintain Low Crime Rate-Under budget (\$217K) in Safety Guides due to the inability to hire and retain qualified personnel, the severe heat and dealing with the homeless. Under budget (\$21K) in the Off Duty Officer program, (\$5K) in Seal Security and (\$25K) in staffing.

3) Goal 1b-Reduced Presence of Homeless & Street Persons-Under budget (\$103K) in homeless outreach programs. SEARCH 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-Over budget \$33K in Street Lighting Expense, amenities and maintenance.

5) Goal 1d-Downtown Noted for Cleanliness & Well-Kept Appearance- Under budget (\$11K) in Trash Collection, (\$2K) in Landscaping, (\$10K) in Operations overhead, (\$17K) in Irrigation and (\$9K) in staffing. Over budget \$120K in Street Teams cleaning sidewalks and bus stops and \$40K in Paver repair and maintenance.

6) Goal 2a-Key Pedestrian Streets are Inviting-Under budget (\$82K) in accent plants. Summer accent planting is completed but not billed completely. Over budget \$21K in staffing.

7) Goal 2b-Key Public Spaces Programmed and Delightful-Over budget \$2K in Cotswold Fountain repairs and maintenance. Under budget (\$17K) in Main Street Square maintenance, (\$31K) in Market Square Park Maintenance, and (\$1K) in Trebly Park maintenance. Over budget in Main Street Square programming (Farmer's Market) programming \$53K, Market Square programming \$45K and Collaborative programming \$5K. Under budget (\$1K) in Trebly Park programming and (\$4K) in staffing.

8) Goal 2c-Place of Civic Celebration-Over budget \$5K in Pole & Pot Maintenance, \$33K in Allen Parkway Maintenance and \$8K in staffing. Under budget (\$75K) in Holiday Promotions and (\$23K) in Art programming.

9) Goal 3a-Effective Transit Access More Places - Under budget (\$150K) in Effective transit access (Ft. Bend Co. Park and Ride). Over budget \$6K in staffing.

10) Goal 3c-Easy to Find Way Around - Under budget \$50K in Wayfinding and \$8K in staffing.

11) Goal 3d-Connect Neighbors & Districts Inside/Outside Downtown-Over budget \$25K in staffing.

12) Goal 4a-Best Place to Work in the Region-Under budget (\$174K) in Economic Development and over budget \$7K in staffing.

13) Goal 4b-Exciting Neighborhoods To Live In-Under budget (\$34K) in DLI payments (\$3K) for Residential Market Research.

14) Goal 4c-Competitive Shopping Place - Over budget \$4K in staffing.

15) Goal 5a-Market to Region-Under budget (\$187K) in marketing expenditures and (\$138K) in staffing.

16) Goal 5b-Promote Downtown's Ease of Use - Over budget \$9K in staffing.

17) Goal 5c-Planning Consultants & Expenses are under budget (\$74K) and over budget \$112K in staffing.

18) Goal 5d-Develop and Maintain Information to Support Downtown - Staffing is over budget \$4K.

19) Goal 6a-Complete engagement by all stakeholders in District - Over budget \$6K in Operations and \$8K in Administration, under budget (\$1K) in Engagement, (\$12K) in Economic Development, (\$7K) in Planning Design & Construction, and (\$8K) in staffing.

20) Goal 6b-Communications to owners, tenants and others - Over budget \$4K in staffing.

Capital Budget

21) Under budget (\$60K) in Landscape Amenities-Irrigation.

22) Under budget (\$160K) in Banners, (\$24K) in More Space Main Street 2.0, (\$300K) for Storefront Activation and Improved Pedestrian Connection, (\$50K) in Landscape Enhancements and (\$100K) in Market Square Park improvements. Over Budget \$5K in Trebly Park improvements

23) Under budget (\$92K) for Southeast Sidewalks TxDOT, and (\$100K) for Sidewalk Infill Projects. Over \$7K for Vehicular and Pedestrian Wayfinding.

24) Under budget (\$150K) for Retail Challenge Grants.

25) Under budget (\$47K) for Capital Replace expenditures. Over budget \$3K in Assessment fees.

HOUSTON DOWNTOWN MANAGEMENT DISTRICT

AP Check Register (Current by Bank)

Check Dates: 10/1/2023 to 10/31/2023

Check No.	Date	Vendor ID	Payee Name	Amount
BANK ID: A - OPERATING ACCT-JPMORGAN				101.000
** 35492	10/02/23	1654	CPI/MARQ CATALYST OWNER, LP	\$427,108.00
35493	10/03/23	1200	CENTRAL HOUSTON, INC	\$253,255.90
35513	10/02/23	99943	804 MILAM INC	\$422.66
35514	10/02/23	999985	BSREP II HOUSTON OFFICE	\$1,714.58
35515	10/02/23	999986	BSREP II HOUSTON OFFICE	\$20,819.50
35516	10/02/23	99897	BSREP II HOUSTON OFFICE 1HC	\$2,318.89
35517	10/02/23	9787	BSREP II HOUSTON OFFICE 3HC	\$20,462.92
35518	10/02/23	99898	BSREP II HOUSTON OFFICE RUSK	\$1,431.41
35519	10/02/23	99936	DPR EIGHTEEN25 LLC	\$6,141.68
35520	10/02/23	99964	FANG LIVING TRUST	\$226.04
35521	10/02/23	99895	HOUSTON CHARTRES LP	\$1,097.97
35522	10/02/23	999992	HOUSTON CONVENTION CENTER	\$100,851.89
35523	10/02/23	9946	JAMES D. MOERS	\$442.54
35524	10/02/23	999983	JEREMY HUGHES OR	\$28.84
35525	10/02/23	999979	LAURA A URBANTKE	\$46.74
35526	10/02/23	99931	LCE LAW OFFICE BUILDING INC	\$949.61
35527	10/02/23	5648	LINEBARGER GOGGAN BLAIR	\$333.25
35528	10/02/23	99951	LYRIC CENTRE ENTERPRISES	\$2,953.98
35529	10/02/23	99950	LYRIC CENTRE LLC	\$7,267.41
35530	10/02/23	5911	MACEY FAMILY PROPERTIES, LTD	\$532.35
35531	10/02/23	999984	MARBIL TRUST PARTNERSHIP	\$95.33
35532	10/02/23	0854	THEODORE E BRAKATSELOS	\$62.15
35533	10/02/23	8793	UTS, LLC	\$10,299.63
35534	10/24/23	99936	DPR EIGHTEEN25 LLC	\$232,180.00
** 7128115	10/18/23	3288	BRACEWELL	\$2,187.50
** 7128117	10/18/23	8315	SWANK MOTION PICTURES, INC	\$795.00
** 7128119	10/18/23	1692	COSTAR GROUP, INC.	\$1,545.07
** 7128121	10/18/23	0450	AVALON MUSIC	\$3,750.00
** 7128128	10/18/23	1713	CREST PRINTING, INC	\$1,215.00
** 7128135	10/18/23	2762	FIELD OF STUDY	\$15,042.00
** 7128137	10/18/23	3326	DAVID GWIN	\$308.42
** 7128139	10/18/23	1726	JACQUE GONZALEZ-GARCIA	\$168.10
** 7128141	10/18/23	8148	SABRINA NAULINGS	\$385.00
** 7128143	10/18/23	0070	AARON HERNANDEZ	\$1,375.00
** 7128145	10/18/23	2114	EDIDIONG CHRYS OBO	\$400.00
** 7128147	10/18/23	1712	CRAIG HENRY	\$980.00
** 7128151	10/18/23	3395	LEONARD LOCKETT, JR	\$200.00
** 7128153	10/18/23	7190	ONE MARKET SQUARE PHASE I LLC	\$1,600.00
** 7128155	10/18/23	7400	PFEIFFER & SON, LTD	\$9,718.66
** 7128159	10/18/23	8563	TEXAS SALSA CONGRESS	\$500.00
** 7128161	10/18/23	8351	SHOOT EDIT SLEEP, LLC	\$19,407.11
** 7294966	10/03/23	8066	READYREFRESH	\$102.89
** 7294968	10/03/23	1227	CENTRAL CITY CO-OP	\$12,000.00
** 7294972	10/03/23	6298	JORDAN CUTLER	\$46.39
** 7294975	10/03/23	0511	BLOCK BY BLOCK	\$531,809.83
** 7294980	10/03/23	1601	COOPWOOD'S AIR CONDITIONING	\$14,955.00
** 7294983	10/03/23	1713	CREST PRINTING, INC	\$1,644.00
** 7294990	10/03/23	5987	MAINTENANCE TO GO	\$24,645.13
** 7294995	10/03/23	0450	AVALON MUSIC	\$2,250.00
** 7295002	10/03/23	9948	ORKIN PEST CONTROL	\$130.99
** 7295007	10/03/23	3395	LEONARD LOCKETT, JR	\$200.00

HOUSTON DOWNTOWN MANAGEMENT DISTRICT

AP Check Register (Current by Bank)

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Check No.	Date	Vendor ID	Payee Name	Amount
** 7295009	10/03/23	8900	VERIZON WIRELESS	\$676.96
** 7295011	10/03/23	9113	NCTP-CPAS PLLC	\$1,700.00
** 7295013	10/03/23	0017	AT&T U-VERSE INTERNET	\$139.78
** 7295015	10/03/23	9081	WESTPARK COMMUNICATIONS, L.P	\$60.38
** 7295019	10/03/23	0668	BIKEHOUSTON, INC	\$7,500.00
** 7295021	10/03/23	8119	ROADRUNNER RECYCLING, INC	\$1,851.80
** 7295023	10/03/23	5700	LONE STAR FLAGS AND FLAGPOLES	\$1,750.50
** 7295025	10/03/23	0027	AT&T	\$1,488.34
** 7295027	10/03/23	8027	RAE SECURITY SOUTHWEST, LLC	\$417.78
** 7295029	10/03/23	5211	KEITH GOULD	\$69.34
** 7295031	10/03/23	8609	TOUCH & AGREE PROPERTY	\$2,521.60
** 7754774	10/04/23	1227	CENTRAL CITY CO-OP	\$92.99
** 7754955	10/03/23	1227	CENTRAL CITY CO-OP	\$281.57
** 7755481	10/03/23	3069	DINING WITH THE TUNES	\$1,500.00
** 7755773	10/03/23	4756	CKP COMMUNICATIONS,LLC	\$15,000.00
** 7756208	10/03/23	7400	PFEIFFER & SON, LTD	\$2,121.00
** 7762885	10/04/23	8404	ANN WERME GROUP	\$6,203.54
** 7800486	10/04/23	0336	CASSANDRA HOEPRICH	\$1,594.04
** 7854849	10/30/23	1726	JACQUE GONZALEZ-GARCIA	\$175.00
** 702715	10/10/23	1597	CLUTCH CONSULTING GROUP LLC	\$1,500.00
** 72949999	10/03/23	0337	CHOPNBLOK	\$10,000.00
** 8157450	10/24/23	6321	MINER, LTD	\$265.00
** 8157452	10/24/23	8066	READYREFRESH	\$104.89
** 8157456	10/24/23	9067	WASTE MANAGEMENT OF TEXAS, INC	\$916.35
** 8157468	10/24/23	1601	COOPWOOD'S AIR CONDITIONING	\$1,427.39
** 8157474	10/24/23	7995	INCONTROL CONTRUCTION LLC	\$19,142.20
** 8157482	10/24/23	7400	PFEIFFER & SON, LTD	\$11,267.51
** 8157489	10/24/23	8168	SEAL SECURITY SOLUTIONS, LLC	\$75,193.12
** 8157495	10/24/23	8552	TEXAS OUTHOUSE, INC.	\$2,198.62
** 8157504	10/24/23	0044	AABLE FINANCIAL GROUP, INC	\$3,125.00
** 8157506	10/24/23	0027	AT&T	\$1,254.01
** 8157508	10/24/23	1790	BRETT DEBORD	\$616.33
** 8157510	10/24/23	9819	BRYAN K BENNETT	\$1,776.42
** 8157512	10/24/23	1550	CITY OF HOUSTON	\$2,179.25
** 8157514	10/24/23	4756	CKP COMMUNICATIONS,LLC	\$7,500.00
** 8157516	10/24/23	1713	CREST PRINTING, INC	\$890.00
** 8157520	10/24/23	3298	GULF COAST PAVERS,INC.	\$72,000.00
** 8157522	10/24/23	3548	HAMILTON PLUMBING SERVICE	\$370.00
** 8157524	10/24/23	3550	HARDY & HARDY	\$1,900.00
** 8157526	10/24/23	4704	JOHNSON CONTROLS SECURITY	\$741.94
** 8157529	10/24/23	5298	KINGWOOD ALARM LLC	\$420.00
** 8157535	10/24/23	5710	LVA 4 HOUSTON GREENSTREET LP	\$20,497.60
** 8157538	10/24/23	6037	MEDLEY INCORPORATED	\$12,000.00
** 8157542	10/24/23	5703	MICHAEL LOESSIN	\$500.00
** 8157546	10/24/23	7060	NEON ELECTRIC CORPORATION	\$17,976.00
** 8157549	10/24/23	7526	PARA INTEGRATION, LLC	\$125.00
** 8157552	10/24/23	7712	POWER PEST CORP	\$7,820.00
** 8157556	10/24/23	8148	SABRINA NAULINGS	\$385.00
** 8157560	10/24/23	8151	SEARCH HOMELESS SERVICES	\$12,904.69
** 8157567	10/24/23	8382	SPHERES	\$3,300.00
** 8157570	10/24/23	8563	TEXAS SALSA CONGRESS	\$500.00
** 8157575	10/24/23	3948	THE HARRIS CENTER FOR	\$18,666.67

HOUSTON DOWNTOWN MANAGEMENT DISTRICT

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Check No.	Date	Vendor ID	Payee Name	Amount
** 8157585	10/24/23	8609	TOUCH & AGREE PROPERTY	\$3,857.40
** 8157592	10/24/23	8625	TRIK MOTORSPORTS LLC	\$6,920.00
** 8157600	10/24/23	9089	WE 68 LLC	\$4,512.51
** 8157604	10/24/23	9045	WESTERN FIRST AID & SAFETY	\$205.56
** 8965770	10/30/23	5987	MAINTENANCE TO GO	\$16,516.75
** 8965776	10/30/23	1227	CENTRAL CITY CO-OP	\$13,450.00
** 8965789	10/30/23	8148	SABRINA NAULINGS	\$770.00
** 8965795	10/30/23	0490	ASSOCIATED LANDSCAPE SERVICES	\$797.00
** 8965800	10/30/23	0450	AVALON MUSIC	\$7,100.00
** 8965818	10/30/23	0511	BLOCK BY BLOCK	\$407,683.31
** 8965828	10/30/23	1713	CREST PRINTING, INC	\$39.00
** 8965831	10/30/23	7400	PFEIFFER & SON, LTD	\$2,630.00
** 8965833	10/30/23	8554	TEXAS OVERHEAD DOOR COMPANY	\$350.00
** 8965835	10/30/23	0336	CASSANDRA HOEPRICH	\$230.84
** 8965837	10/30/23	0027	AT&T	\$1,499.12
** 8965839	10/30/23	0034	ABC HOME & COMMERCIAL SERVICES	\$145.00
** 8965842	10/30/23	9113	NCTP-CPAS PLLC	\$1,700.00
** 8965845	10/30/23	1665	COLOR SPECIALISTS LANDSCAPING	\$3,895.18
** 8965847	10/30/23	3548	HAMILTON PLUMBING SERVICE	\$305.00
** 8965851	10/30/23	9888	MAURICE DUHON JR.	\$300.00
** 8965853	10/30/23	8151	SEARCH HOMELESS SERVICES	\$12,747.52
** 8965855	10/30/23	9081	WESTPARK COMMUNICATIONS, L.P	\$69.44
** 8965859	10/30/23	3915	HOUSTON CIVIC EVENTS,INC.	\$15,000.00
** 8965861	10/30/23	7060	NEON ELECTRIC CORPORATION	\$569.00
** 8965863	10/30/23	3400	RAFFLE PARKING COMPANY,LLC	\$900.00
** 8965865	10/30/23	3573	HARRIS COUNTY TREASURER	\$19,400.00
** 8965867	10/30/23	5211	KEITH GOULD	\$711.83
** 9074375	10/10/23	8355	STERLING EXPRESS SERVICES, INC	\$117.60
** 9074381	10/10/23	0450	AVALON MUSIC	\$3,100.00
** 9074385	10/10/23	1713	CREST PRINTING, INC	\$880.00
** 9074388	10/10/23	1520	CHIAGOZI NEBE	\$3,900.00
** 9074391	10/10/23	1227	CENTRAL CITY CO-OP	\$1,000.00
** 9074394	10/10/23	6298	JORDAN CUTLER	\$20.20
** 9074396	10/10/23	7400	PFEIFFER & SON, LTD	\$8,456.56
** 9074398	10/10/23	8129	RONALD COOKS	\$385.00
** 9074402	10/10/23	1543	CITY OF HOUSTON	\$1,019.78
** 9074404	10/10/23	3850	HOUSTON BRASS BAND	\$750.00
** 9074406	10/10/23	5540	LINCOLN COLWELL	\$1,770.00
** 9155299	10/31/23	8900	VERIZON WIRELESS	\$677.42
** 9702667	10/10/23	1801	DIRECTV	\$97.98
** 9702677	10/10/23	1713	CREST PRINTING, INC	\$4,089.50
** 9702694	10/10/23	0490	ASSOCIATED LANDSCAPE SERVICES	\$26,305.27
** 9702705	10/10/23	8552	TEXAS OUTHOUSE, INC.	\$668.87
** 9702721	10/10/23	3630	HOME DEPOT CREDIT SERVICES	\$2,241.22
** 9702725	10/10/23	2762	FIELD OF STUDY	\$3,250.00
** 9702728	10/10/23	7995	INCONTROL CONSTRUCTION LLC	\$1,270.00
** 9702732	10/10/23	0089	EGIDIO NARVAEZ PHOTOGRAHER	\$6,900.00
** 9702737	10/10/23	0034	ABC HOME & COMMERCIAL SERVICES	\$145.00
** 9702742	10/10/23	8148	SABRINA NAULINGS	\$385.00
** 9702745	10/10/23	7525	PARTYPERKS	\$2,248.92
** 9702748	10/10/23	8607	TXU ENERGY RETAIL COMPANY, LLC	\$4,322.11
** 907440	10/10/23	3550	HARDY & HARDY	\$3,550.00

HOUSTON DOWNTOWN MANAGEMENT DISTRICT

AP Check Register (Current by Bank)

Check Dates: 10/1/2023 to 10/31/2023

Check No.	Date	Vendor ID	Payee Name	Amount
BANK A REGISTER TOTAL:				<u>\$2,692,538.38</u>
BANK ID: B - CAPITAL ACCT-JPMORGAN				102.000
7128017	10/18/23	5290	KING GRAPHICS & SIGNS, LLC	\$4,998.00
** 7294537	10/03/23	0550	BLUMENTHAL SHEET METAL	\$6,015.00
** 7294805	10/03/23	4017	HYDROPOINT DATA SYSTEMS, INC	\$643.95
** 8153684	10/24/23	1751	DESIGN WORKSHOP, INC	\$32,721.55
** 8153951	10/24/23	1821	DIRECT EMBED COATING SYSTEMS	\$37,565.00
** 8154239	10/24/23	2590	FENRIS LLC	\$5,320.00
** 8154440	10/24/23	7060	NEON ELECTRIC CORPORATION	\$9,677.00
** 8154659	10/24/23	8325	SOUTHERN CHINESE DAILY NEWS	\$360.00
** 8154927	10/24/23	8903	VICTOR STANLEY, INC	\$7,596.00
** 8951015	10/30/23	0853	CAMARATA MASONRY SYSTEMS, LTD	\$3,354.13
** 8951202	10/30/23	0853	CAMARATA MASONRY SYSTEMS, LTD	\$3,485.32
** 8958560	10/30/23	5987	MAINTENANCE TO GO	\$4,791.15
** 8958908	10/30/23	4001	HUITT~ZOLLARS, INC	\$4,910.00
** 8959201	10/30/23	4001	HUITT~ZOLLARS, INC	\$14,940.00
BANK B REGISTER TOTAL:				<u>\$136,377.10</u>
GRAND TOTAL :				<u><u>\$2,828,915.48</u></u>

**HOUSTON DOWNTOWN MANAGEMENT DISTRICT
INVESTMENT REPORT, AUTHORIZATION AND REVIEW
FOR THE PERIOD JULY 1, 2023 THROUGH SEPTEMBER 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
<u>HDMD</u>										
<u>OPERATING ACCOUNTS JP MORGAN CHASE</u>										
OPERATING	707,992.76	707,992.76	0.00	0.00	(220,789.62)	487,203.14	487,203.14	3.53%	N/A	1.00
CAPITAL	118,555.61	118,555.61	0.00	0.00	338,701.88	457,257.49	457,257.49	3.31%	N/A	1.00
TOTAL	826,548.37	826,548.37	0.00	0.00	117,912.26	944,460.63	944,460.63	6.83%		1.00
<u>POOLED FUNDS - TEXPOOL</u>										
OPERATING	13,056,559.66	13,056,559.66	0.00	153,330.83	(4,235,000.00)	8,974,890.49	8,974,890.49	64.94%	5.32%	34.00
CAPITAL	4,342,821.39	4,342,821.39	0.00	58,398.10	(500,000.00)	3,901,219.49	3,901,219.49	28.23%	5.32%	34.00
TOTAL	17,399,381.05	17,399,381.05	0.00	211,728.93	(4,735,000.00)	12,876,109.98	12,876,109.98	93.17%		
TOTAL HDMD	18,225,929.42	18,225,929.42	0.00	211,728.93	(4,617,087.74)	13,820,570.61	13,820,570.61	100.00%		

**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

<hr style="border: 0; border-top: 1px solid black; margin-bottom: 5px;"/> RICHARD TORRES TREASURER	<hr style="border: 0; border-top: 1px solid black; margin-bottom: 5px;"/> ROBBIE JONES VICE CHAIR	<hr style="border: 0; border-top: 1px solid black; margin-bottom: 5px;"/> LESLIE ASHBY CHAIRMAN	<hr style="border: 0; border-top: 1px solid black; margin-bottom: 5px;"/> KRIS LARSON PRESIDENT - CEO
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AGENDA ITEM	Investment Policy - Annual Review
REQUEST	Review and approve the District's Draft Investment Policy, effective November 9, 2023.
ITEM HISTORY	<p>A draft of the District's Investment Policy is enclosed.</p> <p>Fall 2022 – District Staff performed an internal review of the District's Policies & Procedures manual. Due to the 2022 updates of the CHI Employee Handbook, it was determined at that time an overhaul of both the Authority's and District's Administrative Policies & Procedures Manuals would occur in 2023. Doing this allows for a deeper dive to refine and remove language complexities, incorporate current SOPs from the newly revised handbook, and consolidate this information into one manual (<i>both the Authority and District are bound by rules set forth by the Texas Open Meetings Act</i>).</p> <p>Fall 2022 – District Staff consulted outside legal counsel regarding the Investment Policy (Section 14 of the District's Administrative Policies & Procedures Manual dated November 9, 2021) to review for continued alignment with current best practices and compliance with all applicable laws. It was determined no updates were required to the Investment Policy.</p> <p>Summer 2023 – District staff learn the Board is required to ratify the annual review of the Investment Policy, regardless of whether changes occurred from the prior year. The Investment Policy was pulled from the Policies & Procedures Manual and became its own standing document to present before the Board.</p>
DESCRIPTION	<p>Per Section 14 of the Administrative Policies & Procedures Manual and Section 14 of the District's Investment Policy - Annual Review/Adoption & Revision:</p> <ul style="list-style-type: none"> - Annual Review. The District shall review this Investment Policy at least annually and adopt a resolution confirming the continuance of the Investment Policy without amendment or adopt an Amended Investment Policy. - Superseding Clause. This Policy supersedes any prior policies adopted by the Board of Directors regarding investment or securitization of District funds. - Open Meeting. The Board officially finds, determines and declares that this Policy was reviewed, carefully considered, and adopted at a regular meeting of the Board, and that a sufficient written notice of the date, hour, place and subject of this meeting was posted at a place readily accessible and convenient to the public within the District and on a bulletin board located at a place convenient to the public in the City of Houston, Texas for the time required by law preceding this meeting, as required by the Open Meetings Act, Chapter 551, Texas Government Code, and that this meeting had been open to the public as required by law at all times during which this Policy was discussed, considered and acted upon. The Board further ratifies, approves and confirms such written notice and the contents and posting thereof.
CONTACTS	<p>HDMD: Allen Douglas, General Counsel Bracewell LLP: Clark Lord, Partner</p>



Houston Downtown Management District

Investment Policy

Effective November 9, 2023

Section 14. Investment Policy

HOUSTON DOWNTOWN MANAGEMENT DISTRICT INVESTMENT POLICY

This Amended Investment Policy (the "Policy") is adopted by the Board of Directors (the "Board") of the Houston Downtown Management District (the "District") pursuant to Chapter 2256 of the Texas Government Code and Chapter 49 of the Texas Water Code, effective as of ~~December 8, 2011~~November 9, 2023.

- A. Purpose -- This Policy with respect to District investments has been adopted to establish the principles and criteria by which the funds of the District should be invested and secured and to comply with various provisions of State of Texas (the "State") law relating to the investment and security of funds of municipal management districts. As of the date of the adoption of this Policy, the following laws are applicable to the investment of the District's funds: Sections 49.057, 49.156, 49.157 and 49.1571, Texas Water Code; Chapter 2256, Texas Government Code (the "Investment Act"); Chapter 791, Texas Government Code; Chapter 2257, Texas Government Code (the "Collateral Act") (and Chapter 404.101 et seq., Texas Government Code (collectively, the "Investment Laws"). The Investment Laws generally provide the minimum criteria for the authorized investment and security of the District's funds and require the District to adopt rules to ensure the investment of District funds in accordance with such laws. This Policy also will specify the scope of authority of the Investment Officer(s), District Directors (persons appointed to serve on the Board of the District), officers, employees, and persons and business entities engaged in handling, and who are responsible for, the investment of District funds ("District Officials").
- B. Investment Officer(s)
1. Appointment and Duties -- From time to time, the District shall appoint one or more of its Directors or Employees or contract with a person to serve as Investment Officer(s) for the District to be responsible for investing District funds in accordance with this Policy. The Investment Officer(s) shall invest the District's funds, not for speculation, but for investment, considering the probable safety of capital and the probable income to be derived, with all investment decisions to be governed by the following objectives in order of priority: (a) preservation and safety of principal; (b) liquidity; and (c) yield.
 2. Investment Training -- The Investment Officer(s) shall attend training sessions and receive the number of hours of instruction as required by the Investment Act.
 3. Reporting by Investment Officer(s) -- Not less than quarterly and within a reasonable time after the end of the period reported, the Investment Officer(s) with the assistance of District Officials, shall prepare and submit to the Board a written report of the investment transactions for all funds of the District for the preceding reporting period. The report must (a) describe in detail the investment position of the District as of the date of the report, (b) be prepared jointly by all the Investment Officers, if the District appoints more than one (c) be signed by all Investment Officers and District Officials

who prepare the report, (d) contain a summary statement of each pooled fund group that states the beginning market value for the reporting period; ending market value for the period; and fully accrued interest for the reporting period; (e) state the book value and the market value of each separately invested asset at the beginning and end of the reporting period by the type of asset and fund type invested, (f) state the maturity date of each separately invested asset that has a maturity date, (g) state the District account or fund for which each individual investment was acquired, and (h) state the compliance of the investment portfolio as it relates to this Investment Policy and the Investment Act. The report may also include a review of the fair market value of the Collateral pledged to secure the District's funds to ensure that the District's funds are fully secured. The quarterly reports are subject to an annual review by an independent auditor with the results being reported to the Board.

4. Assistance with Certain Duties of the Investment Officer – The Board hereby authorizes and directs the District’s Accountant and any other District Officials requested by the Investment Officer(s) to assist the Investment Officer(s) with any of his duties, including but not limited to the following:
 - a. Presenting a copy of this Policy to any person or business organization seeking to sell an investment to the District and obtaining the necessary written certification from such seller referred to in this section;
 - b. Handling investment transactions, including transfer of monies;
 - c. Preparing and submitting to the Board the written report of all investment transactions for the District as required by this section;
 - d. Researching investment options and opportunities;
 - e. Obtaining written depository pledge agreements as required herein;
 - f. Obtaining safe-keeping receipts from the Texas financial institution which serves as a depository for pledged Collateral;
 - g. Reviewing the market value of the District’s investments and of the Collateral pledged to secure the District’s funds; and
 - h. Such other matters from time to time required by the Investment Laws.

C. Procedure for Investment of District Monies

1. Qualified Broker/Dealers -- ~~The following are the~~ qualified broker/dealers with whom the District may engage in investment transactions [are included in Exhibit A.](#)

- ~~Chase Investments Services Corp.~~
- ~~Amegy Bank of Texas (Amegy Bank, N.A.)~~
- ~~Bank of America, N.A.~~
- ~~Comerica Bank~~

- ~~BBVA Compass Bank~~
- ~~IBC Bank~~
- ~~JPMorgan Chase & Co.~~
- ~~Legg Mason~~
- ~~RBC Wealth Management USA~~
- ~~TexPool/TexPool Prime~~
- ~~TexSTAR~~
- ~~UBS Financial Services, Inc.~~
- ~~Unity National Bank~~
- ~~Hilltop Securities~~
- ~~Raymond James~~

2. Disclosures of Relationships with Entities Offering to Enter into Investment Transactions with the District – The Investment Officer(s) and the District Officials shall disclose in writing: (a) any “personal business relationship” with a business organization offering to engage in an investment transaction with the District; and (b) any relationship within the second degree by affinity or consanguinity, as determined by Chapter 573, Texas Government Code, to any individual seeking to sell an investment to the District, as required by the Investment Act. The existence of a “personal business relationship” shall be determined in accordance with the Investment Act. Such disclosure statement shall be filed with the Board and [online with](#) the Texas Ethics Commission. ~~The form of Disclosure Statement acceptable to the District is attached as Appendix “K”.~~
3. Certification from Sellers of Investments -- The Investment Officer(s) or the District Officials shall present this Policy to any person or business organization offering to engage in an investment transaction with the District and obtain a certificate that such potential seller has reviewed the Policy as provided in the Investment Act. This certificate shall be in a form acceptable to the District and shall state that the potential seller has received and reviewed the Policy and has acknowledged that the potential seller has implemented reasonable procedures and controls in an effort to preclude investment transactions with the District that are not authorized by this Policy, except to the extent that this authorization is dependent on an analysis of the makeup of the District's entire portfolio or requires an interpretation of subjective investment standards. Neither the Investment Officer nor the District Officials shall purchase or make any investment from a potential seller that has not delivered to the District this required certification. ~~A form of certificate acceptable to the District is attached hereto as Appendix “J.”~~
4. Bids for certificates of deposit may be solicited orally, in writing, electronically or in any combination of those methods.
5. All purchases of investments, except investment in investment pools or in mutual funds, shall be made on a delivery versus payment basis. The safekeeping entity for all District investments and for all Collateral pledged to secure District funds shall be one approved by the Investment Officer(s).

6. The Investment Officer(s), with the help of such District Officials as needed, shall determine the market value of each investment and of all Collateral pledged to secure deposits of District funds at least quarterly and at a time as close as practicable to the closing of the reporting period for investments. The [Finance &](#) Investment Committee shall review and report quarterly to the Board regarding the District's investments. The following values and methods shall be included in the investment report:
- a. Certificates of deposit shall be valued at their face value plus any accrued but unpaid interest.
 - b. Shares in money market mutual funds and investment pools shall be valued at par plus any accrued but unpaid interest.
 - c. Other investment securities with a remaining maturity of one year or less may be valued in any of the following ways:
 - (1) the lower of two bids obtained from securities broker/dealers for such security;
 - (2) the average of the bid and asked prices for such investment security as published in The Wall Street Journal or The New York Times;
 - (3) the bid price published by any nationally recognized security pricing service; or
 - (4) the market value quoted by the seller of the security or the owner of such Collateral.
 - d. Other investment securities with a remaining maturity greater than one year shall be valued at the lower of two bids obtained from securities broker/dealers for such security, unless two bids are not available, in which case the securities may be valued in any manner provided in the preceding
7. Monitoring the Rating Changes in Investments - Consistent with Section 2256.021, Texas Government Code, as amended, the Investment Officer shall monitor all investments that require a minimum rating under subchapter A of Chapter 2256, Texas Government Code, as amended, such that any such investment that does not have the minimum rating shall no longer constitute an authorized investment. Such investments that do not have the required minimum rating shall be liquidated within 30 days of the investment's failure to maintain its required minimum rating.

D. Policy of Investment --

1. The objectives of this Investment Policy in order of importance are: (a) to assure the safety of public funds; (b) to maintain sufficient liquidity so as to provide adequate and timely working capital; and (c) to achieve, consistent with (a) and (b) above, the highest possible rate of return on the District's investments, taking into consideration the strength of the financial institution and the ability of the financial institution to provide

proper security. Funds of the District shall be invested by the District's Officials in accordance with this policy.

2. District funds shall be invested and reinvested by the District's Investment Officer(s) only in accordance with this Policy and shall comply with any additional requirements imposed by bond resolutions or trust indentures of the District and applicable state law or federal tax law, including the Investment Laws. The Board, by separate resolution, may provide that the District's Officials may withdraw or transfer funds from and to accounts of the District in compliance with this Policy. No fund groups shall be pooled for the purposes of investment.
3. It shall be the responsibility of the District's Investment Officer(s) to invest and reinvest the District's funds in accordance with this policy to meet the needs and requirements of the District. It shall be the policy of the District that funds shall not be invested for longer than five (5) years. The Board may provide that the District's Investment Officer(s) may direct the District's Officials to withdraw or transfer funds from and to accounts of the District on such terms as the Board considers advisable.
4. ~~The District's finance committee shall be the Investment Committee.~~ The [Finance & Investment Committee](#) shall meet quarterly to monitor and review the investments and Collateral of the District. The District's Investment Officer(s) shall chair the committee. The Committee shall submit a written report concerning the District's investment transactions for the preceding year and describing the investment position of the District at the end of each fiscal year. The report shall be signed by the District's Certified Public Accountant and the Investment Officer(s). The Committee also shall report to the Board on its review the month following each quarterly meeting.

E. Security of District Funds --

1. The District recognizes that FDIC (or its successor) insurance is available for District funds deposited at any one Texas financial institution (including branch banks) only up to a maximum of \$250,000 (including accrued interest) for each of the following: (a) demand deposits; (b) time and savings deposits; and, (c) deposits made pursuant to an indenture or pursuant to law in order to pay bondholders or noteholders. It is the policy of the District that all deposited funds in each of the District's accounts shall be insured by the FDIC, or its successor, and to the extent the deposit surpasses the FDIC Deposit Insurance Coverage limit at any given time, they shall be secured by Collateral pledged to the extent of the fair market value of the principal amount deposited plus accrued interest as required by the Collateral Act.
2. If it is necessary for the District's depositories to pledge Collateral to secure the District's deposits, (a) the Collateral pledge agreement must be in writing, (b) the Collateral pledge agreement must be approved by the depository's board of directors or loan committee, (c) the depository's approval of the Collateral pledge agreement must be reflected in the minutes of the meeting of the depository's board or loan committee approving same, and (d) the Collateral pledge agreement must be kept in the official records of the depository. The depository must approve the Collateral pledge

agreement and provide to the Investment Officer(s) or District Officials written proof of the depository's approval of the Collateral pledge agreement as required in a form acceptable to the District. A signed or certified copy of the minutes of the meeting of the depository's board or loan committee reflecting the approval of the Collateral pledge agreement is approved or other written documentation of such approval acceptable to the Investment Officer(s) will be accepted. It is the preference of the Board that all requirements of this section be met prior to the deposit of any District funds requiring the pledge of Collateral in such financial institution. When a pledge of Collateral is required; however, the Board recognizes that compliance with this preference might not be practicable due to time constraints for making a deposit. In such event, the Board directs the Investment Officer(s) and District Officials to proceed diligently to have such agreement approved and documented to assure protection of the District's funds. If the decision is made to forego the protection of a Collateral pledge agreement with any depository, the District's administrator or President/CEO shall be responsible for maintaining the balance of deposit(s) in such depository plus any accrued but unpaid interest at or below FDIC insurance levels.

3. Collateral pledged by a depository shall be held in safekeeping at an independent third party institution, and the District's administrator or President/CEO shall obtain safekeeping receipts from the Texas financial institution or the safekeeping institution that reflect that Collateral as allowed by this Policy and in the amount required was pledged to the District. Principal and accrued interest on deposits in a financial institution shall not exceed the FDIC's, or its successor's, insurance limits or the market value of the Collateral pledged as security for the District's deposits. It shall be acceptable for the District's administrator or President/CEO to periodically receive interest on deposits to be deposited to the credit of the District if needed to keep the amount of the funds under the insurance or Collateral limits. It is the preference of this Board that there be no sharing, splitting or co-tenancy of Collateral with other secured parties or entities; however, in the event that a depository cannot accommodate this preference due to the denominations of the securities to be pledged, the Board directs the Investment Officer(s) and District Officials to obtain appropriate protections in the Collateral pledge agreement with the depository to assure that the Collateral is liquidated and the funds distributed appropriately to all parties with a security interest in such Collateral. The District's administrator or President/CEO shall monitor the pledged Collateral to assure that it is pledged only to the District, review the fair market value of the Collateral to ensure that the District's funds are fully secured, and report periodically to the Investment Officer(s) and the Board regarding the Collateral.
4. The District's funds deposited in any Texas financial institution, to the extent that they are not insured, may be secured in any manner authorized by the Investment Laws. As of the date of this Policy, the following securities are authorized to serve as Collateral under the Collateral Act:
 - a. Surety bonds;
 - b. An obligation that in the opinion of the Attorney General of the United States is a general obligation of the United States and backed by its full faith and credit;

- c. A general or special obligation that is (1) payable from taxes, revenues, or a combination of taxes and revenues and (2) issued by a state or political or governmental entity, agency, instrumentality or subdivision of the state, including a municipality, an institution of higher education as defined by Section 61.003, Texas Education Code, a junior college, a district created under Article XVI, Section 59, of the Texas Constitution, and a public hospital;
- d. A fixed-rate collateralized mortgage obligation that has an expected weighted average life of 10 years or less and does not constitute a "high-risk mortgage security" under the Collateral Act;
- e. A floating-rate collateralized mortgage obligation that does not constitute a "high-risk mortgage security" under the Collateral Act;
- f. A letter of credit issued by a federal home loan bank; or
- g. A security in which a public entity may invest under the Investment Act. As of the date of this Policy, the following are the securities in which a public entity may invest under the Investment Act and, therefore, may be used as Collateral:
 - (1) Obligations, including letters of credit, of the United States or its agencies and instrumentalities;
 - (2) Direct obligations of the State of Texas or its agencies and instrumentalities;
 - (3) Collateralized mortgage obligations directly issued by a federal agency or instrumentality or the United States, the underlying security for which is guaranteed by an agency or instrumentality of the United States;
 - (4) Other obligations, the principal and interest of which are unconditionally guaranteed or insured by or backed by the full faith and credit of the United States or the State of Texas or their respective agencies and instrumentalities, including obligations that are fully guaranteed or insured by the Federal Deposit Insurance Corporation or by explicit full faith and credit of the United States;
 - (5) Obligations of states, agencies, counties, cities, and other political subdivisions of any state rated as to investment quality by a nationally recognized investment rating firm not less than A or its equivalent;
 - (6) Certificates of deposit issued by a depository institution that has its main office, or a branch office, in the State of Texas and that are (1) guaranteed by the Federal Deposit Insurance Corporation or the National Credit Union Share Insurance Fund, or its successor, (2) secured by the obligations in which the District may invest under the Investment Act; or (3) secured in any other manner and amount provided by law for deposits of the District;
 - (7) Certificates of deposit made in accordance with the following conditions: (1) a broker that has its main office or a branch office in this state and is selected

from a list adopted by the District; or the funds are invested by the District through a depository institution that has its main office or a branch office in the State of Texas and that is selected by the District; (2) the broker or the depository institution selected by the District under Subdivision (1) arranges for the deposit of the funds in certificates of deposit in one or more federally insured depository institutions, wherever located, for the account of the District; (3) the full amount of the principal and accrued interest of each of the certificates of deposit is insured by the United States or an instrumentality of the United States; and (4) the depository institution selected by the District under Subdivision (1), an entity described by Section 2257.041(d), or a clearing broker dealer registered with the Securities and Exchange Commission and operating pursuant to Security and Exchange Commission Rule 15c3-3 (17C.F.R. Section 240.15c3-3) as custodian for the District with respect to the certificates of deposit issued for the account of the District;

- (8) Repurchase agreements that comply with the Investment Act;
- (9) Bankers' acceptances that comply with the Investment Act;
- (10) Commercial paper that complies with the Investment Act;
- (11) No-load money market mutual funds that comply with the Investment Act; and
- (12) No-load mutual funds that comply with the Investment Act.
- (13) Guaranteed investment contracts that comply with the Investment Act.

5 Notwithstanding anything to the contrary provided above, the following may not be used as Collateral and are not authorized as investments for the District under the Investment Act:

- a. Obligations whose payment represents the coupon payments on the outstanding principal balance of the underlying mortgage-backed security collateral and pay no principal;
- b. Obligations whose payment represents the principal stream of cash flow from the underlying mortgage-backed security collateral and bears no interest;
- c. Collateralized mortgage obligations that have a final stated maturity date of greater than 10 years other than those listed in 4(d) and 4(e) above; or
- d. Collateralized mortgage obligations the interest rate of which is determined by an index that adjusts opposite to the changes in a market index.

F. Authorized Investments – Unless specifically prohibited by law or elsewhere by this Policy, District monies may be invested and reinvested only in the following types of investments:

- 1. Obligations, including letters of credit, of the United States or its agencies and instrumentalities;

2. Direct obligations of the State of Texas or its agencies and instrumentalities;
3. Collateralized mortgage obligations directly issued by a federal agency or instrumentality of the United States, the underlying security for which is guaranteed by an agency or instrumentality of the United States;
4. Other obligations, the principal and interest of which are unconditionally guaranteed or insured by or backed by the full faith and credit of the State of Texas or the United States or their respective agencies and instrumentalities;
5. Obligations of states, agencies, counties, cities, and other political subdivisions of any state rated as to investment quality by a nationally recognized investment rating firm not less than A or its equivalent;
6. Certificates of deposit issued by a depository institution that has its main office or a branch office in the State of Texas that are (1) guaranteed by the Federal Deposit Insurance Corporation or its successor or the National Credit Union Share Insurance Fund or its successor, (2) secured by the obligations in which the District may invest under the Investment Act, or (3) secured in any other manner and amount provided by law for deposits of the District;
7. Certificates of deposit made in accordance with the following conditions: (1) a broker that has its main office or a branch office in this state and is selected from a list adopted by the District; or the funds are invested by the District through a depository institution that has its main office or a branch office in the State of Texas and that is selected by the District; (2) the broker or the depository institution selected by the District under Subdivision (1) arranges for the deposit of the funds in certificates of deposit in one or more federally insured depository institutions, wherever located, for the account of the District; (3) the full amount of the principal and accrued interest of each of the certificates of deposit is insured by the United States or an instrumentality of the United States; and (4) the depository institution selected by the District under Subdivision (1), an entity described by Section 2257.041(d), or a clearing broker dealer registered with the Securities and Exchange Commission and operating pursuant to Security and Exchange Commission Rule 15c3 3 (17C.F.R. Section 240.15c3-3) as custodian for the District with respect to the certificates of deposit issued for the account of the District;
8. Repurchase agreements that comply with the Investment Act;
9. Bankers' acceptances that comply with the Investment Act;
10. Commercial paper that complies with the Investment Act;
11. No-load money market mutual funds that comply with the Investment Act;
12. No-load mutual funds that comply with the Investment Act;

13. Investment Pools which meet the requirements set forth in Section 2256.016 and Section 2256.019 of the Texas Government Code, as amended, and which are specifically authorized by a resolution that is approved by the Board;
 14. With respect to bond proceeds, guaranteed investment contracts that comply with the Investment Act.
- G. Prohibited Investments -- Notwithstanding anything to the contrary stated herein, no funds of the District may be invested in the following or in any other type of investment prohibited by the Investment Act or other applicable law:
1. Obligations whose payment represents the coupon payments on the outstanding principal balance of the underlying mortgage-backed security collateral and pays no principal (IO's);
 2. Obligations whose payment represents the principal stream of cash flow from the underlying mortgage-backed security collateral and bears no interest (PO's);
 3. Collateralized mortgage obligations that have a final stated maturity date of greater than 10 years, other than those listed in 4(d) and (e) above; and
 4. Collateralized mortgage obligations, the interest rate of which is determined by an index that adjusts opposite to the changes in a market index (inverse floaters).
- H. Investment of Funds Held Under Trust Indentures – Anything in this Policy to the contrary notwithstanding, to the extent that any funds are held by a trustee under a trust indenture relating to the District's bonds, such funds may be invested as provided by such trust indenture or the resolution authorizing the issuance of the bonds.
- I. Investment Strategies for Funds and/or Accounts of the District -- The District hereby adopts the following investment strategy as a separate strategy for each of its funds and accounts which currently exist or are hereafter created: all funds and accounts of the District shall be invested so as to accomplish the following objectives, which are listed in order of importance: (1) understanding of the suitability of the investment to the financial requirements of the District; (2) preservation and safety of principal; (3) liquidity as needed to meet the District's operating requirements; (4) assurance of the marketability of the investment if the need arises to liquidate the investment before maturity; (5) diversification of the investment portfolio; and (6) maximum yield without compromising the first five objectives.

The investments set forth above are authorized for all accounts and funds of the District. One Hundred Percent (100%) of the funds in any one account of the District may be invested in any investment authorized hereunder at any one time. As set forth above in Section 13.D.3 the maximum allowable stated maturity of any individual investment shall not exceed five (5) years.

Funds in the District's operating account(s) shall be invested to meet the operating and cash flow requirements of the District as determined by the annual budget adopted by the Board. Operating funds shall not be invested for longer than three years.

- J. Annual Review -- The District shall review this Investment Policy at least annually and adopt a resolution confirming the continuance of the Investment Policy without amendment or adopt an Amended Investment Policy.
- K. Superseding Clause – This Policy supersedes any prior policies adopted by the Board of Directors regarding investment or securitization of District funds.
- L. Open Meeting – The Board officially finds, determines and declares that this Policy was reviewed, carefully considered, and adopted at a regular meeting of the Board, and that a sufficient written notice of the date, hour, place and subject of this meeting was posted at a place readily accessible and convenient to the public within the District and on a bulletin board located at a place convenient to the public in the City of Houston, Texas for the time required by law preceding this meeting, as required by the Open Meetings Act, Chapter 551, Texas Government Code, and that this meeting had been open to the public as required by law at all times during which this Policy was discussed, considered and acted upon. The Board further ratifies, approves, and confirms such written notice and the contents and posting thereof.

EXHIBIT AList of Qualified Broker/Dealers

Allegiance Bank	Legg Mason
Amegy Bank of Texas (Amegy Bank, N.A.)	LOGIC (Local Government Investment Cooperative)
American First National Bank	Lone Star Investment Pool
Bank of America Corporation	Lone Star National Bank
Bank of America, N.A.	LPL Financial Services
Bank of OZK	Masterson Advisors
Bank of Texas (BOKF, NA)	Mercantil Commercebank, National Association
BBVA Compass Bank	Merchants Bank
Beal Bank	Metro Bank, National Association A-2
BOKF Financial	Midkiff & Stone Capital Group, Inc.
Capital Bank, N.A.	MidSouth Bank
Capital Markets Group, Inc.	Moody National Bank
Capital One, N.A.	Morgan Stanley
Cathay Bank	Morgan Stanley Wealth Management
Central Bank	New First National Bank
Chase Bank, N.A.	Northern Trust, National Association
Chase Investments Services Corp.	Omnibank National Association
Chasewood Bank	Patriot Bank
Citibank	Plains State Bank
City Bank	Post Oak Bank
Comerica Bank	Preferred Bank
Commercial State Bank	Prime Way Federal Credit Union
CommunityBank of Texas, N.A.	Prosperity Bank
CUNA	Prudential Equity Group
Edward Jones	Raymond James
Encore	RBC Wealth Management USA
Enterprise Bank and Trust Company	Regions Bank
First Bank Texas	Regions Financial Corporation
First Citizens Bank	Security State Bank
First Community Bank, N.A.	Southwestern National Bank
First Financial Bank	Spirit of Texas Bank
First International Bank & Trust	State Bank of Texas
First National Bank of Bastrop	State Street Bank & Trust Co.
First National Bank Texas	Texan Bank
First Texas Bank	Texas Capital Bank, National Association
FirstBank & Trust Company	Texas Citizens Bank
Fiserve, Inc.	Texas CLASS
Frost Bank	Texas Community Bank
FTN Financial	Texas First Bank
Golden Bank, National Association	Texas Gulf Bank
Green Bank, N.A.	Texas State Bank
Guaranty Bank and Trust	TexPool/TexPool Prime
Hanmi Bank	TexSTAR
Herring Bank	The Bank of River Oaks
Hilltop Securities	TIB – The Independent BankersBank
HomeTown Bank, N.A.	Tri Star Financial
IBC Bank	Trustmark National Bank
Icon Bank	U.S. Bank National Association
Independence Bank	UBS Financial Services, Inc.
Independent Bank	Unity National Bank
Integrity Bank	Vista Bank
Invesco	Wallis State Bank
J.P. Morgan Securities LLC	Wells Fargo Advisors, LLC
JPMorgan Chase & Co.	Wells Fargo Bank, N.A.
Legacy Texas Bank	Woodforest National Bank



Houston Downtown Management District 2024 Schedule of Board of Directors Meetings

All meetings are scheduled to be held from 12:00 - 1:30 p.m. at the District's offices located at 1221 McKinney Street, Suite 4250, Houston, Texas 77010; inside the H-Town Conference Room, unless otherwise stated.

January 11	August 8
February 8	September 12
March 7	October 10
April 11	November 14
May 9	December 12
June 20	

For additional information, please contact:

Jamie Lynn Perkins
Assistant Secretary and
Records Management Officer

jamie@downtowndistrict.org
713-650-3356

Thank You

Houston Downtown Management District
FIRST DRAFT 2024 Operating Budget Summary

	2021-2025 Service Plan Avg. Annual	2023 Amended Budget	2023 Projected	2024 Budget	2024 Budget vs. 2023 Projected	2024 Budget vs. 2023 Budget
Revenues						
Assessment revenue	\$17,065,269	\$15,141,762	\$14,996,169	\$14,996,169	\$0	(\$145,593)
Total Other Revenue	\$575,000	\$938,416	\$782,230	\$995,000	\$212,770	\$56,584
Interest	\$200,000	\$525,238	\$600,000	\$733,000	\$133,000	\$207,762
Utilization of Surplus Fund Balance	\$933,155	\$2,649,878	\$1,862,068	\$3,291,236	\$1,429,168	\$641,358
Total Funds Available	\$18,773,424	\$19,255,294	\$18,240,467	\$20,015,405	\$1,774,938	\$760,111
Expenses						
Goal 1. Downtown feels comfortable and safe at all times						
1a. Collaboration to maintain low crime rate	\$3,545,000	\$3,365,014	\$3,097,815	\$3,815,999	\$718,184	\$450,985
1b. Reduced presence of homeless & street persons	\$1,366,645	\$1,015,130	\$918,628	\$1,467,639	\$549,011	\$452,509
1c. Downtown's sidewalks are comfortably lighted	\$346,917	\$206,742	\$247,132	\$230,292	(\$16,840)	\$23,550
1d. Downtown noted for cleanliness and well kept appearance	\$4,591,002	\$5,199,040	\$5,116,073	\$5,343,089	\$227,016	\$144,049
1e. Remove conditions of disorder in downtown	\$36,794	\$87,321	\$87,455	\$70,552	(\$16,903)	(\$16,769)
1f. Prepare for and respond to emergencies	\$113,011	\$120,822	\$121,057	\$117,416	(\$3,641)	(\$3,406)
Total Goal 1:	\$9,999,369	\$9,994,069	\$9,588,160	\$11,044,987	\$1,456,827	\$1,050,918
Goal 2. Public realm is charming, inviting, beautiful and celebrates the life of the city						
2a. Key pedestrian areas are inviting	\$633,388	\$611,055	\$651,128	\$632,365	(\$18,763)	\$21,310
2b. Public spaces: managed, programmed and delightful	\$1,604,230	\$1,764,965	\$1,934,750	\$1,854,977	(\$79,773)	\$90,012
2c. Place of civic celebration	\$1,325,646	\$1,670,205	\$1,622,863	\$1,433,765	(\$189,098)	(\$236,440)
Total Goal 2:	\$3,563,264	\$4,046,225	\$4,208,741	\$3,921,108	(\$287,633)	(\$125,117)
Goal 3. Accessible to region and easy to get around						
3a. Effective transit access: more places, more hours	\$179,766	\$172,227	\$28,219	\$170,703	\$142,484	(\$1,524)
3b. Convenient circulation without a personal vehicle	\$26,282	\$0	\$0	\$0	\$0	\$0
3c. Easy to find way around	\$140,344	\$127,849	\$80,150	\$95,000	\$14,850	(\$32,849)
3d. Connect neighborhoods and districts inside/outside downtown	\$31,538	\$95,111	\$119,604	\$64,236	(\$55,368)	(\$30,875)
3e. Convenient, understandable and managed parking	\$34,166	\$7,386	\$8,102	\$12,780	\$4,678	\$5,394
Total Goal 3:	\$412,096	\$402,573	\$236,075	\$342,719	\$106,644	(\$59,854)
Goal 4. Vibrant, sustainable mixed use place						
4a. Best place to work in region	\$370,893	\$619,926	\$452,758	\$534,208	\$81,450	(\$85,718)
4b. Exciting neighborhoods to live in	\$854,153	\$1,026,441	\$989,360	\$1,088,290	\$98,930	\$61,849
4c. Competitive shopping place	\$26,282	\$20,311	\$24,253	\$19,759	(\$4,494)	(\$552)
4d. Remarkable destination for visitors	\$65,178	\$16,480	\$16,322	\$17,873	\$1,551	\$1,393
Total Goal 4:	\$1,316,506	\$1,683,158	\$1,482,693	\$1,660,130	\$177,437	(\$23,028)
Goal 5. Downtown's vision and offerings are understood by all						
5a. Market to region	\$1,181,727	\$1,093,545	\$768,758	\$956,248	\$187,490	(\$137,297)
5b. Promote downtown's ease of use	\$52,563	\$94,672	\$103,420	\$124,144	\$20,724	\$29,472
5c. Vision/ development framework understood by all	\$1,085,432	\$625,281	\$663,101	\$550,964	(\$112,137)	(\$74,317)
5d. Tools to assist continued redevelopment	\$84,101	\$26,687	\$27,075	\$28,556	\$1,481	\$1,869
5e. Information to support development, investment and marketing of downtown	\$42,051	\$21,596	\$25,989	\$23,100	(\$2,889)	\$1,504
Total Goal 5:	\$2,445,874	\$1,861,781	\$1,588,343	\$1,683,011	\$94,668	(\$178,770)
Goal 6. District governance and service known for excellence						
6a. Board and administration: engage stakeholders in decision making	\$870,399	\$1,111,379	\$1,035,305	\$1,140,730	\$105,425	\$29,351
6b. Communications to owners, tenants and others	\$39,659	\$52,133	\$56,589	\$71,874	\$15,285	\$19,741
6c. Preservation of the District's capital assets	\$126,257	\$103,977	\$44,561	\$150,846	\$106,285	\$46,869
Total Goal 6:	\$1,036,315	\$1,267,489	\$1,136,455	\$1,363,450	\$226,995	\$95,962
Total Expense	\$18,773,424	\$19,255,294	\$18,240,467	\$20,015,405	\$1,774,938	\$760,111
Revenue in Excess (Deficit) Expense	\$0	\$0	\$0	\$0	\$0	\$0

Houston Downtown Management District
FIRST DRAFT 2024 Operating Budget Summary

Analysis of functional expenses	Out of Pocket Expense		Admin Contractor Expense		Revenue		
		% of Bdgt		% of Bdgt	Budget Total	Partner Funding	Net Expense
Goal 1. Downtown feels safe and comfortable at all times	\$9,855,785	49.2%	\$1,189,202	5.9%	\$11,044,987	\$520,000	\$10,524,987
1a Collaboration to maintain low crime rate	3,324,250	16.6%	491,749	2.5%	3,815,999	0	3,815,999
Contract labor- public safety guides	2,313,250						
Off duty + private security	1,011,000						
1b Reduced presence of homeless & street persons	1,362,900	6.8%	104,739	0.5%	1,467,639	0	1,467,639
Homeless planning and services	1,302,000						
Downtown Safety Office	60,900						
1c Downtown's sidewalks are comfortably lighted	180,000	0.9%	50,292	0.3%	230,292	0	230,292
Street lighting operating charge	50,000						
Utility expense-special lighting/amenities	30,000						
Lighting repair & maintenance	100,000						
1d Downtown noted for cleanliness & well-kept appearance	4,948,635	24.7%	394,454	2.0%	5,343,089	520,000	4,823,089
Contract labor- cleaning	2,125,300						
Contract labor - special events	10,000						
Contract labor- flagging	35,000						
Contract labor- trash collection	350,000					228,000	
Bus stop cleaning	150,000					285,000	
Recycling program	25,000						
Portable restroom servicing	30,000						
Trash bags/truck insurance	386,700						
Rat/bird abatement	73,000						
Landscape contractor	250,000						
Landscape water	275,000						
Tree maintenance contractor	150,000						
Irrigation maintenance & repair contractor	200,000					7,000	
Paver repair contractor	350,000						
Operations center expense	404,235						
Storage yard and warehouse	60,000						
Vehicle & cleaning equipment related expense	74,400						
1e Remove signs of disorder in downtown	30,000	0.1%	40,552	0.2%	70,552	0	70,552
Contract labor-graffiti abatement	30,000						
1f. Prepare for emergencies	10,000	0.0%	107,416	0.5%	117,416	0	117,416
Expense of Emergency Operations Center	10,000						
Goal 2. Public realm is charming, inviting, beautiful and celebrates the life of the city	\$3,296,000	16.5%	\$625,108	3.1%	\$3,921,108	\$475,000	\$3,446,108
2a Key pedestrian streets are inviting	530,000	2.6%	102,365	0.5%	632,365	0	632,365
Contractor floral accent planting and care	530,000						
Vacant space/window activation	0						
2b Public spaces: managed, programmed and delightful	1,551,000	7.7%	303,977	1.5%	1,854,977	325,000	1,529,977
Main Street Square fountain plantings	55,000						
Main Street fountain repairs	60,000						
Main Street Square fountain maintenance	0					70,000	
Main Street Square electricity	15,000						
Main Street Square attendant	147,000						
Main Street Square events & programming	0						
Cotswold Fountain Maintenance	112,000					225,000	
Cotswold Fountain Repairs	100,000						
Market Square Park landscaping	105,000						
Market Square Park operations	40,000						
Market Square Park attendant	147,000						
Market Square Park events & programming	100,000						
Market Square Park Farmer's Market	150,000						
Market Square Park kiosk utilities	12,000						
Trebley Park Accent Plants & Landscape Contractor	33,000						
Trebley Accent Plants - Contractor & Materials	33,000						
Trebley Park Attendant	147,000						
Trebley Park Repairs, Supplies & Misc.	25,000						
Trebley Park - Utilities	45,000					30,000	
Trebley Park Programming and Events	100,000						
Trebley Event Contractor	0						
Collaborate on nonpark based events	125,000						
2c Place of civic celebration	1,215,000	6.1%	218,765	1.1%	1,433,765	150,000	1,283,765
Street banners & pole repair contractor	120,000						
Allen Parkway maintenance	150,000					150,000	
Holiday logistics and installation	700,000						
Holiday season promotion expense	125,000						
Main Street Square art program	100,000						
Art consultant	20,000						

Houston Downtown Management District
FIRST DRAFT 2024 Operating Budget Summary

Analysis of functional expenses					Revenue		
	Out of Pocket Expense	% of Bdgt	Admin Contractor Expense	% of Bdgt	Budget Total	Partner Funding	Net Expense
Goal 3. Accessible to entire region all of the time and easy to get around	\$210,000	1.0%	\$132,719	0.7%	\$342,719	\$0	\$342,719
3a Effective transit access: more places, more hours	150,000	0.7%	20,703	0.1%	170,703	0	170,703
Ft. Bend Park and Ride	150,000						
3b Convenient circulation without personal vehicle	0	0.0%	0	0.0%	0	0	0
Circulator operation	0						
Consulting to pursue additional transportation funding	0						
3c Easy to find way around	60,000	0.3%	35,000	0.2%	95,000	0	95,000
Wayfinding system maintenance contractor	60,000						
Create and update informational maps	0						
3d Connect neighborhoods and districts inside/ outside downtown	0	0.0%	64,236	0.3%	64,236	0	64,236
Streetscape project coordination	0						
3e Convenient, understandable and managed parking	0		12,780		12,780	0	12,780
Parking program updates	0						
Goal 4. Vibrant, sustainable mixed-use place	\$1,406,519	7.0%	\$253,611	1.3%	\$1,660,130	\$0	\$1,660,130
4a Best place to work in region	340,000	1.7%	194,208	1.0%	534,208	0	534,208
Economic Development Reports	125,000						
Marketing	15,000						
Retail Recruitment Strategy	100,000						
Retention/Expansion	0						
Regional Collaboration	50,000						
Meetings	0						
Reference Material/Research	50,000						
CHCI sustainability program	0						
4b Exciting neighborhoods to live in	1,066,519	5.3%	21,771	0.1%	1,088,290	0	1,088,290
Downtown Living Initiative Grants	1,036,519						
Open space, park & recreational offerings	30,000						
School, educational options	0						
4c Competitive shopping place	0	0.0%	19,759	0.1%	19,759	0	19,759
Retail core planning consultants	0						
Signage and advertising	0						
Recruitment consultant	0						
4d Remarkable destination for visitors	0	0.0%	17,873	0.1%	17,873	0	17,873
	0						
Goal 5. Downtown's vision and offerings understood by all	\$1,153,500	5.8%	\$529,511	2.6%	\$1,683,011	\$0	\$1,683,011
5a Market to region	703,500	3.5%	252,748	1.3%	956,248	0	956,248
Email blast	8,500						
Downtown web portal	25,000						
Social Media	40,000						
Field Guide	60,000						
Creative & Strategy	50,000						
Photography	35,000						
Promotions & Video	50,000						
Placebranding	75,000						
Park Promotions	25,000						
Media & Advertising	200,000						
Promotional Items	45,000						
PR consultants	90,000						
5b Promote downtown's ease of use	0	0.0%	124,144	0.6%	124,144	0	124,144
	0						
5c Vision/ development framework understood by all	450,000	2.2%	100,964	0.5%	550,964	0	550,964
North Houston Highway Improvement Project - consultants	250,000						
Transportation infrastructure planning- consultants	100,000						
Public Realm Activation Study - consultants	100,000						
5d Tools to assist continued redevelopment	0	0.0%	28,556	0.1%	28,556	0	28,556
Help potential new redevelopment projects	0						
5e Develop/ maintain information to support development, investment and marketing of downtown	0	0.0%	23,100	0.1%	23,100	0	23,100

Houston Downtown Management District
FIRST DRAFT 2024 Operating Budget Summary

Analysis of functional expenses	Out of Pocket Expense		Admin Contractor Expense		Revenue		
		% of Bdgt		% of Bdgt	Budget Total	Partner Funding	Net Expense
Goal 6. District governance and service known for excellence	\$583,258	2.9%	\$780,192	3.9%	\$1,363,450	\$0	\$1,363,450
6a Board and administration: engage stakeholders in decision making	432,412	2.2%	708,318	3.5%	1,140,730		1,140,730
Legal Counsel	24,000						
Accountant and auditor	55,400						
Assessment collector	68,000						
Administration contractor fee	70,212						
Insurance	40,800						
General out-of-pocket expenses	174,000						
6b Communications to owners, tenants and others	0	0.0%	71,874	0.4%	71,874	0	71,874
Downtown District Communication Quarterly	0						
Downtown District website	0						
6c Preservation of District's capital assets	150,846	0.8%	0	0.0%	150,846	0	150,846
Depreciation expense	150,846						
Grand Totals	\$16,505,062	82%	\$3,510,343	18%	\$20,015,405	\$995,000	\$19,020,405

	2021-2025 Improvement Plan (5 years)	2023 Amended Budget	2023 Projected	2024 Budget
Revenues				
Net Assessment revenue	\$6,094,739	\$1,288,661	\$1,276,270	\$1,276,270
Project revenue	\$0	\$0	\$0	\$0
Interest	\$50,000	\$209,001	\$221,559	\$230,000
Utilization of Surplus Fund Balance	\$333,333	\$0	\$0	\$0
Prior Fund Balance	\$0	\$5,182,744	\$3,091,490	\$3,234,476
Total Funds Available	\$6,478,072	\$6,680,406	\$4,589,319	\$4,740,746
Expenses				
Goal 1 Downtown feel safe & comfortable				
Street lighting enhancements	\$1,000,000	\$0	\$0	\$0
Flock Cameras	\$0	\$0	\$0	\$156,700
Irrigation & Landscape Smart System Implementation	\$0	\$270,837	\$219,783	\$75,000
Total Goal 1:	\$1,000,000	\$270,837	\$219,783	\$231,700
Goal 2 Public realm is charming, inviting, beautiful & celebrates life of city				
Landscape Enhancements	\$550,000	\$150,000	\$0	\$150,000
More Spaces Main Street 2.0	\$0	\$734,839	\$194,246	\$0
Storefront/Streetscape Activation & Improved Pedestrian Connection	\$0	\$0	\$0	\$250,000
Banners	\$0	\$335,000	\$29,969	\$335,000
Trebley Park Improvements	\$0	\$54,404	\$13,474	\$175,000
Market Square Park Improvements	\$0	\$200,000	\$100,000	\$50,000
Lighting Plan Implementation	\$0	\$0	\$0	\$250,000
Total Goal 2:	\$550,000	\$1,474,243	\$337,689	\$1,210,000
Goal 3 Accessible to region & easy to get around				
Lighted street/parking signs	\$500,000	\$0	\$0	\$0
Improved pedestrian connections	\$3,000,000	\$1,194,587	\$492,501	\$750,000
Wayfinding signage	\$300,000	\$95,349	\$95,549	\$0
Total Goal 3:	\$3,800,000	\$1,289,936	\$588,050	\$750,000
Goal 4 Vibrant, sustainable mixed use place				
Downtown Living Initiative Grants	\$0	\$79,500	\$79,500	\$88,214
Retail catalytic grants	\$0	\$250,000	\$0	\$250,000
Total Goal 4:	\$0	\$329,500	\$79,500	\$338,214
Goal 5 Downtown's vision & offerings are understood by all				
Technical assistance grants	\$0	\$0	\$0	\$0
Total Goal 5:	\$0	\$0	\$0	\$0
Goal 6 District governance & excellence known for excellence				
Capital replacement	\$1,125,000	\$224,400	\$129,821	\$256,000
Total Goal 6:	\$1,125,000	\$224,400	\$129,821	\$256,000
Total Expenditures	\$6,475,000	\$3,588,916	\$1,354,843	\$2,785,914
Revenue in Excess (Deficit) Expense	\$3,072	\$3,091,490	\$3,234,476	\$1,954,832

**RESOLUTION ORDERING THE ANNUAL SETTING OF THE RATE OF ASSESSMENT
FOR THE YEAR 2023**

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

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

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

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

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

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

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

- 1) The rate of assessment for the year 2023 shall be \$0.1175 per \$100 of assessed valuation for services and minor capital expenses. The rate of assessment for the year 2023 shall be \$0.0100 per \$100 of assessed valuation for major capital improvements.

PASSED AND ADOPTED this 9th day November, 2023.

Kristopher Larson
President/CEO, Board of Directors
Houston Downtown Management District

ATTEST: _____
Jamie Lynn Perkins
Assistant Secretary, Board of Directors
Houston Downtown Management District

CERTIFICATE FOR RESOLUTION

THE STATE OF TEXAS §
COUNTY OF HARRIS §

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

1. The Board of Directors of the Houston Downtown Management District convened in regular session on the 9th day of November, 2023, and the roll was called of the duly constituted officers and members of the Board to-wit:

BOARD MEMBERS

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

and all of said persons were present, except Directors absent as recorded in the duly authorized minutes of the November 9, 2023 meeting of the Board of Directors, thus constituting a quorum. Whereupon, among other business, the following was transacted at the meeting: a written

RESOLUTION ORDERING THE ANNUAL SETTING OF THE RATE OF ASSESSMENT FOR THE YEAR 2023

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

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

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

SIGNED AND SEALED the 9th day of November, 2023.

(SEAL)

Jamie Lynn Perkins
Assistant Secretary, Board of Directors
Houston Downtown Management District

ACTION ITEM	Authorize President/ CEO to execute the agreement and related expenditures for supplemental urban planning and design consultant services by Design Workshop for More Space: Main Street 2.0.
SERVICE PLAN	2021-2025
Account Code	583.800
Budget Year	2023
Budget Amount	\$50,000
REQUEST	Based on collaborations with City of Houston, the District's consultant procurement, and the consultant services completed to date, this authorization funds additional professional services associated with More Space: Main Street 2.0 for planning, design, and engagement consultants. The request is for \$50,000 which covers the consultant's additional services.
DESCRIPTION	To support the urban planning and design process to date and additional consultant services and deliverables for the benefit of the project to permanently close Main Street to vehicular traffic, from Commerce to Rusk Streets, including public and private improvements to support small businesses with a more activated and safer public realm.
DISCUSSION	Expanding upon the temporary More Space program implemented in response to the COVID-19 pandemic, this project seeks to make permanent alterations to Main Street that support a more activated streetscape with outdoor dining facilities and other urban programmatic uses. This request for funds will allow Design Workshop, the project consultant, to expand on aspects of the conceptual design for the benefit of the Planning team, Capital Projects team, and the next phase of the More Space: Main Street 2.0 project.

DBE PARTICIPATION Design Workshop is not a City-certified M/WDBE firm, but its public engagement sub-consultant Outside Voices is a City-certified WBE and accounts for approximately 29.3% of the total fee proposal.

morespace: main street **_2.0**

ENGAGEMENT SUMMARY

Workshop #2



October 19th, 2023

4 **Hours**

90 **People**

425 **Feedback points**
Dots/Post-its/Chips/Comment Cards

October 19, 2023 @ Little Dipper on Main St

SUMMARY



1 Project Potential

PROJECT POTENTIAL

About the project

The Main Street Main Street program—between Commerce and Rusk—was established during the COVID-19 pandemic to help restaurants accommodate more socially distanced customers. In March 2023, City Council voted to permanently close the portion of Main Street in order to create an equitable pedestrian-focused public realm. This planning project, led by the Houston Downtown Management District, is assessing the needs and desires of stakeholders and the community to lay the groundwork for the transformation of Main Street.

Main Street History

Demographics by the numbers

- 5300
- 68 total buildings
- 81% occupied
- 13
- 10
- 14,350

Project Schedule

2021-2022: MAIN STREET ID
2023: CITY COUNCIL DECISION
2023: PLANNING DESIGN
2024: DESIGN ENGINEERING
2025: CONSTRUCTION
2026: BUILD-UP

ENABLING A GREAT PROJECT

What We Heard

Through the feedback from both agencies and the community, it became clear that three key things were necessary in order to set the stage for a great project to happen. These are the most significant concerns, which are Maintenance, Accessibility, and Activation. Maintenance considers Main Street as the public space with the City and Downtown leading a "Shared Maintenance Zone." For changes in the address of environmental public space, Accessibility requires consideration of being the public space for people and engaging with pedestrian accessibility. Activation requires the creation of programming to be a part of the project to offer options for dining, leisure, recreation and pop-up events that ensure an 18-hour activation.

Key Needs

- 1 MAINTENANCE**
- 2 ACCESSIBILITY**
- 3 ACTIVATION**

Who We're Reaching

- Houston Public Works
- MDOT
- The Downtown
- Houston Police Department
- Houston Administration and Regulatory Affairs
- Mayor's Office of People with Disabilities
- Mayor's Office of Special Events
- Business Owners from Main Street ID
- Business Owners along Main Street
- Main Street Residents, 40, Many from 18 Blocks
- University of Houston Downtown
- Midway
- More
- 142 members of the public at Workshop #1

2 Main Street Experience

DOWNTOWN MAIN STREET EXPERIENCE

Extension of the Bayou

Based on the street ID with the same conditions during this project, we have used the experience of a larger story that the ability to be and that is the breathing of historic Main Street. With the agreement having other connections to Bayou Square and Market Square Park a plan has been established to create a "breath" of "greening" elements that will define the identity of the historic District's breathing to be an extension of the Bayou. Programmatic and active purposes of each block with "active" outdoor dining, patios, event space and meeting gathering spaces. With the expansion of the outdoor space, special attention is paid to how can connections, walk, pedestrian space and emergency access for fire.

Project Plan

The Main Street program was established along Main Street (between Commerce and Rusk) to help restaurants accommodate more customers while maintaining social distancing during COVID-19. This expanded outdoor dining space has provided much needed relief for restaurants, while activating Main Street as a place to visit. The City and the Downtown District is now considering the expansion of the program as a more permanent condition. A key component of the project will also consider using the roadway to create real space for park-like programs, expanded outdoor space, walk, pedestrian and other outdoor public realm amenities to accommodate all abilities and create opportunities for a real Main Street experience.

Project Plan

The Main Street program was established along Main Street (between Commerce and Rusk) to help restaurants accommodate more customers while maintaining social distancing during COVID-19. This expanded outdoor dining space has provided much needed relief for restaurants, while activating Main Street as a place to visit. The City and the Downtown District is now considering the expansion of the program as a more permanent condition. A key component of the project will also consider using the roadway to create real space for park-like programs, expanded outdoor space, walk, pedestrian and other outdoor public realm amenities to accommodate all abilities and create opportunities for a real Main Street experience.

3 Views

COMMON SOCIAL SPACE

Little Dipper

This perspective located at the Little Dipper on Main between Congress and Preston illustrates elements of leisure, play and communal gathering with an emphasis on a park-like setting, cattery systems, shade structure signature District furnishings.

Post your thoughts here!

Would you feel comfortable in this space? Would you bring friends, family, or visitors? Other opportunities we should consider in this location?

NIGHT-TIME PUBLIC GATHERING

Little Dipper

This perspective located at the Little Dipper on Main between Congress and Preston illustrates an evening setting with outdoor programming for events and night-time communal gathering, creating expanded spaces for adjacent local businesses and encouraging 18-hour activation.

Post your thoughts here!

Would you feel comfortable in this space? Would you bring friends, family, or visitors? Other opportunities we should consider in this location?

4a Views

CAFE AND RETAIL SPACE

320 Main

This perspective located 320 Main between Congress and Preston emphasizes the culture of a downtown community by introducing elements such as cafe spaces or gathering areas in partnership with private businesses, green buffers and wide sidewalk clearances for passersby.

Post your thoughts here!

Would you feel comfortable in this space? Would you bring friends, family, or visitors? Other opportunities we should consider in this location?

4b Views

EVENT SPACES

District 7 Market

This perspective located on Main Street at the District 7 Market between Texas and Capitol demonstrates key principles of human comfort, art elements, pedestrian access and day-night activation with opportunities for year-round, pop-up markets and event activation.

Post your thoughts here!

Would you feel comfortable in this space? Would you bring friends, family, or visitors? Other opportunities we should consider in this location?

5 Feedback

FEEDBACK: TELL US YOUR THOUGHTS

Question #1 Directions: Take a green dot and place it anywhere on the spectrum below to tell us how you feel about this Main Street project.

How excited are you about this project?

Not excited Neutral Very excited

Question #2 Directions: Take a dot and place it in either of the boxes below to respond to the question below.

Do you think this project will draw more people to downtown?

No Maybe Yes

Question #3 Directions: Grab a chip and drop it in the corresponding bowl below to share your thoughts.

What would you prefer to see more of in the final design?

Events spaces/ food carts
Green/ Nature
Art/ Music

Post your thoughts here!

Would you feel comfortable in this space? Would you bring friends, family, or visitors? Other opportunities we should consider in this location?

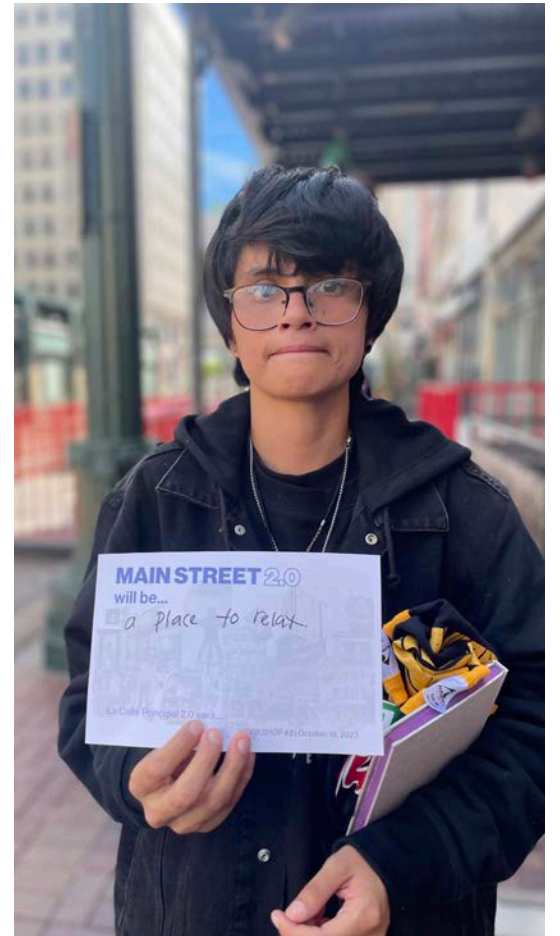
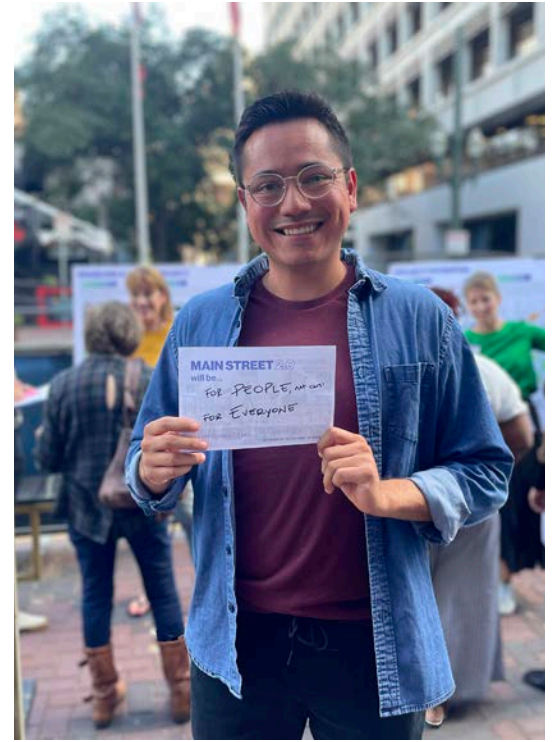
STATIONS

Ensure people
feel **heard** and
their thoughts
**reflected in the
design**

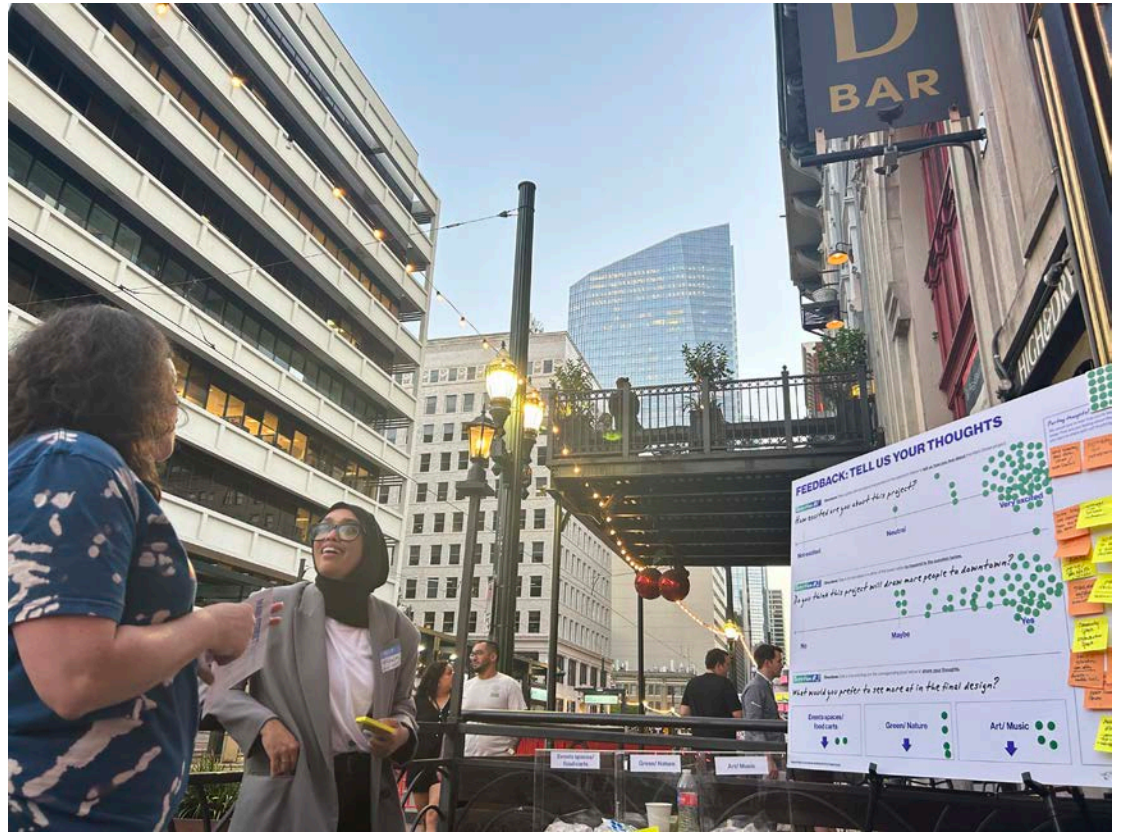
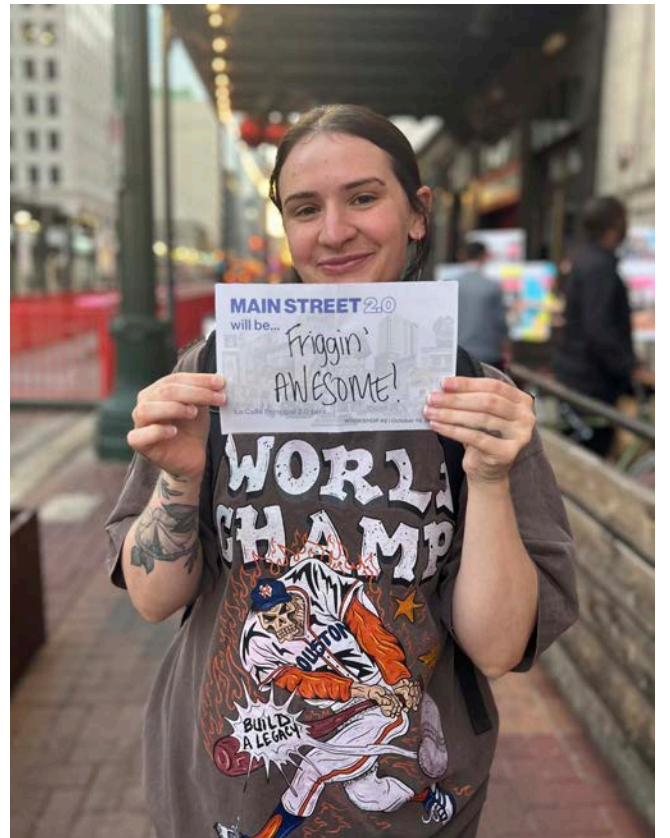
Gather feedback
on the **concept** and
potential spaces

Assess the **level
of excitement and
support** for the
project

OUTCOMES



MAIN STREET 2.0 WILL BE...



MAIN STREET 2.0 WILL BE...

green
 colorful welcoming refreshing
 BUZZING transformational *brighter*
accessible out of this world *dance party!*
 FRUITFUL greatest renaissance SOCIAL LIVING
 REDISCOVERED VIBRANT INCLUSIVE
 awesome
vibing place for everyone
 WALKING/ROLLING/BEING *revitalized*
 diverse MEMORABLE
 everyone people place to relax
 friendly ALL-SEASON ENJOYABLE
friggin' awesome

MAIN STREET 2.0 WILL BE...

1 Response to this project is extremely positive

- **99% of respondents** are EXCITED or VERY EXCITED about the More Space: Main Street 2.0 project
- **80% of respondents** believe this project will draw more people to downtown

2 The community is excited about the design

- **Shade**—shade structures and trees are wonderful and so needed
- **Planting and trees**—great for branded identity and shade
- **Lighting**—makes things fun
- **Programming**—the activation, market, and buskers are great, also love to see seasonal programming for wonder all year round!
- **Connection to the Bayou**



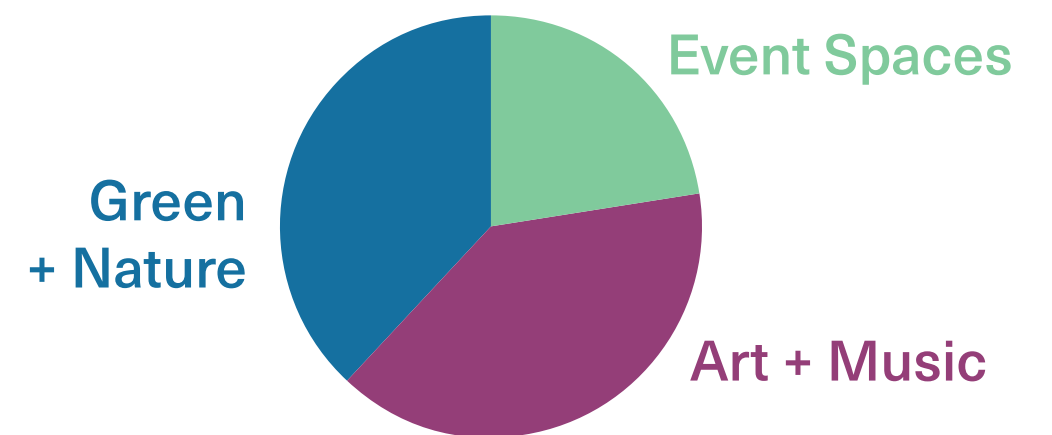
KEY TAKEAWAYS

What they'd like to see more of in the final design:

- **Security support/presence**—need to serve between 2am and 7am
- **Fans + misters**—in combination with shade, to keep things cool
- **Straightforward car/bike parking**—clear signage to garages, information on hours, bike parking, bike valet
- **METRO policing**—cleaning and presence on platforms
- **Playful art**—art installations, in paving, vacant buildings
- **More permanent furnishings**—less temporary tents, railings, and barricades
- **District branding**—give this area a distinct identity!
- **Live music**
- **Water**—connect back to nature
- **Activation**—variety, colors, sensory experiences



What would you like to see more of in the final design?



FINAL DESIGN IDEAS

- **Alcohol**—how will the alcohol regulations play out?
- **Uses**—how can we get more restaurants, a small supermarket, an urban Target?
- **Public restrooms**—how can this project help with that issue?
- **Trash**—how can trash be handled more effectively?
- **Bike routes**—Main Street is currently the 2nd safest street to bike/roll in Downtown after Austin Street. What alternative will we give those users?
- **Platforms**—option to enter platform from the sidewalk space?
- **Buffer from METRO**—can the buffer provide extra protection from trains?
- **Green opportunities**—could we replace the paving in the METRO rail corridor with grass in a future phase?
- **Funding + Timing**—where will all of the funding come from and can it really be done in time for World Cup?



OUTSTANDING QUESTIONS

“

This is what we need!

This may be one of the best renditions I've seen!

What a wonderful space this will be!

I am 100% behind this—I won't miss the cars in the street at all. This just extends the party!

I'm excited!!! I think this will help clean up downtown, draw more people in, and help businesses thrive. Can't wait!

I love that this is happening. It's a way of protecting the historic character of Main Street.

Wherever twinkle lights are.... I am.

I would love to see Main Street become more like these renderings.

It would be great to see these improvements, along with dining options for evenings—so it's not just bars.

We have so much parking, we just need better signage for it.

I think this is the most fabulous thing!

I'm super excited about it—just do it.

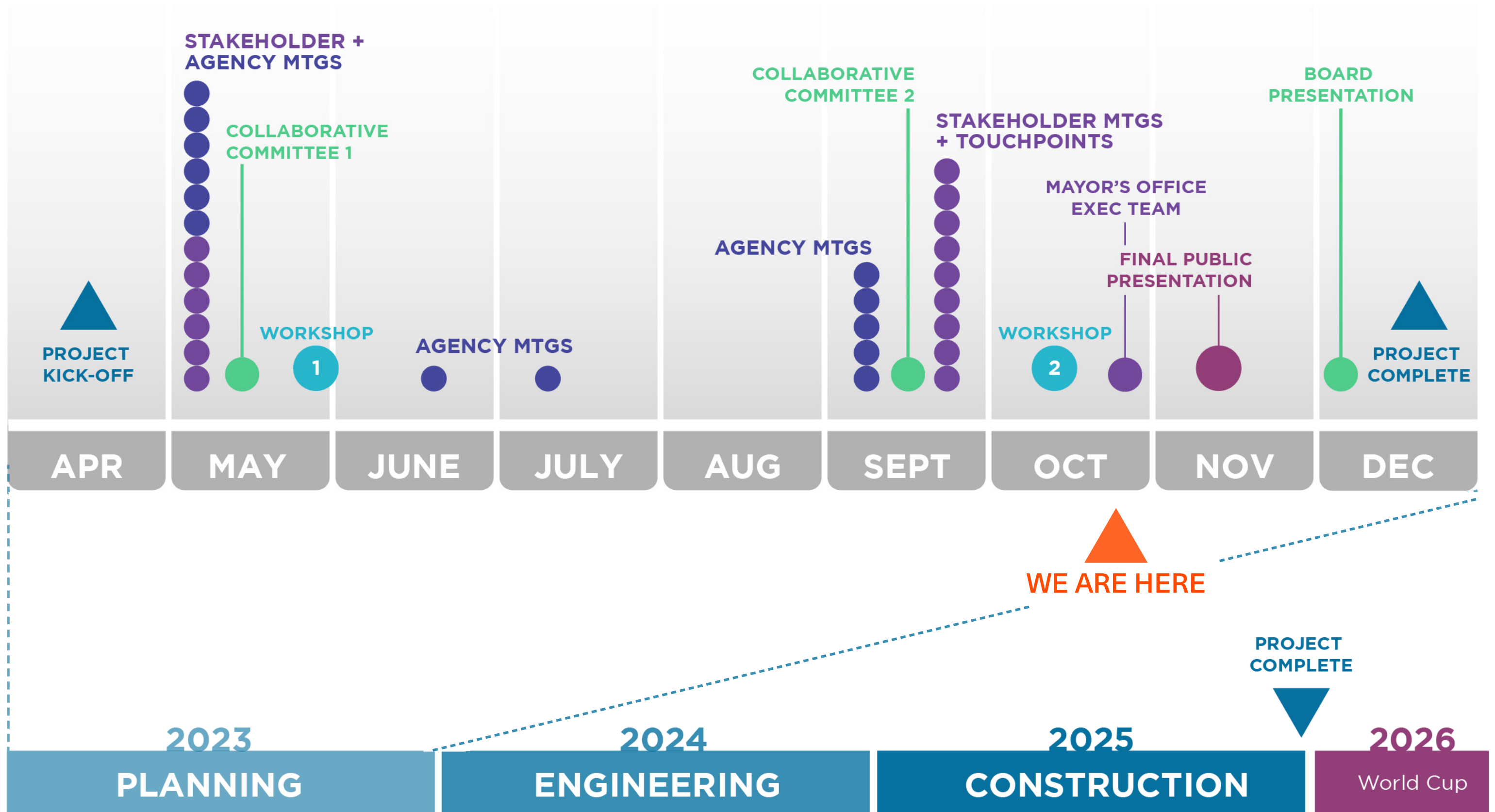
Think big!

I'd like to see more water. People are attracted to water—it's calming.

It would be great to be able to bring my kids downtown on weekends and be able to hang out and play while adults eat—especially after going to an event at Discovery Green or an Astros game.

”

QUOTES



TIMELINE + NEXT STEPS



CENTRAL HOUSTON, INC.

STRATEGIC ALIGNMENT PLAN UPDATES

NOVEMBER 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: On November 2, CHI hosted its Annual Meeting / State of Downtown event which honored 40 years of CHI legacy and revealed the new consolidated brand identity and website. 730 individuals attended the event, and CHI raised \$317,500 in financial sponsors and table sales, making it one of the largest events in the organization's history.

The program also included several notable moments, including:

- Honoring outgoing Houston Mayor Sylvester Turner with the organization's prestigious Allen Award,
- The distribution of new-look, detailed quarterly market reports,
- Performances by HSPVA students,
- Live mural painting by Big Art. Bigger Change. artist Alex Arzu,
- A State of Downtown presentation celebrating Downtown's progress and recovery, and
- A fireside-chat style conversation with Giles Kibbe, SVP and General Counsel for the Houston Astros

Participating Agencies:



1.9 Explore opportunities to assume management and administration of geographically relevant and mission-aligned tools.

Highlight: CHI management is in discussions with a grant writing expert to help build a fund development strategy for the organization's 501c(3) affiliate, CHCI. This initiative is building off the recent partnership between CHI & the City of Houston to submit a \$60M grant application from the IJA to support elements of the NHHIP that cannot be funded with TxDOT funds. Though CHCI has a great legacy of leveraging grants from the private & philanthropic sectors, it could benefit from having a contemporarily defined focus with list of corresponding philanthropic funding sources. The plan is to develop a defined strategy and submit multiple grant submittals in 2Q24 to support organizational priorities such as the North Houston Highway Improvement Project and homelessness initiatives.

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: Since the rollout of the newly revamped Off Duty Houston Police Officer program, the shifts have been fully staffed. We now have 100% coverage on both the afternoon and evening patrols from 11a – 3p and 5p -9p daily. The deployment of the new law enforcement golf carts has provided more visibility, an expanded coverage footprint, and quicker response times to public safety issues.

Participating Agency:



2.8 Utilize data and analytic tools to understand the prevalence of criminal activity and shape programmatic responses.

Highlight: From August 5th to 19th, The Beacon temporarily diverted its services for necessary renovations and to address growing safety concerns. Since reopening in mid-August 2023, daytime gatherings have decreased by 92%, and overnight counts are down by 77%. Sustaining this progress involves monthly security meetings, frequent visits to the Downtown Safety Office by law enforcement and Harris Center for Mental Health and utilizing WhatsApp for instantaneous communication. This app links security personnel, HPD, and HDMD, facilitating swift responses, often within minutes, to reported issues. The positive outcomes have continued for 80+ days, highlighting the effectiveness of technology-enhanced coordinated efforts.

Participating Agency:



GOAL 3

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

3.2 Leverage Downtown’s adjacency to the Buffalo Bayou as an integral part of the Downtown experience.

Highlight: At the October 19 public workshop for More Space: Main Street 2.0, project consultants Design Workshop and Outside Voices unveiled innovative design concepts and renderings for a future Main Street promenade. A central theme of the evolving conceptual design is the transformation of the Main Street and Commerce Street intersection into a welcoming "gateway" to Downtown from Allen's Landing. Bayou-inspired greening elements adjacent to the METRO rail line are also being explored, a design approach that would complement plans for active uses and programming along the seven-block pedestrian promenade.

On October 25, the District provided the City Council's Quality of Life Committee with an overview of the More Space: Main Street 2.0 design's progress and how it incorporates lessons learned since the program's inception. During the hearing, the District also highlighted how the City's Downtown "Entertainment Zone" was instrumental for the success of More Space: Main Street since the initiative was launched in 2020, and how the entirety of Downtown Houston would undoubtedly benefit an Entertainment Zone that included all of Downtown.

Participating Agency:



3.9 Support efforts to enable a more festive game day atmosphere better integrated into the built environment.

Highlight: Houston Astros leadership chose the State of Downtown Annual Meeting to reveal more details for a planned mixed-use entertainment district at the Home Plate south entrance to Minute Maid Park. "This is for the city for Decades...and this is a lot bigger than the Astros," said Giles Kibbe, Houston Astros Senior Vice President and General Counsel. His announcement of an envisioned 17-story, 300-key hotel with approximately 60,000 square feet of retail, restaurant and entertainment space sparked enthusiastic media play, with a top story in the [Houston Chronicle](#), from the [Sports](#) and [Real Estate](#) reporters for Houston Business Journal, and in-depth reporting in [Realty News Report](#).

Participating Agencies:



GOAL 4

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

4.6 Facilitate the delivery of more residential development, building toward a residential population of 15,000 by 2027.

Highlight: At the DRA Board meeting in October, CHI and AECOM staff presented the final findings, including financial feasibility model results and formal policy recommendations and alternatives for office conversions. The DRA presentation focused on “test fits” for three conversion concept buildings representative of Downtown Houston’s office stock, as well as strategies for closing the financing gaps in the capital stack that will enable project feasibility and investor risk-taking. CHI staff will continue working with our consultant partner, AECOM, to finalize the office conversion feasibility report in November. The resulting program may involve several different partners and will focus primarily on enhancing Downtown as a genuine neighborhood by increasing the residential population of the area, which will then lead to other benefits like enhancing street-level activity and fostering a more diverse Downtown economy.

Participating Agencies:



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

Highlight: The organization debuted its beautiful new quarterly market report which summarizes the performance of every major product type and features in-depth analyses of the Downtown market’s dynamism. Published quarterly, these reports are intended to reach the real estate investment community, current and prospective Downtown stakeholders, business owners, plus media and others looking for reliable information about the local market. Downtown+ endeavors to publish these reports within 30 days following the close of each quarter.

Summary of what’s inside the Q3 Report:

- Top stories from Q3 2023, and forecasts on what to expect in Q4 2024
- Detailed information & analysis of assets and advantages
- Market performance by real estate product type
- Comparisons to peer markets

Participating Agency:



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: This month marked a monumental achievement as the organizations introduced their reinvigorated, shared umbrella brand: Downtown Houston+. The '+' symbol is a succinct representation of the organizations' broad spectrum of programs and initiatives, is respectful of the organization's history and legacy, and projects a forward-thinking attitude. Under the new brand identity, stakeholders and partners are provided a more complete picture of the significant impacts created by the organizations operating in tandem.

The big picture + benefits: Downtown Houston+ will allow our team to provide:

- External stakeholders with a succinct understanding of the organization(s),
- Streamlined communications efficacy, and
- Clarified investment attribution.

Participating Agencies:



5.5 Consolidate websites to be more user-friendly, Downtown focused, and valued as the most critical information clearinghouse about Downtown.

Highlight: At the beginning of November, Downtown Houston+ launched its newly consolidated website which combined six individual websites into one. This move, a key project for 2023, was more than a mere consolidation; it was a thoughtful effort to boost user experience by creating a one-stop virtual front door for Downtown. Designed with myriad user types in mind, the site provides easy access to general consumers and stakeholders familiar with Downtown. Either way, the new website provides a singular, comprehensive, go-to resource. The site is optimized for mobile users, and the centralized website is www.downtownhouston.org.

Participating Agencies:



Engagements

85,936

Total

Homeless Count

289

Average

Sidewalk Cleaning

4.13

Average

Garbage Disposed (Tons)

1491

Total

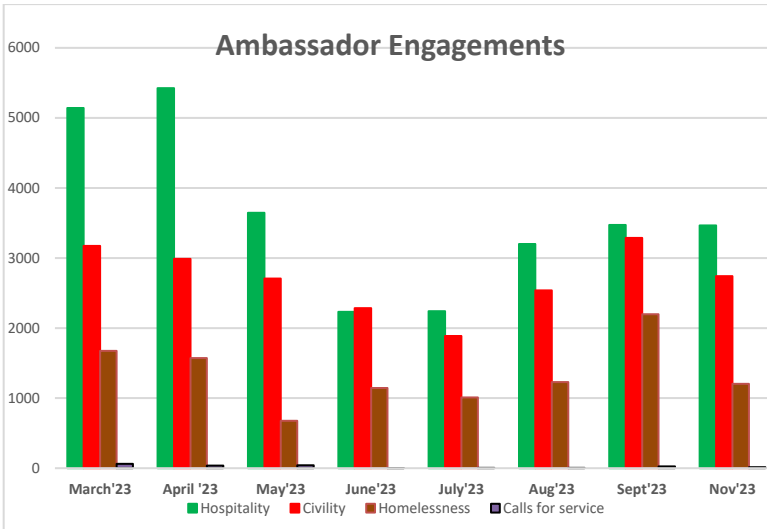
Reliability

87%

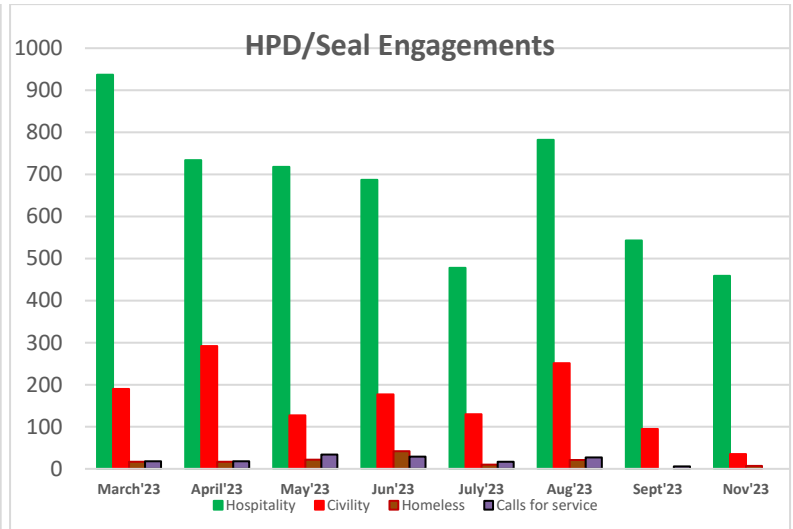
Average

Safety & Quality Control

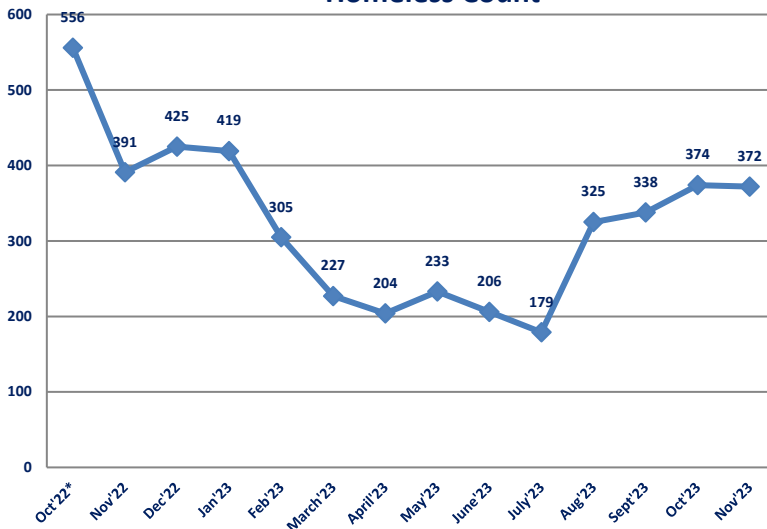
Ambassador Engagements



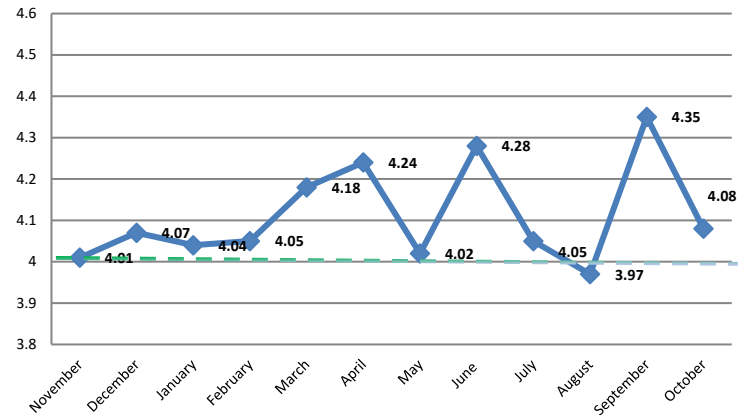
HPD/Seal Engagements



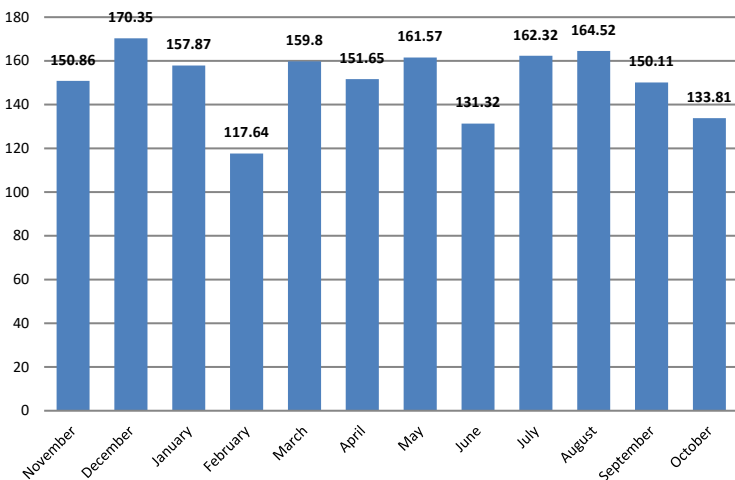
Homeless Count



Sidewalk Cleaning



Garbage Disposed (Tons)



Reliability

