



Board of Directors Meeting
March 7, 2024

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

February 8, 2024

THE STATE OF TEXAS §
§
COUNTY OF HARRIS §

The Board of Directors of the Houston Downtown Management District (the "District") convened in person on February 8, 2024 at 12:00 p.m. for a regular meeting session, open to the public, in the H-Town Conference Room located inside the District's office at 1221 McKinney Street, Suite 4250, Houston, TX 77010, and the roll was called of the duly appointed members of the Board, to-wit:

BOARD MEMBERS

Crystal Allen	Toni Jackson
Sean Alley	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	Randy Pryor
Irma Galvan	Edna Ramos
Marian Harper	Frem Reggie
Gilbert Herrera	Grace Rodriguez
C.C. Huang	John Schafer
Angus Hughes	Richard Torres

and all of the above were present, with the exception of Directors Allen, Baumgardner, Davis, Foreman, Galvan, Harper, Herrera and McKenzie.

Also present were Kris Larson, President/CEO; Allen Douglas, COO & General Counsel; Jana Gunter, Director of Finance; all with the District; and staff members Christal Ayala, Brett DeBord, Scott Finke, Jacque Gonzalez, Keith Gould, Aaron Hernandez, Cassie Hoeprich, Dusty McCartney, Luis Nunez, Jamie Perkins, Albert Sanchez, Catherine Taraviras, Ann Taylor, and Candace Williams, all with the District; Algenita Davis, Consultant for the District; and Clark Lord with Bracewell.

In addition, guests invited to present included Anna Forrester and Cibele Romani with ARUP; and Cheryl Langford with Color Specialists Landscaping. Allison Bell and Sandra Lord, both with The Heritage Society; and Robby Robertson with Joyride Houston attended from the public.

WELCOME

Chair Ashby presided over the meeting and welcomed all directors, consultants, and other meeting attendees. Jamie Perkins served as Assistant Secretary.

Quorum was established and the meeting began at approximately 12:11 p.m.

PUBLIC COMMENT

Chair Ashby asked if anyone from the public had comments. Robby Robertson with Joyride Houston indicated he wanted to make a comment, and Chair Ashby read the required public comments statement in compliance with the Texas Open Meetings Act.

She then invited Mr. Robertson to make his statement. Mr. Robertson recognized and thanked the District Board for everything they do in downtown, particularly the programming in Market Square Park. The Board reciprocated and thanked Mr. Robertson for the recognition.

APPROVAL OF MINUTES

The Board considered approving the minutes of the January 11, 2024 meeting of the board of directors. Not hearing any questions or corrections, Chair Ashby called for a motion, moved by Director Ramos, and seconded by Director Massad, and the minutes were approved as presented.

ITEMS PERTAINING TO FINANCE AND ADMINISTRATIVE MATTERS

Review of Unaudited Financial Statements and Ratification of Expenditures

Chair Ashby called on Richard Torres, Treasurer of the District, to present the unaudited financial statements and check registers for the month ending January 31, 2024. Treasurer Torres shared highlights of the January financial statements and check registers. There were no questions from the Board and discussion did not occur.

A motion was called to accept the January financial statements and check registers; moved by Director Schafer and seconded by Director Meyer, and the financial statements and check registers for the month ending January 31, 2024 were accepted as presented.

Fourth Quarter DBE Report

Vice Chair Jones shared a summary of the Fourth Quarter/FY23 DBE Report. She noted the District's utilization of DBE business increased in 2023, as well as an increase in the number of self-certified vendors becoming certified through efforts from the District. No questions were asked,

and discussion did not take place. Chair Ashby called for a motion; moved by Director Hughes, seconded by Director Kennedy, and the Board accepted the Fourth Quarter/FY23 DBE Report as presented.

Next, Chair Ashby invited Brett DeBord to introduce one of the District's DBE vendors. Mr. DeBord introduced Cheryl Langford, President of Color Specialists Landscaping. He noted the District's longstanding relationship with Color Specialists and praised the company for their installation and maintenance of the flowers and landscaping features around downtown. Ms. Langford shared a few words about her company and thanked the Board for the opportunity of continued partnership. No further action was taken.

CHI & HDMD – A History

Chair Ashby invited President Larson to share a presentation. He shared a slide deck with information on the background and relationship between the District and Central Houston Inc., in the capacity as the District's Administrative Contractor. Questions were raised and answered. No further action was required.

Report from the Chair regarding the CEO's 2023 Performance Review

Chair Ashby opened a discussion regarding the CEO's 2023 Performance Review. She explained details about the timeline of when the annual review takes place, the roles of the District Chair and the CHI Personnel Committee in this process, and prior actions taken to extend avenues for District Board members to include their input. Discussion ensued, suggestions were given and explored, and questions were raised and answered.

The Board requested to hold an Executive Session at the March Board meeting for the opportunity to consult with Legal Counsel. It was also agreed upon to adopt a formal process memorializing how the District Board can provide input and participate in the process of the CEO's annual review. Further discussion to shape this process will occur at the March Board meeting. No additional action was required.

PROGRAM AUTHORIZATIONS

Operations & Maintenance

Brett DeBord was invited to present an item for Board consideration that would authorize the President/CEO to enter into agreements and related expenditures with a vendor for repairs to the kiosk and storage building at Market Square Park, in an amount not to exceed \$30,000. There were no questions asked and discussion did not occur. Chair Ashby called for a motion, moved by Director Hughes; seconded by Director Kennedy; and the Board approved this request as presented.

Engagement

Ann Taylor was invited to present items on behalf of the Engagement Team for Board consideration. The first request Ms. Taylor shared would authorize the President/CEO to execute agreements and the related expenditures for the Downtown Resident Program, in an amount not to exceed \$30,000. Discussion did not take place and no questions were asked. A motion was made, moved by Director Ramos; seconded by Director Schafer; and the Board approved this item as presented.

The second item Ms. Taylor presented would authorize the President/CEO to execute agreements and the related expenditures for marketing/promotions (to include marketing materials for specialized events downtown), in an amount not to exceed \$45,000. Discussion did not take place and no questions were asked. A motion was made, moved by Director Schafer; seconded by Director Schafer; and the Board approved this request as presented.

The third item Ms. Taylor presented would authorize the President/CEO to execute agreements and the related expenditures for park marketing, in an amount not to exceed \$25,000. Questions were asked and answered. A motion was made, moved by Director Schafer; seconded by Director Kennedy; and the Board approved this request as presented.

The final item Ms. Taylor presented would authorize the President/CEO to execute agreements and the related expenditures for Downtown Houston+ banners, in an amount not to exceed \$335,000. Discussion did not take place and no questions were asked. A motion was made, moved by Director Schafer; seconded by Director Schafer; and the Board approved this request as presented.

OTHER BUSINESS & ADJOURNMENT

Hearing no other business to come forth to the Board, Chair Ashby announced the next Board meeting will take place on March 7, 2024 at the District's Office. The meeting was adjourned at 1:30 PM.

Jamie Perkins, Assistant Secretary
Houston Downtown Management District



Check register for February 2024

- Total checks issued in February 2024 were \$834K.
 - Central Houston, Inc. - \$262,214
 - Downtown Redevelopment Authority - \$141,642
 - Seal Security Solutions, LLC - \$82,158
 - Design Workshop, Inc. - \$56,000
 - LVA4 Houston Greenstreet LP - \$54,245
 - Neon Electric Corporation - \$40,542



Check register for February 2023

- Total checks issued in February 2023 were \$1.7 million.
 - Block by Block - \$820,776
 - Central Houston, Inc. - \$251,086
 - Seal Security Solutions, Inc. - \$77,603
 - LVA 4 Houston Greenstreet LP - \$63,911
 - Maintenance to Go - \$59,285
 - Huitt-Zollars, Inc. - \$50,795

HOUSTON DOWNTOWN MANAGEMENT DISTRICT

AP Check Register (Current by Bank)

Check Dates: 2/1/2024 to 2/29/2024

Check No.	Date	Vendor ID	Payee Name	Amount
BANK ID: A - OPERATING ACCT-JPMORGAN				101.000
35628	02/01/24	1200	CENTRAL HOUSTON, INC	\$262,214.01
35649	02/19/24	0001	ANNUNCIATION CATHOLIC CHURCH	\$73.07
35650	02/19/24	5986	DOWNTOWN REDEVELOPMENT	\$141,642.00
* 2066232	02/15/24	3288	BRACEWELL	\$1,562.50
* 2066236	02/15/24	8552	TEXAS OUTHOUSE, INC.	\$2,208.40
* 2066243	02/15/24	1713	CREST PRINTING, INC	\$2,622.00
* 2066246	02/15/24	8148	SABRINA NAULINGS	\$770.00
* 2066248	02/15/24	8129	RONALD COOKS	\$715.00
* 2066250	02/15/24	5961	MELISSA TAYLOR	\$1,300.00
* 2066256	02/15/24	3370	LEANDERAY COLLINS	\$715.00
* 2066258	02/15/24	3550	HARDY & HARDY	\$3,550.00
* 2066262	02/15/24	3612	GENIE ZAVALA	\$770.00
* 2066264	02/15/24	4756	CKP COMMUNICATIONS,LLC	\$7,500.00
* 2066266	02/15/24	2295	ANDREW COLE	\$770.00
* 2066269	02/15/24	0124	1st RESPONSE MEDIC SERVICES	\$576.00
* 882870	02/09/24	1692	COSTAR GROUP, INC.	\$3,159.67
* 882876	02/09/24	1801	DIRECTV	\$105.25
* 882880	02/09/24	8355	STERLING EXPRESS SERVICES, INC	\$49.00
* 882884	02/09/24	1713	CREST PRINTING, INC	\$2,089.70
* 882891	02/09/24	7995	INCONTROL CONTRUCTION LLC	\$17,584.56
* 882900	02/09/24	8168	SEAL SECURITY SOLUTIONS, LLC	\$82,158.24
* 882906	02/09/24	0044	AABLE FINANCIAL GROUP, INC	\$514.26
* 882908	02/09/24	0027	AT&T	\$1,499.33
* 882910	02/09/24	1538	CHRISTINA AUTRY	\$1,200.00
* 882912	02/09/24	1543	CITY OF HOUSTON	\$46.42
* 882914	02/09/24	1735	CORE DESIGN STUDIO	\$2,500.00
* 882916	02/09/24	3326	DAVID GWIN	\$660.34
* 882918	02/09/24	6298	JORDAN CUTLER	\$49.20
* 882920	02/09/24	5540	LINCOLN COLWELL	\$1,910.00
* 882924	02/09/24	5700	LONE STAR FLAGS AND FLAGPOLES	\$8,946.00
* 882926	02/09/24	5983	MARC FURI CREATIVE, LLC	\$450.00
* 882928	02/09/24	6018	MYSIDEWALK	\$9,850.00
* 882930	02/09/24	9113	NCTP-CPAS PLLC	\$1,700.00
* 882934	02/09/24	7400	PFEIFFER & SON, LTD	\$9,330.00
* 882938	02/09/24	8119	ROADRUNNER RECYCLING, INC	\$1,851.80
* 882947	02/09/24	3718	TRANSWESTERN	\$641.54
* 882952	02/09/24	8900	VERIZON WIRELESS	\$677.51
* 882957	02/09/24	9045	WESTERN FIRST AID & SAFETY	\$208.72
882958	02/01/24	0806	801 LOUISIANA PARTNERS LP	\$1,958.28
882959	02/01/24	998911	CHARLES S IUPE	\$5.00
882960	02/01/24	998910	CHARLES W FEN	\$27.94
882961	02/01/24	1674	CORELOGIC, INC	\$366.09
882962	02/01/24	998912	DAVID M LATINI	\$282.91
882963	02/01/24	998913	DON PHAM	\$410.90
882964	02/01/24	999999	DONALD A. THIEL	\$42.09
882965	02/01/24	99882	FINGER FSC CRAWFORD LTD	\$22,385.53
882966	02/01/24	998914	LAM Q OR MARCIA NGUYEN	\$106.90
882967	02/01/24	9988	LVA4 HOUSTON GREENSTREET LP	\$54,245.25
882968	02/01/24	998918	MICHAEL LEE MASSEY	\$42.54
882969	02/01/24	998915	MILLICO LP	\$145.23
882970	02/01/24	998916	MILTON SMITH	\$23.83
882971	02/01/24	998917	MT MERCANTILE LLC	\$172.63

HOUSTON DOWNTOWN MANAGEMENT DISTRICT

AP Check Register (Current by Bank)

Check Dates: 2/1/2024 to 2/29/2024

Check No.	Date	Vendor ID	Payee Name	Amount
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BANK ID: A - OPERATING ACCT-JPMORGAN**101.000**

882972	02/01/24	998920	NAVY FEDERAL CREDIT UNION	\$19.99
882973	02/01/24	998919	NICHOLAS LAYMAN	\$59.55
882974	02/01/24	998921	SAMIR LAHBABI OR JURATE	\$53.33
882975	02/01/24	999916	SCD BLK 275 HOUSTON LLC	\$252.67
882976	02/01/24	998922	STARS PROPERTY HOLDINGS LLC	\$268.48
* 9127497	02/01/24	8355	STERLING EXPRESS SERVICES, INC	\$45.60
* 9127501	02/01/24	0490	ASSOCIATED LANDSCAPE SERVICES	\$27,218.88
* 9127504	02/01/24	8301	SWA GROUP	\$8,608.00
* 9127506	02/01/24	9948	ORKIN PEST CONTROL	\$66.00
* 9127508	02/01/24	2929	FORT BEND BATTERY & GOLF CARTS	\$661.84
* 9127510	02/01/24	3630	HOME DEPOT CREDIT SERVICES	\$262.79
* 9127512	02/01/24	1601	COOPWOOD'S AIR CONDITIONING	\$432.50
* 9127514	02/01/24	1860	THE DAVEY TREE EXPERT COMPANY	\$2,200.00
* 9127516	02/01/24	1860	THE DAVEY TREE EXPERT COMPANY	\$2,000.00
* 9127518	02/01/24	7060	NEON ELECTRIC CORPORATION	\$217.50
* 9127520	02/01/24	8552	TEXAS OUTHUSE, INC.	\$527.50
* 9127522	02/01/24	1665	COLOR SPECIALISTS LANDSCAPING	\$9,000.00
* 9127524	02/01/24	2762	FIELD OF STUDY	\$4,932.00
* 9127526	02/01/24	3298	GULF COAST PAVERS, INC.	\$13,200.00
* 9127528	02/01/24	3573	HARRIS COUNTY TREASURER	\$9,700.00
* 9127530	02/01/24	8609	TOUCH & AGREE PROPERTY	\$2,572.80

BANK A REGISTER TOTAL: \$736,684.07**BANK ID: B - CAPITAL ACCT-JPMORGAN****102.000**

2066216	02/15/24	7400	PFEIFFER & SON, LTD	\$1,169.52
* 882032	02/09/24	7060	NEON ELECTRIC CORPORATION	\$40,542.00
* 882260	02/09/24	1751	DESIGN WORKSHOP, INC	\$56,000.00

BANK B REGISTER TOTAL: \$97,711.52**GRAND TOTAL : \$834,395.59**

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

** Denotes broken check sequence.

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HOUSTON DOWNTOWN MANAGEMENT DISTRICT

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AP Check Register (Current by Bank)

Check Dates: 2/1/2023 to 2/28/2023

Check No.	Date	Status*	Vendor ID	Payee Name	Amount
BANK ID: A - OPERATING ACCT-JPMORGAN					101.000
**35267	02/01/23	P	1200	CENTRAL HOUSTON, INC	\$251,085.67
35268	02/01/23	V 2/1/23	1200		
35269	02/01/23	V 2/1/23	1200		
35270	02/01/23	V 2/1/23	1200		
35271	02/01/23	V 2/1/23	1200		
35272	02/01/23	V 2/1/23	1200		
35273	02/01/23	V 2/1/23	1200		
35274	02/01/23	V 2/1/23	1200		
35275	02/01/23	V 2/1/23	1200		
35276	02/01/23	V 2/1/23	1200		
35277	02/01/23	V 2/1/23	1200		
35278	02/01/23	V 2/1/23	1200		
35279	02/01/23	V 2/1/23	1200		
35280	02/01/23	V 2/1/23	1200		
35281	02/01/23	V 2/1/23	1200		
35282	02/01/23	V 2/1/23	1200		
35283	02/01/23	V 2/1/23	1200		
35284	02/01/23	V 2/1/23	1200		
**1445110	02/06/23	M	8543	TENNANT SALES & SERVICE COMP.	\$510.24
1445111	02/01/23	P	99998	1004 PRAIRIE HOLDINGS LLC	\$75.97
1445112	02/01/23	P	999945	901 COMMERCE LLC	\$382.83
1445113	02/01/23	P	999946	907 COMMERCE LP	\$26.64
1445114	02/01/23	P	999947	COMMERCE HUTCHINS LP	\$8.80
1445115	02/01/23	P	999948	DAVID S & BARBARA C BRILL	\$204.00
1445116	02/01/23	P	999942	FIRST DATE, LLC	\$323.89
1445117	02/01/23	P	999949	GAWICK ANDREA & DON	\$204.00
1445118	02/01/23	P	5648	LINEBARGER GOGGAN BLAIR	\$15,152.80
1445119	02/01/23	P	9988	LVA4 HOUSTON GREENSTREET LP	\$23,918.23
1445120	02/01/23	P	999950	PATTEN TITLE COMPANY	\$5.56
1445121	02/01/23	P	999951	SAM A FERRARI	\$204.00
1445122	02/01/23	P	999952	SHORENSTEIN PROPERTIES 800 BEL	\$31,428.82
1445123	02/01/23	P	999953	SUSAN M CARRIER	\$204.00
1445124	02/01/23	P	8619	TREANOR PARTNERS	\$85.26
**144507	02/06/23	M	1801	DIRECTV	\$97.98
**144509	02/06/23	M	8355	STERLING EXPRESS SERVICES, INC	\$34.25
**144511	02/06/23	M	8043	RELIANT BUSINESS PRODUCTS,INC	\$510.24
144511	02/06/23	V 2/6/23	8043	RELIANT BUSINESS PRODUCTS,INC	(\$510.24)
**144515	02/06/23	M	1665	COLOR SPECIALISTS LANDSCAPING	\$8,028.35
**144518	02/06/23	M	8353	SPLICE OF LIFE PRODUCTIONS LLC	\$12,990.33
**144522	02/06/23	M	0490	ASSOCIATED LANDSCAPE SERVICES	\$8,020.80
**144525	02/06/23	M	1691	CORPORATE COMPUTER SOURCE, LTD	\$675.00
**144527	02/06/23	M	3630	HOME DEPOT CREDIT SERVICES	\$298.37
**144529	02/06/23	M	3549	J & D ENTERTAINMENT, LLC	\$24,600.00
**144531	02/06/23	M	4560	JERDON ENTERPRISE, L.P.	\$9,457.49
**144533	02/06/23	M	8876	JESSICA HIPOLITO	\$750.00
**144535	02/06/23	M	5540	LINCOLN COLWELL	\$1,840.00
**144537	02/06/23	M	5987	MAINTENANCE TO GO	\$16,999.21
**144539	02/06/23	M	6249	MOONSTAR CINEMA SERVICES	\$745.45
**144545	02/06/23	M	9948	ORKIN PEST CONTROL	\$120.00
**144547	02/06/23	M	8403	SPECIAL EVENT HOUSTON	\$5,401.00
**144549	02/06/23	M	8609	TOUCH & AGREE PROPERTY	\$2,521.60
**144551	02/06/23	M	8614	TOUT SUITE CATERING	\$9,620.61
**144686	02/06/23	M	8151	SEARCH HOMELESS SERVICES	\$13,741.85
**144690	02/06/23	M	8655	TRIPLE R BROTHERS, LTD	\$72.53
**2059570	02/14/23	M	1692	COSTAR GROUP, INC.	\$1,115.07
**2059575	02/14/23	M	8543	TENNANT SALES & SERVICE COMP.	\$367.12

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

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HOUSTON DOWNTOWN MANAGEMENT DISTRICT

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AP Check Register (Current by Bank)

Check Dates: 2/1/2023 to 2/28/2023

Check No.	Date	Status*	Vendor ID	Payee Name	Amount
**2059577	02/14/23	M	9067	WASTE MANAGEMENT OF TEXAS, INC	\$194.53
**2059581	02/14/23	M	0490	ASSOCIATED LANDSCAPE SERVICES	\$24,615.27
**2059597	02/14/23	M	8168	SEAL SECURITY SOLUTIONS, LLC	\$77,602.72
**2059607	02/14/23	M	9504	WAKEFIELD AV & CABLING, LLC	\$2,614.23
**2059625	02/14/23	M	9819	BRYAN K BENNETT	\$1,715.17
**2059631	02/14/23	M	1543	CITY OF HOUSTON	\$778.19
**2059636	02/14/23	M	2046	DUSTY McCARTNEY	\$79.20
**2059640	02/14/23	M	2121	EDH PLUMBIING CONTRACTORS, LLC	\$1,454.88
**2059646	02/14/23	M	3573	HARRIS COUNTY TREASURER	\$9,242.00
**2059649	02/14/23	M	4560	JERDON ENTERPRISE, L.P.	\$9,875.12
**2059655	02/14/23	M	6298	JORDAN CUTLER	\$63.97
**2059657	02/14/23	M	5211	KEITH GOULD	\$62.92
**2059663	02/14/23	M	5700	LONE STAR FLAGS AND FLAGPOLES	\$883.50
**2059666	02/14/23	M	5710	LVA 4 HOUSTON GREENSTREET LP	\$455.73
**2059678	02/14/23	M	5961	MELISSA TAYLOR	\$1,775.00
**2059688	02/14/23	M	5703	MICHAEL LOESSIN	\$500.00
**2059691	02/14/23	M	7400	PFEIFFER & SON, LTD	\$5,557.50
**2059699	02/14/23	M	8562	TEXAS WASTE COMPANY	\$638.00
**2059706	02/14/23	M	9045	WESTERN FIRST AID & SAFETY	\$213.60
**2059859	02/14/23	M	7060	NEON ELECTRIC CORPORATION	\$301.00
**270423	02/06/23	M	8912	VORTEX COLORADO, LLC	\$1,990.85
**270426	02/06/23	M	6044	MATHESON TRI-GAS INC	\$86.12
**270428	02/06/23	M	8247	SUNLINE PRODUCTS	\$5,548.54
**270430	02/06/23	M	3326	DAVID GWIN	\$25.44
**3892434	02/22/23	M	0511	BLOCK BY BLOCK	\$423,822.04
**3892450	02/22/23	M	7995	INCONTROL CONTRUCTION LLC	\$9,160.38
**3892476	02/22/23	M	7712	POWER PEST CORP	\$15,640.00
**3892483	02/22/23	M	9504	WAKEFIELD AV & CABLING, LLC	\$3,552.78
**3892494	02/22/23	M	3550	HARDY & HARDY	\$3,550.00
**3892500	02/22/23	M	5710	LVA 4 HOUSTON GREENSTREET LP	\$19,996.30
**3892507	02/22/23	M	9113	NCTP-CPAS PLLC	\$1,700.00
**3892514	02/22/23	M	7400	PFEIFFER & SON, LTD	\$7,605.00
**3892520	02/22/23	M	8151	SEARCH HOMELESS SERVICES	\$11,098.85
**3892529	02/22/23	M	8609	TOUCH & AGREE PROPERTY	\$2,521.60
**3892545	02/22/23	M	9089	WE 68 LLC	\$3,972.50
**3892555	02/22/23	M	9081	WESTPARK COMMUNICATIONS, L.P	\$60.38
**5367671	02/27/23	M	5987	MAINTENANCE TO GO	\$15,690.30
**5367676	02/27/23	M	1191	CENTERPOINT ENERGY	\$319.34
**5367680	02/27/23	M	1597	CLUTCH CONSULTING GROUP LLC	\$700.00
**5367684	02/27/23	M	8695	DOG WASTE DEPOT	\$679.96
**5367686	02/27/23	M	3298	GULF COAST PAVERS,INC.	\$26,000.00
**5367690	02/27/23	M	3548	HAMILTON PLUMBING SERVICE	\$861.78
**5367694	02/27/23	M	6298	JORDAN CUTLER	\$11.04
**5367696	02/27/23	M	5211	KEITH GOULD	\$62.18
**5367698	02/27/23	M	7400	PFEIFFER & SON, LTD	\$1,932.00
**5367700	02/27/23	M	3400	RAFFLE PARKING COMPANY,LLC	\$900.00
**5367706	02/27/23	M	8625	TRIK MOTORSPORTS LLC	\$1,400.00
**5367708	02/27/23	M	8900	VERIZON WIRELESS	\$676.45
**5367714	02/27/23	M	9083	WHOLESALE ELECTRIC SUPPLY	\$17,950.00
**53677020	02/27/23	M	0009	THOMAS PRINTWORKS	\$737.92
**9832662	02/06/23	M	6077	BARTLETT TREE EXPERTS	\$437.50
**9832664	02/06/23	M	0027	AT&T	\$5,497.79
**9832667	02/06/23	M	0511	BLOCK BY BLOCK	\$396,953.98
**9832672	02/06/23	M	0321	AIR POWER SERVICES, INC	\$342.14
**9832674	02/06/23	M	0490	ASSOCIATED LANDSCAPE SERVICES	\$1,900.00
**9832676	02/06/23	M	1665	COLOR SPECIALISTS LANDSCAPING	\$8,694.00
**9832694	02/06/23	M	3548	HAMILTON PLUMBING SERVICE	\$1,456.00
**9832697	02/06/23	M	7995	INCONTROL CONTRUCTION LLC	\$13,217.91

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

** Denotes broken check sequence.

3/2/23
11:46:24 AM

HOUSTON DOWNTOWN MANAGEMENT DISTRICT

Page: 3

AP Check Register (Current by Bank)

Check Dates: 2/1/2023 to 2/28/2023

Check No.	Date	Status*	Vendor ID	Payee Name	Amount
**9832701	02/06/23	M	3573	HARRIS COUNTY TREASURER	\$9,242.00
**9832703	02/06/23	M	7995	INCONTROL CONTRUCTION LLC	\$1,040.30
**9832723	02/06/23	M	4560	JERDON ENTERPRISE, L.P.	\$9,784.59
**9832725	02/06/23	M	6298	JORDAN CUTLER	\$63.94
**9832727	02/06/23	M	5211	KEITH GOULD	\$60.23
**9832729	02/06/23	M	5700	LONE STAR FLAGS AND FLAGPOLES	\$10,614.00
**9832731	02/06/23	M	5710	LVA 4 HOUSTON GREENSTREET LP	\$19,996.30
**9832733	02/06/23	M	5987	MAINTENANCE TO GO	\$1,395.00
**9832735	02/06/23	M	7086	NORTHERN TOOL & EQUIPMENT	\$369.96
**9832737	02/06/23	M	3400	RAFFLE PARKING COMPANY,LLC	\$900.00
**9832739	02/06/23	M	8119	ROADRUNNER RECYCLING, INC	\$1,797.80
**9832741	02/06/23	M	0596	STRIKE MARKETING	\$8,184.70
**9832747	02/06/23	M	0009	THOMAS PRINTWORKS	\$695.63
**9832750	02/06/23	M	8562	TEXAS WASTE COMPANY	\$1,533.84
**9832752	02/06/23	M	8609	TOUCH & AGREE PROPERTY	\$3,857.40
**9832754	02/06/23	M	8900	VERIZON WIRELESS	\$676.43
**9832756	02/06/23	M	9089	WE 68 LLC	\$3,972.50
**9832758	02/06/23	M	9081	WESTPARK COMMUNICATIONS, L.P	\$60.38
BANK A REGISTER TOTAL:					\$1,660,936.32
BANK ID: B - CAPITAL ACCT-JPMORGAN					102.000
139480	02/06/23	M	4001	HUITT~ZOLLARS, INC	\$50,795.00
**9832660	02/06/23	M	5987	MAINTENANCE TO GO	\$25,200.00
BANK B REGISTER TOTAL:					\$75,995.00
GRAND TOTAL :					\$1,736,931.32

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

** Denotes broken check sequence.

ACTION ITEM	Authorize 2024 expenditure with Color Specialists to install ground cover in Main Street tree wells.
SERVICE PLAN	2021-2025
Account Code	594.801
Budget & Year	\$150,000 2024
REQUEST	Not to exceed \$50,000
DESCRIPTION	These expenditures will allow for the planting of Sandy Leaf Fig Ivy in the tree wells in the 1300-1900 blocks of Main Street. Sixty-six (66) tree wells will be filled with 3,047 1-gallon Sandy Leaf Fig Ivy plants.
DISCUSSION	The District received three competitive proposals from landscaping companies that can perform the work, two of which are DBE certified. Iris plants were planted in the past with poor results due to freezes, droughts, and dogs. Three (3) different types of ground cover were tested, and Sandy Leaf Fig Ivy performed the best in these locations. The other two (2) ground covers that were tested were Asian Jasmine and Wedelia plants.
M/WBE Participation	Color Specialists is a certified DBE.

ACTION ITEM Authorize President / CEO to execute agreements and related expenditures for the 2024 spring and fall Farmers Market in Market Square Park.

SERVICE PLAN 2021-2025
 Budget Year 2024
 Account Code 837.305
 Budget Amount \$150,000

REQUEST \$150,000

DESCRIPTION This authorization is intended to support the 2024 Spring and Fall Farmers Market held in Market Square Park. A portion of this expenditure will also be used for advertising and promoting the events.

DISCUSSION As part of 2023 programming in Market Square Park, the District launched a pilot Farmer’s Market last fall. The Farmer’s Market was held throughout 11 consecutive Saturdays beginning September 9th and ending November 18th . The market was well attended by locals to downtown and drew people into downtown from across the greater Houston metro.

Since the 2023 pilot Farmer’s Market was successful, the District proposes continuing the event for the Spring and Fall seasons as part of Market Square Park programming. The spring season will run from March 30 – May 25 and the fall season will run from September 7 – November 16. An RFP was publicly issued in January for the market production partner. Central City Co-Op, who provides a wide variety of local, organic growers in the area, responded to the RFP and is the recommended market production partner for 2024.

The District will also allocate portions of the requested authorization to contract with a marketing and advertising vendor to promote the spring and fall events.

DBE PROGRAM The vendor, Central City Coop, is DBE self-certified. Additional vendors TBD, the District will seek DBE vendors

AGENDA ITEM Administrative Policies & Procedures - Annual Review

REQUEST Review and approve the draft of the Houston Downtown Management District’s (the “District”) Administrative Policies & Procedures Manual (“Admin P&P Manual”), as amended effective March 7, 2024, **subject to** submission of options for the evaluation of the contract administrator for the Board to review, choose, and approve at its June 20, 2024 Board Meeting.

DISCUSSION The draft of the District’s Admin P&P Manual is enclosed. The Manual is reviewed every year by the full Board and was extensively amended this year to incorporate amended aspects of the Employee Handbook, as well as a more thorough Governance section.

Under the proposed Governance section, the authorization of the Admin P&P Manual charges the Nominating Committee with reformulating the composition of the Executive Committee (“ExCom”) to take into account the new Collaborative Committee liaisons.

In addition to the recommended governance updates, the newly established ExCom will bring additional procedural recommendations to the Board for its consideration regarding the annual review of the Administrative Contractor. The reformulated ExCom will propose a slate of options for the Board’s consideration at the June 20, 2024 Board Meeting -- and Board of Directors can propose alternative options -- for receiving and enabling input from Directors on the performance of the contract administrator.

The request is for the Board to Authorize the Admin P&P Manual so that the Nominations and Executive Committees can be reformed under the terms of the new Governance section, so that the Board may receive, review, discuss, and choose options for receiving and enabling input from Board Directors on the performance of the contract administrator no later than the June 20, 2024 Board Meeting. The procedures voted upon and affirmed by the Board at the June Meeting, for receiving and enabling input of the contract administrator, will become part of the Admin P&P Manual Governance section.

ITEM HISTORY **Fall 2022 – Summer 2023** – District Staff performed an internal review of the policies and procedures. This review integrated information to align with the latest Employee Handbook, which was adopted in late 2022.

District Staff consulted outside legal counsel regarding the Investment Policy (Section 15) to review for continued alignment with current best practices and compliance with all applicable law. To comply with the FY23 audit, the Investment Policy (Section 15) was brought to the Board separately from the Administrative Policies & Procedures Manual in November 2023 for review and approval. The Board approved the Investment Policy (Section 14 at the time of approval). The approved Investment Policy is included in this draft, as approved.

August/September 2023 – During the August Board meeting, questions were raised regarding the participation of Collaborative Committee members serving as representatives/liaisons of each respective Collaborative Committee, and being elected to the District’s Executive Committee. This turned into a broader conversation on the roles of each Standing and Collaborative Committees.

At the **September Board meeting** several Directors volunteered, upon request from the Board Chair, to form HDMD’s ad hoc Governance Task Force which met 4 times in 4th Quarter 2023. Its membership included nine HDMD Board members, namely: **Toni Jackson, Leslie Ashby, Robbie Jones, Clay Crawford, Angus Hughes, Richard Torres, Edna Ramos, Sean Liu, Terry Demchak**, (along with Allen Douglas, Kris Larson, Albert Sanchez, and Jamie Perkins from the contract administration staff) and the product of those meetings is now Section 3 “Governance” of the proposed Policies and Procedures Manual.

January 2024 – From those Task Force meetings, a draft Governance Policy was created to place before the Board for review and approval at the January Board Meeting. That review was withdrawn in order to integrate the Governance section into the Policies and Procedures Manual.

February 2024 – Board Directors expressed an interest in receiving some level of the contract administrator’s 2023 performance evaluation as a benchmark for deciding -- as a Board -- how best to provide input for future performance evaluations.

DESCRIPTION Per Section 17 of the Manual, **Adoption and Revision:**

The Board officially finds, determines and declares that these Administrative Policies and Procedures were reviewed, carefully considered, and adopted at a regular meeting of the Board on **March 7, 2024**, 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 City Hall, 901 Bagby St. Houston, TX 77002 for the time required by law preceding this meeting, as required by Chapter 551, Texas Government Code and that this meeting had been open to the public as required by law at all times during which these Code of Ethics and Policies were discussed, considered, and acting upon. The Board further ratifies, approves, and confirms such written notice and the contents and posting thereof **subject to** submission of options for the evaluation of the contract administrator for the Board to review, choose, and approve at its June 20, 2024 Board Meeting.

CONTACTS

HDMD: Kris Larson, President/CEO
Allen Douglas, COO & General Counsel
Jamie Perkins, EA & Paralegal

Bracewell: Clark Lord, Partner



~~December 9, 2021~~

Houston Downtown Management District

DRAFT Administrative Policies & Procedures Manual

March 7, 2024

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Section 1. Definitions

- A. Accounting Personnel and/or Accountant: Includes personnel of the Administrative Contractor who perform any of the functions of business accounting on behalf of ~~HDMD~~ the District.
- B. Administrative Contractor: The entity, Central Houston, Inc., ~~contracting~~ contracted to provide personnel and administrative support for the business of the District.
- C. Administrative Contractor's Executive: The ~~principal staff member of the Administration Contractor~~ President & CEO of Central Houston, Inc.
- D. Board: Board of Directors of the Houston Downtown Management District.
- E. Board Chair: the head of the Board of Directors. ~~The "President" of the Board for purposes of Sections 176.001 and 375.068 of the Texas Local Government Code and Chapter 49.054(L) of the Texas Water Code~~
- ~~E.F.~~ Chief Operating Officer: The person serving as the Chief Operating Officer for the Administrative Contractor of Houston Downtown Management District.
- ~~F.G.~~ Collaborative Committees: Programmatic Committees consisting of members and stakeholders from all three affiliate boards (CHI, HDMD, and DRA). May also include public stakeholders.
- ~~G.H.~~ Director: a person appointed to serve on the Board of Directors of the District.
- ~~H.I.~~ Disadvantaged Business Enterprise (DBE): shall mean a business which has been certified by the City of Houston Minority/Women/Persons with Disabilities Business Enterprises Program or through the internal HDMD qualifications listed in Section 6 herein.
- ~~I.J.~~ District: tThe Houston Downtown Management District or HDMD.
- ~~J.K.~~ District Officials: Directors, officers, personnel, and persons and business entities engaged in handling of the day-to-day business of and investments for the District.
- ~~K.L.~~ Field Personnel: Downtown Public Safety Guide, Street Teams and Subscription Trash Program personnel. These personnel are provided to the District by the Administrative Contractor or other third-party personnel provider(s).
- M. Fund Balance and Reserve Policy: policy created to help ensure the long-term ability of the organization to meet its mission, provide a bridge in between Management Plans, and establish the target fund balance.

- ~~L.N.~~ General Counsel: The person serving as the Chief Legal Officer and Counsel for the Administrative Contractor ~~and appointed official~~ of Houston Downtown Management District. It is the responsibility of the General Counsel to seek additional assistance from outside counsel as needed.
- ~~M.O.~~ HDMD: The Houston Downtown Management District as created by S.B. 1620 in the 74th Session of the Texas Legislature.
- ~~N.P.~~ Key Directors: Personnel provided by the Administrative Contractor to direct the work program of HDMD. Specifically, these individuals include but are not limited to: President/CEO; Chief Operating Officer; General Counsel; Director of Operations & Capital Projects; Director of Engagement; ~~Director of Planning, Design & Capital Projects~~; Director of Planning & Economic Development; Director of Strategic Initiatives; Director of Finance; and Director of Urban Strategy & Design.
- ~~O.Q.~~ Personnel Provider: The Administrative Contractor and other third parties may, by contractual agreement, provide personnel to the District. HDMD will have no employees. Any reference to employees or personnel contained herein refers to the personnel of the Administrative Contractor assigned to HDMD.
- ~~P.R.~~ President/CEO: The individual provided by Administrative Contractor; to oversee administration of the District for purposes of Chapter 49.054(c) of the Texas Water Code and Chapter 176 of the Texas Local Government Code.
- S. Standing Committees: advisory committees who meet on a regular basis for purposes of consulting and advising on both focused and day-to-day organizational matters; and in turn, report to and bring recommendations on such matters to the full Board for consideration. Standing Committees consist of Audit, Executive, Finance & Investment, and Nominating Committees.
- ~~Q.T.~~ Service and Improvement Plan: The current 5-year Service & Improvement Plan of the Houston Downtown Management District as approved by the Board of Directors.
- ~~R.~~ ~~Plan Rooms: A service made available by construction industry organizations or service companies providing access to contract documents for projects currently in the process of receiving competitive or negotiated bids.~~
- ~~S.U.~~ Public Official: Appointed member of the Board of Directors of Houston Downtown Management District.
- V. Records Management Officer/Records Administrator: Individual is provided by the Administrative Contractor and has been appointed by act of the Board to oversee administration of the District's Records Management Program. This individual is also First Assistant Secretary to the Board.

~~T.W.~~ Special Board Meeting: Special meetings are unscheduled meetings called from time to time by the Board for a specific purpose. Special meetings usually address issues that need immediate attention or that need more time and discussion than can be handled in a routine regular Board meeting.

Section 2. Personnel

- A. Administrative, ~~and~~ and managerial personnel, ~~and are provided by the Administration Contractor. Downtown Public Safety Guides~~ are provided by the Administrative Contractor. Other "field" personnel are provided through third party contractors to HDMD. All personnel work, on behalf of the District, shall be managed by the District and developed in a manner that meets the objectives of the District. All third-party personnel are considered contractors and managed through third-party contracts.
- B. Time sheets will be kept by those employees who divide their time between activities exclusively sponsored by the Administrative Contractor and activities undertaken by the Administrative Contractor on behalf of the HDMD. Compensation will be based on established rates and allocations which will be adjusted from time to time to reflect actual time allocated.
- C. Rates of compensation for personnel will be reviewed annually and advice will be provided by the HDMD Executive Committee.
- D. ~~Operating committee chairs and Collaborative~~ Committee Chairs and Liaisons will have the opportunity to provide input in annual or more frequent reviews of Key Directors. Input will be provided to the President/CEO or Chief Operating Officer. Input for an annual review of the President/CEO will be provided verbally or in writing by HDMD's Chair to the Administrative Contractor's Chair.
- E. ~~Operating committees and their chairs~~ Standing and Collaborative Committee Chairs and Liaisons participate in recruitment of Key Directors. Candidates for Key Director positions will be interviewed individually by the committee chairs and by volunteers from the committee. Advice on candidates will be provided to the Contractor's President/CEO who has the responsibility for hiring and evaluating the Key Directors subject to approval of the Executive Committee.
- F. In addition to annual reviews of Key Directors, unprofessional performance of Key Directors should be reported by committee chairs or the Executive Committee to the Contractor's President/CEO or Contractor's Chair as soon as possible.
- G. It is HDMD's policy that any personnel provider shall provide equal employment and economic opportunity at every level without regard to race, color, creed, age, disability, sex, ethnicity, ~~religion, sex, ethnicity~~, familial status, genetic information, marital status, military status, pregnancy, ~~age, disability~~, sexual orientation, gender identity or national origin.

- H. It is HDMD's intent that Key Personnel conduct themselves in a manner consistent with sound business and ethical practices; that the public interest always be considered in conducting HDMD's business; and that the appearance of impropriety be avoided to ensure and maintain public confidence.
- I. It is HDMD's intent that Key Personnel provided to the District by the Administrative Contractor will be managed, directed and deployed solely at the direction of the District.

Section 3. Board Governance

A. Officers: The officers of the HDMD Board are the President & CEO, Chair, Immediate Past Chair, Vice Chair, Treasurer, Secretary, Audit Committee Chair (together the "Officers"). The Chair, Vice Chair, Treasurer, Secretary, and Audit Committee Chair. Officers shall be approved through a majority vote of the Board. Officers shall be drawn from currently serving Board Directors, but for the President/CEO. A Director may simultaneously hold two (2) Officer positions on an interim basis that does not extend beyond a period of six (6) months. The Board may review and assess the composition of Officer positions on a yearly basis. The Board may from time to time appoint other Officers to perform duties and exercise responsibility that the Board prescribes.

B. Responsibilities of Officers

1. Chair. The chair of the Board ("Chair") shall preside at meetings of the Board and exercise and perform such other powers and duties as may be assigned to him or her by the Board or prescribed by this Policies and Procedures Manual. The Chair shall further preside over the Executive Committee when it convenes, shall provide Board guidance, and shall assist the President & CEO in setting the Board agenda. The Chair and Vice Chair shall participate in the annual performance review of the President & CEO, including solicitation of input regarding such performance from other Directors
2. President & CEO. The President shall be the Chief Executive Officer ("CEO") of the organization and shall, subject to the control of the Board, generally supervise, direct and control the business of the organization. The President/CEO shall have such other powers and duties as may be prescribed by the Board or by this Policies and Procedures Manual.
3. Vice Chair. In the absence or disability of the Chair, the Vice Chair shall perform all the duties of the Chair and, when so acting, shall have all the powers of, and be subject to all the restrictions upon, the Chair. As indicated herein, the Vice Chair shall participate in the annual performance review of the President & CEO. The Vice Chair shall have such other powers and perform such other duties as may be prescribed by the Board or by this Policies and Procedures Manual.
4. Secretary. The Secretary shall attend to the following:

- (i) Minutes. The Secretary shall keep or cause to be kept, at the principal executive office or such other place as the Board may direct, minutes of all Board meetings and actions of directors and committees of directors reporting during the Board meeting. Such meeting minutes shall include the time and place of the meeting; whether the meeting was a regular or special meeting and, if a special meeting, how it was authorized, the notice given; the names of those present at each such meeting and the proceedings of each such meeting. [Policy & Procedures Manual will define “special” meetings as those Board meetings not convened monthly on the second Thursday of each month]
- (ii) Membership records. The Secretary shall keep, or cause to be kept, at the principal executive office, as determined by resolution of the Board, a record, showing the names and physical and electronic addresses of the Board's directors.
- (iii) Notices, seal and other duties. The Secretary shall give, or cause to be given, notice of all meetings of the Board required by this Policies and Procedures Manual. The Secretary shall keep or cause to be kept the seal of the organization in safe custody. The Secretary shall have such other powers and perform such other duties as may be prescribed by the Board or by this Policies and Procedures Manual. If for any reason the Secretary fails to give notice of any special meeting of the Board called by one or more of the persons entitled to call the meeting, then any such person or persons may give notice of such special meeting.
- (iv) In addition to the above, the Secretary shall have check signing authority. See Policy and Procedures Manual Sections 7.F.1., and 7.G.3.d.

5. Treasurer. The Treasurer shall attend to the following:

- (i) Books of account. The Treasurer shall keep and maintain, or cause to be kept and maintained, adequate and correct books and records of accounts of the properties and business transactions of the organization, including accounts of its assets, liabilities, receipts, disbursements, gains, losses, capital, retained earnings and other matters customarily included in financial statements. The books of account shall be open to inspection by any director at all reasonable times.
- (ii) Deposit and disbursement of money and valuables. The Treasurer shall (1) deposit, or cause to be deposited, all monies and other valuables in the name and to the credit of the organization with such depositories as may be designated by the Board; (2) disburse the funds of the organization as may be ordered by the Board; (3) render to the Chair and directors, whenever they request it, an account of all of his or her transactions as Treasurer and of the financial condition of the organization; and (4) have such other powers and perform such other duties as may be prescribed by the Board or this Policies and Procedures Manual.

See Policies and Procedures Manual, Sections 7.F.1., 7.G.3.b, c and d, 7.G.4. c. and d, 7.G.6.a, 7.G.9.a,-and 7.G.11.e.

(iii) Duties of Chair. In the absence or disability of the Chair, and if there is no Vice Chair or if no Vice Chair is present and available, the Treasurer shall perform all the duties of the Chair and, when so acting, shall have all the powers of, and be subject to all the restrictions upon, the Chair.

6. Immediate Past Chair. Should the Immediate Past Chair remain as a Director on the Board, he or she shall chair the Nominations [“Nominations” or “Nominating”?] Committee and be a designated member of the Executive Committee. As a member of the Executive Committee the Immediate Past Chair provides guidance and institutional or legacy knowledge regarding past practices and endeavors undertaken by the Board. The tenure of the Immediate Past Chair on the Executive Committee is limited to two (2) years from the date of the expiration of his or her term in the Chairs position.

7. Audit Committee Chair. As an Officer of the Board, the Audit Committee Chair shall be a member of the Executive Committee, and assume a role separate from the Treasurer of the Board. See Policies and Procedures Manual, Section 7.E. The Audit Committee Chair shall keep, or cause to keep, the Executive Committee and Board apprised of the yearly audit process and any measures needed to ensure proper fiduciary and financial controls.

C. Executive Committee

1. The HDMD Board shall establish an Executive Committee to serve in an advisory capacity to the Board and as a vehicle for reflecting expressed Board interest and providing guidance on issues ultimately attended to and decided upon by the Board. As such, the Executive Committee may offer recommendations to the Board for further deliberation and discussion; further, advisory recommendations emerging from the Executive Committee may arise from the Executive Committee itself, from the Organization’s leadership, and from the Board and Board Directors. The Executive Committee may also act as an *initial* “sounding board” for the Organization’s Executive Leadership for topics under consideration by the Board. The Executive Committee may not authorize Board action nor may it perform as an *ersatz* Board separate from any vote of a quorum of the Board authorizing action by the Board.

2. The Executive Committee shall consist of no more than ten (10) members currently serving as Directors on the Board. Those members shall consist of the Chair, Vice Chair, Immediate Past Chair, Treasurer, Secretary, Audit Committee Chair, as well as the HDMD Board liaisons to the Enhance, Connect, Thrive, and Engage Collaborative Committees. The HDMD President & CEO shall be an ex-officio member of the Executive Committee. To the extent that Executive Committee members provide advisory recommendations to the Board, those recommendations shall reflect the range of Executive Committee considerations; as such, an advisory course of action

recommended by the Executive Committee to the Board shall also include any alternative advisory recommendations for the Board’s review and consideration.

3. The HDMD Board Chair shall serve as the Chair of the Executive Committee. All Board Directors shall be eligible to serve in one of the ten (10) positions identified above and thus, to serve on the Executive Committee. The Executive Committee, subject to those limitations as may be required by Texas law or imposed by resolution of the Board, shall advise and give recommendations to the Board related to the following:

- (i) Board governance;
- (ii) Developing or amending organizational policies and procedures;
- (iii) Advising the President & CEO on strategy and operations of the organization;
- (iv) Reviewing requests from the Board Treasurer to authorize use of financial reserves, such as in the case of accessing Board reserves in accord with HDMD’s Fund Balance Policy during the mid-year budget review; and
- (v) Other advice and recommendations as requested by the Board.

4. The Chair shall report on the activities of the Executive Committee to the Board during Board meetings. In addition, minutes of Executive Committee meetings shall be kept and made available for review by Board Directors at all reasonable times.

D. Other Committees

1. *Standing Committees.* In addition to the Executive Committee, there shall be three (3) standing committees comprised entirely and only of HDMD District Board Directors: Audit, Nominating, and Finance (together the “Standing Committees”). All Board Directors are eligible to serve on the Standing Committees. Standing Committees shall have at least three (3) but not more than five (5) members. A Director seeking to serve on a Standing Committee shall convey his or her interest to the Board Chair who will place the Director’s name before the Board for Committee appointment.

The Treasurer shall serve as the Chair of the Finance Committee, the Immediate Past Chair shall serve as chair of the Nominating Committee or if the Immediate Past Chair is no longer a Director, that position shall be held by the Board Vice Chair. Board Directors interested in the position of Chair of the Audit Committee shall forward their names to the Nominations Committee; the Nominating Committee shall review the candidates and provide a recommendation to the Chair for presentation to the Board for consideration. The Standing Committees carry out the following responsibilities:

- (i) The **Audit Committee** shall (a) ensure, or cause to ensure, the fair and competitive selection of a professionally credentialed auditor; (b) oversee and ensure the completion of an annual financial audit of the organization; (c) review the annual audit and (d) recommend to the Board any actions needed to formally accept the audit and/or other actions needed to ensure the organization has in place acceptable fiduciary and financial controls. Following the Audit Committee’s review and acceptance of the annual audit, the Audit Committee Chair shall recommend to the

Board any actions needed to formally accept the audit and/or other actions needed to ensure the organization operates acceptable fiduciary and financial controls. In addition, as provided in Section 6.E. of this Policies and Procedures Manual, the Audit Committee shall oversee the disadvantaged business program.

(ii) The **Nominating Committee** shall identify, interview and recommend qualified candidates to serve as directors of the Board when vacancies arise. If approved, the names of candidates will be sent to the City of Houston for consideration and ratification by the City Council.

(iii) The **Finance Committee** shall (a) review reports regarding the organization's financial standing, (b) advise on the format of such reports, (c) advise the Board on financial and investment policies and (d) recommend annual modifications to the HDMD property assessment rate. In addition, as provided in Section 15.D.4., the Finance Committee also serves as the Investment Committee.

2. **Collaborative Committees.** HDMD Board Directors shall participate in at least one (1) of four (4) Collaborative Committees which provide stakeholder engagement opportunities and advise on the work of the Board. The recommendations of these Committees are entirely advisory to the Board. The Collaborative Committees are: Enhance, Connect, Thrive, and Engage, each tracking with an Organizational Goal under the Strategic Alignment Plan authorized by each of the three (3) Boards affiliated with the Organization. Such Collaborative Committees shall include HDMD Directors, but no committee shall include such a number of Directors that a quorum of the HDMD Board is constituted. Collaborative Committees also may include members of the Central Houston Inc. Board and the Downtown Redevelopment Authority Board, plus at-large stakeholders from the Houston Downtown community including business owners, employees, local government representatives, partners and residents. The Collaborative Committees supersede the Operating Committees as defined in Section 1.G. of this Policies and Procedures Manual.

The Enhance, Connect, Thrive and Engage Collaborative Committees shall each have a District Board Director who shall serve as a liaison between the Collaborative Committee and the HDMD Board. Each District Board Collaborative Committee liaison shall be nominated by the Board Chair and approved by a majority of the HDMD Directors.

To help ensure a well-informed Executive Committee, Collaborative Committee liaisons shall serve as members of the Executive Committee. Further, Collaborative Committee liaisons shall report, or cause to be reported to the Board, any plans, projects, or recommendations from their respective Collaborative Committees. The purview of the Collaborative Committees is as follows:

(i) The Enhance Collaborative Committee provides guidance and recommendations relating to the HDMD's clean, safe, and hospitality ambassador programs, homelessness efforts, landscaping, beautification, and maintenance.

(ii) The Connect Collaborative Committee provides guidance and recommendations related to planning, designing, enhancing, activating, and beautifying the public realm.

(iii) The Thrive Collaborative Committee provides guidance and recommendations related to data collection, economic reporting, retail and storefront development, and other economic development initiatives.

(iv) The Engage Collaborative Committee provides guidance and recommendations related to developing communications and engagement programs, projects, and strategies to reach, inform, and benefit area stakeholders.

3. Ad-hoc Committees. The Board may designate one or more ad-hoc committees. Each such committee shall serve at the pleasure of the Board and shall, as do all committees, serve in an advisory capacity only. Any ad hoc committee chair shall be appointed by the Board Chair and there shall be no limit on consecutive terms. All ad hoc committees shall consist only of Board Directors, but no ad hoc committee may include such a number of directors that a quorum of the Board is constituted.

E. Attendance Policy

1. Purpose. The purpose of this Policy is to encourage and support the contributions of all Directors by emphasizing the importance of regular attendance, and to ensure the Board, which requires a quorum to govern, can effectively and timely make decisions and take actions on behalf and to promote the work of the HDMD.

2. Intent. It is the intention of this Policy that, with the limited exceptions discussed herein, all Directors shall attend all regular meetings of the Board.

3. It shall be considered an infraction of this Attendance Policy for a Director to fail to attend three (3) consecutive or four (4) regular meetings of the Board within a rolling twelve (12) consecutive meeting dates.

4. Probationary Period: When a Director fails to attend two (2) consecutive or three (3) regular meetings in a consecutive twelve month period, the Chair shall provide notice to the Director that he or she is close to violating the Attendance Policy – a violation that will trigger a request for termination if the attendance problem is not cured within the rolling twelve consecutive month period. Upon such notice—if not previously provided--the Director shall provide the Chair any extenuating circumstances for the pattern of non-attendance for the Chair’s consideration. The probationary period shall last until the curing of the first absence in time—that was not excused under extenuating circumstances—rolls off of the Director’s attendance record.

5. If, after being advised by the Chair that he or she is on “probation”, a Director fails to cure the attendance problem (i.e., misses a third consecutive or a fourth regular Board meeting in the ensuing rolling consecutive twelve month period), the Chair will present the issue

of the Director's continuing membership on the Board, together with any extenuating circumstances provided by the Director, to the entire Board for a vote. The Director also shall be permitted to make a presentation to the Board regarding his or her attendance record if he or she so chooses.

6. If a majority of the Board agrees the Director should no longer continue to be a member of the Board, the Chair will request the Director submit a letter of resignation as a Board member, within two (2) weeks of the Board's decision.
7. If, after being requested to submit a letter of resignation, the Director fails or refuses to timely resign, the Chair shall request that the Board approve a petition to remove the Director from the HDMD Board.
8. If a majority of the Board approves the Petition, the Petition will be submitted to the Mayor and City Council for a notice and hearing on the removal.
9. The Board may exercise its power under existing Texas Water Code Section 49.052(g) to remove a Director who has missed half or more of regular Board meetings during the prior 12-month period, a decision of removal under this code section requires unanimous Board approval. See Policies & Procedures Manual Section 14.C.2.
10. Excused absences will be provided in extenuating circumstances affecting a Director so long as notice of such is provided to the Chair at least twenty-four (24) hours in advance of a publicly noticed meeting of the Board; allowance will be provided in cases of emergency or exigent circumstances that prevent the provision of notice within twenty-four (24) hours. The Chair, in consultation with the Chair of the Nominations Committee, shall make the determination of whether an absence occurs as the result of warranted extenuating circumstances.
11. The regular Board meeting schedule will be established before the beginning of each calendar year and distributed to Directors. If special meetings are scheduled which deviate from the regular meeting schedule, and a Director is unable to attend, then the Director's non-attendance shall not count against the required attendance.
12. This Policy becomes effective as of January 1, 2024 or upon approval by a majority of the Board.

Section 43. Safe and Secure Workplace

- A. It is HDMD's intent to provide a safe and secure work environment for personnel, as described on pages ~~2-2835~~ through ~~2-372-32~~ of the Central Houston, Inc. Employee Handbook ~~'s General Policies and Procedures~~. To achieve this, all Key Personnel shall adhere to established safe and secure workplace policies of the Administrative

Contractor, including having a safe and drug-free work environment which explicitly prohibits:~~To achieve this, HDMD is committed to:~~

~~1. Adhering to the Safe and Secure Workplace Policies of the Administration Contractor;~~

~~2. Providing a safe and drug free work environment which explicitly prohibits:~~

1. a.—The use, possession, solicitation for, or sale of narcotics or other illegal drugs, alcohol, or prescription medicine without a prescription while on District premises or while performing District assignments on or off premises;

2. The use of alcohol while performing a work assignment (except in certain events and/or collegial gatherings where such activity is sanctioned and/or generally accepted);

3. b.—Being impaired or under the influence of legal or illegal drugs or alcohol on or off premises, if such impairment or influence adversely affects ~~employee~~Key Personnel's work performance, the safety of you or others, or puts at risk the District's reputation and its affiliates;

4. Possession, use, solicitation for, or sale of legal or illegal drugs or alcohol away from CHI or affiliate workplace, if such activity or involvement adversely affects your work performance, the safety of you or of others, or puts at risk the reputation of CHI or its affiliates.

5. The presence of any detectable amount of prohibited substances in your system while at work, while performing work for CHI, or while representing CHI in any capacity. "Prohibited substances" include illegal or prescription drugs not taken in accordance with a prescription provided by a licensed medical professional.

6. Workplace Violence; and

7. Concealed weapons, including handguns (regardless of having a permit) and other weapons.

B. District Officials are committed to the immediate reporting of work-related injury or illness, whether on or off premise, to the Administrative Contractor or other ~~respective Personnel Provider~~designated Key Personnel.

Section 54. Procurement and Contract Administration

- A. ~~A.~~—It is the District's intent to obtain the highest quality, most cost-effective goods and services. Service excellence and responsiveness are hallmarks of HDMD. Competitive procurement of services can support the achievement of this goal. Specific procurement guidelines are included herein and purchasing thresholds may be amended from time to time.
- B. ~~B.~~—It is the intent of HDMD to stimulate the growth of disadvantaged businesses (DBEs) by encouraging the full participation of disadvantaged businesses in all phases of its procurement activities and affording disadvantaged businesses a full and fair opportunity to compete for HDMD's contracts. (See Section 6~~5~~).
- C. ~~C.~~—Personal Solicitation and Conflict of Interest: Board Members and Key Personnel are discouraged from personally soliciting and/or contracting for services delivered by any company or vendor to the District or any of its affiliate entities. If such a relationship is unavoidable due to unforeseen reasons, the details of the personal solicitation of vendors to the District, and/or any of its affiliates, must be disclosed in detail to the Organizations Legal Counsel. Additional information about this policy is located in the Central Houston, Inc. Employee Handbook on pages 2-7 and 2-40.
- D. Contract Administration: Any record, regardless of form or format, which constitutes an agreement between HDMD and any other agency, institution, business entity (for profit or not for profit), vendor or consultant, with or without a related expenditure, is a contract and subject to HDMD's Records Retention Policy. (See Section 16~~5~~).
- E. ~~D.~~—Each vendor, or other person, who contracts for the sale or purchase of property, goods, or services, including construction and maintenance of improvements, is subject to the requirements of Chapter 176 and Section 2252.908 of the Texas ~~Local~~ Government Code. This requires the business entity to electronically submit to the District a disclosure of interested parties (Form 1295) with The Texas Ethics Commission at the time the business entity submits the signed contract. ~~and a completed Conflict of Interest Questionnaire (COIQ) form must be filed with the District. Such contracts will also require the business entity to submit a disclosure of interested parties Form 1295 at the time the business entity submits the signed contract.~~ Completing the Form 1295 will apply where the contract either: (1) requires an action or vote by the Board before the contract may be signed; or (2) has a value of at least \$1 million.
- F. ~~E.~~—Contract Award – Professional Services. Certain professional services, as defined by Texas Government Code Chapter 2254, the Professional Services Procurement Act, and as distinguished from other services, shall be procured as set forth in the Professional Services Procurement Act.

1. As a matter of policy, professional services contracts of less than \$25,000 may be executed by the President/CEO without Board approval. For professional services contracts of greater than \$25,000 Board approval is required.
2. When contracting for professional services of fees greater than \$25,000, the selection shall be based on demonstrated competence and qualifications, determined by a thorough examination, and procured at a fair and reasonable price.
3. DBE firms must be included in the review of potential vendors when requests for qualifications for professional services are solicited.

GF. Contract Award - Contracts for the construction and repair and or renovation of HDMD facilities and for the purchase of equipment, materials, machinery, and all things that constitute or will constitute the plant, works, facilities or improvements of the district and for services that do not qualify as professional services as defined by Texas Government Code Chapter 2254, will be awarded in accordance with the following:

1. HDMD adopted the procurement provisions contained in Water Code Section 49.273; however, the HDMD has retained the right to utilize Chapter 3801, Texas Special Districts Code, and Chapter 375, Texas Local Government Code, as may be allowed by the applicable resolution of the Board. The procurement provisions contained in Section 49.273, as amended from time to time, shall remain in effect for HDMD unless revoked by the President/CEO or its designee to the extent it is determined that a valid public purpose exists and is documented in writing in the Board's records.
2. A contract may cover all the work to be provided or the various elements of the work may be segregated for the purpose of receiving bids and awarding contracts so long as the work is not divided simply to avoid advertisement.
3. A contract may provide for the payment of a total sum that is the completed cost of the work or may be based on bids to cover cost of units of the various elements entering into the work as estimated and approximately specified by the district's engineers, or a contract may be let and awarded in any other form or composite of forms and to any responsible person or persons that, in the Board's judgment, will be most advantageous to the district and result in the best and most economical completion of the district's proposed plants, improvements, facilities, works, equipment and appliances.

4. For contracts over \$50,000, HDMD shall advertise the letting of the contract, including the general conditions, DBE goals and time and place of opening of sealed bids.
 - a. Bidding documents, plans, specifications, DBE goals and other data needed to bid on a project must be available at the time of the first advertisement and the advertisement shall state the location at which these documents may be reviewed.
 - b. The notice shall be published in one or more newspapers circulated in Harris County.
 - c. The notice shall be published once a week for two consecutive weeks before the date the bids are to be opened, with additional notice and distribution pursuant to Section [65.D.3.](#) below. The first publication shall be not later than the 21st day before the date of the opening of the sealed bids.
5. For contracts over \$25,000 but not more than \$50,000, HDMD shall solicit written competitive bids on uniform written specifications and strive to secure at least three bids, including at least one qualifying DBE vendor or supplier. (See Section [65.C.](#))
6. For contracts of not more than \$25,000, while HDMD is not required to advertise or seek competitive bids, consideration shall be made for inclusion of qualifying DBE vendors and suppliers.
7. For contracts of less than \$25,000, the contract may be executed by the President/CEO without Board approval if the President/CEO determines the contract is in the best interests of the District.
8. HDMD may not subdivide work to avoid the advertising requirements specified in Sections [54](#) and [65](#) of these policies and procedures.
9. HDMD may not accept bids that include substituted items unless the substituted items were included in the original bid proposal and all bidders had the opportunity to bid on the substituted items or unless notice is given to all bidders at a mandatory pre-bid conference.
10. HDMD is not required to advertise or seek competitive bids for the repair of district facilities if the scope or extent of the repair work cannot be readily ascertained or if the nature of the repair work does not readily lend itself to competitive bidding.
11. HDMD may use the reverse auction procedure, as defined by Section 2155.062(d), Government Code, for purchasing. In this subchapter, "reverse auction procedure" means:

- a. A real-time bidding process usually lasting less than one hour and taking place at a previously scheduled time and Internet location, in which multiple suppliers, anonymous to each other, submit bids to provide the designated goods or services; or
 - b. A bidding process usually lasting less than two weeks and taking place during a previously scheduled period and at a previously scheduled Internet location, in which multiple suppliers, anonymous to each other, submit bids to provide the designated goods or services.
12. HDMD is not required to advertise or seek competitive bids for security or surveillance systems or components of or additions to district facilities relating to security or surveillance, including systems used for the prevention of terrorists or criminal acts and incidents or acts of war, if doing so would compromise the safety and security of district facilities or residents.
13. If changes in plans or specifications are necessary after the performance of the contract has begun, or if it is necessary to decrease or increase the quantity of the work to be performed or of the materials, equipment, or supplies to be furnished, the Board may approve change orders making the changes. The aggregate of the change orders may not increase the original contract price by more than 10 percent. Additional change orders may be issued only as a result of unanticipated conditions encountered during construction, repair or renovation or changes in regulatory criteria or to facilitate project coordination with other political entities.
14. Final Acceptance of a Construction Contract—Final acceptance procedures shall be set forth in every contract and generally meet the following guidelines:
 - a. Once the work is sufficiently complete, that a formal inspection may determine that the work is ready to be used for the use intended, the HDMD will call an inspection to include such participants as the designer, inspector, contractor, accepting agency's representatives and others as appropriate. Results of the inspection shall be presented to the contractor in writing. If the completeness and condition of the work indicates to the President/CEO that the work is ready to be used for the use intended, then the work will be declared Substantially Complete.
 - b. Once the necessary work to be done as identified in the Substantial Completion inspection is complete then a final inspection will be made by HDMD and written results presented to the Contractor.

- c. A recommendation to accept the work will be made to HDMD Board after all work is complete, all issues resolved and the Contractor has agreed in writing with the proposed final payment.
- H. The above procedure notwithstanding, the HDMD Board may waive competitive bid requirements in the event of an emergency, in accordance with applicable law.
- I. Contracts and agreements with contractors or vendors shall provide conditions under which contracts may be terminated and faulty products or unprofessional service can be returned or remedied.
- J. For purchases and construction contracts made involving the use of federal, state, or grant funds, Houston Downtown Management District will comply with specific guidelines of the funding entity.

- K. All contracts shall comply with Section 2270.002 of the Texas Government Code, as amended by HB 793, and such contracts shall contain the following language:

Pursuant to Section 2270.002, as amended by HB793, [Company] hereby verifies this contract is:

- a) between a governmental entity and a company with 10 or more full-time employees;
- b) has a value of \$100,000 or more that is to be paid wholly or partly from public funds of the governmental entity;
- c) the Company is not a sole proprietorship;
- d) does not boycott Israel; and
- e) will not boycott Israel during the term of the contract.

For purposes of this verification, “boycott Israel” means refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations specifically with Israel, or with a person or entity doing business in Israel or in an Israeli-controlled territory, but does not include an action made for ordinary business purposes.

~~All contracts shall comply with Section 2270.002 of the Texas Government Code, and such contracts shall contain the following language: [Company] hereby verifies that [Company] does not boycott Israel and will not boycott Israel through the term of this Agreement. For purposes of this verification, “boycott Israel” means refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations specifically with Israel, or with a person or entity doing business in Israel~~

~~or in an Israeli controlled territory, but does not include an action made for ordinary business purposes.~~

Section ~~6~~5. Disadvantaged Business Enterprise Program [\(DBE Program\)](#)

- A. Goal: The District shall attempt to stimulate the growth of disadvantaged businesses by encouraging the full participation of disadvantaged businesses in all phases of its procurement activities and affording those disadvantaged businesses a full and fair opportunity to compete for District contracts. The purpose of the program is to increase participation of disadvantaged businesses in public contract awards. Without limiting the generality of the foregoing, the District will objectively demonstrate good faith efforts to award at least twenty percent (25%) of the value of non-personnel contract lettings and purchasing to disadvantaged businesses.
- B. Disadvantaged Business (DBE) means:
1. A Corporation formed for the purpose of making a profit of which at least fifty-one percent (51%) of all classes of the shares of stock or other equitable securities are owned by one or more persons who are economically and socially disadvantaged because of their identification as members of certain groups, that may include but are not limited to, African Americans, Hispanic Americans, [Native Americans](#), Asian-Pacific and Subcontinent Asian Americans, women, and the disabled, that have suffered the effects of discriminatory practices or similar insidious circumstances over which they have no control;
 2. A sole proprietorship for the purpose of making a profit that is one hundred percent (100%) owned, operated, and controlled by one or more persons described by Paragraph [\(B-1\)](#) of this subsection;
 3. A partnership for the purpose of making a profit in which fifty-one percent (51%) of the assets and interest in the partnership must be owned by one or more persons described by Paragraph [\(B-1\)](#) of this ~~subdivision~~[subsection](#) and minority or women partners must have a proportionate interest in the control, operation, and management of the partnership affairs;
 4. A joint venture between minority and women's group members for the purpose of making a profit in which the minority participation is based on the sharing of real economic interest and must include equally proportionate control over management, interest in capital, and interest earnings. If majority (non-minority and non-women's) group members own or control debt securities, leasehold interest, management contracts, or other interests, the joint venture shall not be designated a disadvantaged business; or

5. A supplier contract between persons described in Paragraph (B-1) of this ~~subdivision~~ subsection and a prime contractor in which the disadvantaged business is directly involved for the manufacture or distribution of the supplies or materials or otherwise for warehousing and shipping the supplies.
 6. The disadvantaged business owner must have the training and expertise to perform the work, and where required, have a license or certificate issued in his or her name. To be a small business, the business must meet the Small Business Administration Size Standard(s) for its industry classification(s).
- C. Certification: All disadvantaged businesses for the purposes of this program must be either:
1. Certified by the City of Houston Office of Business Opportunity, Houston Minority Business Development Council, Women’s Business Enterprise Alliance, Houston Independent School District, Texas Department of Transportation (TxDOT) or Texas Historically Underutilized Business Program (Statewide HUB); Texas Unified Certification Program (TUCP); or
 2. Certified by self-representation attesting to the business meeting the definition of a Disadvantaged Business Enterprise (DBE) as described in Paragraphs B.1 through B.5 of this Section 65.
 3. The self-certification form shall require that:
 - a. The business attest to its eligibility in accordance with Paragraph (B-1) of ~~this~~ the ~~subdivision B,~~ Section 65;
 - b. The business is for profit, independent and currently functioning;
 - c. The business meets the Small Business Administration Size Standard(s) for its industry classification(s). [sba.gov/document/support—table-size-standards](https://www.sba.gov/document/support—table-size-standards);
 - d. The applicant must have a personal net worth of less than \$1,320,000 – excluding value of home and ownership interest in the business. There is no local presence requirement; and
 - ~~and~~
 - e. The business acknowledges that any statement of material misrepresentation could result in the contractor being terminated from the contract.
- D. Actions: The District shall attempt to stimulate participation of disadvantaged businesses by the following:

1. The District will regularly obtain and review relevant listings of certified disadvantaged businesses from various local certification programs by entities listed in item C.1 above and others with qualified memberships.
 2. In procurement processes, requests for qualifications, proposals, or bids will be forwarded to the Directors of minority and women-owned business chambers of commerce, the Houston Minority Suppliers Development Council or such other leadership as may be identified.
 3. As part of the procurement process, advertisements for procurements and notices of procurements will be placed in publications and websites, etc. directed toward the membership of chambers and business councils serving the disadvantaged business community. Bidding documents including construction documents, project manuals and bidding addenda will be forwarded to Plan Rooms where appropriate.
 4. All requests for procurement will plainly state that it is the objective of the District to stimulate the utilization and growth of disadvantaged businesses and refer to the criteria for inclusion of such as part of the bid evaluation criteria.
 5. For procurement contracts in excess of \$50,000, it shall be District policy to request that 15-25% of the contract be achieved through a DBE-qualifying supplier either directly or through a subcontractor. If this is not possible, the bidder must request a variance and state the reasons why it bid submission.
 6. Authorization Requests of the Board shall include a notation of compliance with disadvantaged business solicitation and the extent to which the disadvantaged business goal was met in the proposed description of the expenditure. If ascertainable, the reason for the inability to award the purchase to a disadvantaged business shall also be noted.
 7. The District will keep records of the actions described above and report the same.
 8. In addition to its own procurement, the District shall assist disadvantaged businesses in taking part in the economic activity within its boundaries, including the introduction of said businesses to the approved District Service Plan. Where possible, the District will make the introduction of the District business partners (with whom agreements are obtained) and assist the businesses operating in the District in adopting District objectives in their ongoing operations.
- E. Oversight: The Audit Committee shall have oversight of the disadvantaged business program. All District committee agendas shall include discussion of disadvantaged business procurement activities.

- F. Reporting: The District shall submit quarterly reports regarding the DBE program to the Board no later than 90 days after the end of a quarter. The District shall compile an annual report regarding compliance with DBE program guidelines and present the results to the Audit Committee for review.
- G. Review: The District will review its progress with respect to contracting annually no later than 150 days of the year ending December 31. The review must consider the performance of the Administrative Contractor in general with respect to disadvantaged businesses contracting rather than within a specific service or trade. The District's review shall determine whether statically significant disparities exist between the disadvantaged businesses in the relevant market that are qualified to undertake District work and the percentage of total District funds that are awarded to disadvantaged businesses.

Section 76. Budgeting and Accounting

- A. The fiscal year for HDMD begins on January 1 and ends on December 31. Assessments made by the Tax Assessor/Collector in the fourth quarter will apply to the fiscal/Service & Improvement Plan year beginning January 1 of the following.
- B. The annual budgeting process will include the following: Prior to December 31 each year, HDMD Board will review and approve the operating and capital improvements budgets for the succeeding year. Assessment rates for operations and capital improvements are set in the fourth quarter prior to the first year of a new 5-year service plan and prior to each succeeding year of a service plan if changes to the initial rates are to be made. Setting of the rates or of any changes must be approved by the HDMD Board.

Budget preparation will involve the following before HDMD Board adopts the Operating and Capital budgets:

1. Review of needs & priorities within the District
 2. Review of draft budget by Board committees
 3. Review of draft budget by HDMD Board
 4. [Mid-Year review the current budget for reallocation of funds](#)
- C. The President is authorized to transfer funds between line items within a budget; however, variations beyond 10% within programs must be approved by the HDMD Board.
 - D. Financial records of HDMD are kept in accordance with generally accepted accounting principles.

- E. Each year an annual audit of HDMD funds for the prior year will be completed by an independent accounting firm and accepted by the Board of Directors.
- F. With respect to bank accounts:
1. The signatures of any two of the following Officers--Treasurer, Chair, Secretary, or President/CEO--OR the signature of any one of the above named officers and the signature of any one of the Executive Committee members will be required on all checks, drafts, warrants or orders.
 2. The bank will collateralize all funds left in accounts overnight less the amount FDIC insured.
 3. Wire transfers require bank notification electronically or in writing. HDMD's Board will pre-approve individuals authorized to request or to approve wire transfers. No preset wire transfers from District accounts may be initiated and authorized by less than two of the pre-approved individuals. Transfers from investment institutions may be preset so that only one pre-approved individual may transfer funds from investment accounts to other District accounts.
- G. Specific accounting procedures by the ~~Administration~~Administrative Contractor will be conducted as follows:
1. Assessment Receipts — Assessments will be transferred from the Tax Assessor/Collector to a HDMD account.
 2. HDMD Receipts Other Than Assessments — Incoming checks and cash are logged daily by the Administrative Assistant or Executive Assistant. The checks, cash and original documentation are given to the Accountant. The daily log is given to the ~~President/CEO and/or Chief Operating Officer~~Director of Finance and Accountant.
- Accounting Personnel will prepare the deposit slip and take the deposit to the bank. A detailed copy of the deposit slip is attached to the Accountant's copies to be entered into the computer and a copy of the deposit slip is given to the receptionist for adding the deposit date to the daily log of receipts.
3. Vendor, Contractor Payment, and Other Payment Requests—HDMD will establish accounts with vendors when appropriate. Budget account codes will be used by Key Directors to allow purchases to be correctly accounted. Vendors will be procured following the procedure as outlined in the Procurement section of this manual. Contractors will be procured in the same manner. As required by this procedures manual, vendors and contractors will be pre-approved by the HDMD Board. Where appropriate and/or necessary, Letters of Agreement or contracts will be pre-approved by the HDMD board and duly executed. Budget account codes will be used

by Key Directors to allow expenditures to be correctly accounted. As required by this procedures' manual, authorization codes will be assigned to expenditure items. Invoices and other forms of payment requests will be approved by Key Directors and processed for payment by the Accounting Personnel according to the following procedure:

- a. Vendors will be paid only upon submission of properly approved invoices. Accounting Personnel will refer invoices and other requests for payment to the appropriate Key Director for approval before further processing.
- b. Key Directors will review invoices, sales receipts and other evidence to affirm that materials or services were in fact provided. They will contact vendors or service providers to have questions answered and ensure the accuracy of the invoice. Contracts will be monitored for progress toward completion and adequacy of available funds. If an invoice is correct and in line with the contract and has Board authorization, the Key Director will approve the invoice in writing, assign the appropriate authorization code, note the remaining authorization amount, and ascribe the account code, and forward to Accounting for payment.
- c. After receipt by Accounting Personnel of an invoice or other payment request approved by the appropriate Key Director and/or the Chief Operating Officer, a check will be prepared and forwarded to the President/CEO for signature. The check is then forwarded to the Treasurer or other authorized officer for review and co-signature.

Exception for Utilities: In the case of routine monthly payment of utilities, Accounting Personnel may use the on-line banking service provided by the District's approved banking institution. When the online payment method is used, the invoice MUST be co-authorized by the Chief Operating Officer. The Confirmation of Payment generated by this payment activity must be printed and attached to the utility bill(s) and submitted with the next routine check submission to the President/CEO as acknowledgement.

- d. As stipulated above in [76.F.1.](#), all approved checks are to be signed by two of the following officers—Treasurer, Chair, Secretary, or President/CEO—OR the signature of any one of the above named officers and the signature of any one of the Executive Committee members will be required on all checks, drafts, warrants or orders.
- e. For payments made by check, the normal Accounting processing time will be the Thursday following the receipt of a properly authorized invoice or payment request. To avoid late charges or

other penalties, Key Directors should make every effort to expedite review and approval of their invoices or payment requests, taking into consideration the time necessary to process and mail a payment. However, the need for special check requests (e.g. advance registration, research materials, etc.) may arise, and Accounting Personnel may process invoices outside of the normal accounting period in accordance with the approval procedure described above.

4. Approval and processing of employee expense disbursements—

- a. An expense check will be issued only upon submission of a properly approved invoice, expense report ~~(Exhibits A and B)~~, or request for expense memorandum.
- b. The President/CEO or the Treasurer are authorized to approve the payment of expense disbursements and such approval should be indicated by either initialing or signing the document in ink after the Accountant has stamped the statement or invoice.
- c. Expense Reports should be approved according to the following table:

<u>Submitted by:</u>	<u>Approved by:</u>
All Department Personnel	President/CEO or Chief Operating Officer
Key Director	President/CEO or Chief Operating Officer
President/CEO	Board Treasurer

- d. Checks are processed once per week. The Accountant must have the properly completed and approved invoice or Expense Report by that time in order for the check to be processed. All approved payment requests and checks are to be signed by the President/CEO and Treasurer (or other officer, absent either one).
 - e. The Accountant will notify the requester when checks are available.
5. Monthly Close-out — Financial reports are prepared internally and reviewed monthly by a Certified Public Accountant. Financial reports are prepared monthly by the Certified Public Accountant.
 6. Financial Reporting and Fund Accounting
 - a. Monthly financial reports are prepared internally by Accounting Personnel, reviewed by an outside CPA, and presented by the Treasurer to the Board of Directors for their action.

- b. Financial reports shall include a statement of net assets, statement of activities, compared to budget and prior year, and a variance analysis for each month prepared on a year to date basis.
 - c. In the fund financial statements, the District reserves or designates all or portions of fund balances into the following categories: non-spendable, restricted, committed, assigned and unassigned. Non-spendable fund balances represent amounts that cannot be spent because they are not in spendable form (not expected to be converted to cash) or are legally required to be maintained intact. Restricted fund balances represent amounts that have been legally identified for specific purposes. Committed fund balances represent amounts that have been authorized through formal action by the Board of Directors but not yet spent. Unassigned fund balances represent the amount available for future operations.
 - d. Amounts in the District's fund balances that do not meet the criteria to be classified as restricted or committed but that are intended to be used for a specific purpose may be designated as assigned by authorization of the Board of Directors [pursuant to the Fund Balance Policy](#).
 - e. When an expenditure is incurred for which both restricted and unrestricted fund balances are available, the District considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned or unassigned fund balances are available, the District considers the amount to have been spent first out of committed funds, then assigned funds and finally unassigned funds, as needed, unless the Board of Directors has provided otherwise in its commitment or assignment functions.
7. Reconciliation of Bank Statements — The Accountant will reconcile monthly bank statements that will be reviewed by the ~~Chief Operating Officer~~[Director of Finance](#).
8. Directors' Compensation — Directors will not be compensated.
9. [Expense Reporting. As referenced in the Employee Handbook on page 2-26, the following general principles apply to the expenditure of District funds and in the reporting of related personnel expenditures:](#)
- a. [For these expenses to qualify for reimbursement by the CHI, they must be incurred in the conduct of Company business and shall include only necessary and reasonable costs. Certain expenses which employees may elect to incur, even though related to CHI business, are considered personal expenses and are not](#)

reimbursable. [See Business Meals (Normal Business Location)] Any questions concerning business expenses must be discussed in advance of incurring the expense. An expenditure involving special circumstances not in conformance with these guidelines may be authorized only by the President & CEO or Chief Operating Officer or, in the case of the President & CEO, by the Chair or Treasurer of the Board.

- b. Employees seeking reimbursement should incur the lowest reasonable travel expenses and exercise care to avoid impropriety or the appearance of impropriety. Business travel policies are aligned with the company reimbursement rules. All business-related travel paid with company funds must comply with company expenditure policies.
- c. Staff travel must be authorized. Travelers should verify that planned travel is eligible for reimbursement before making travel arrangements.
- d. Designated approval authorities are required to review expenditures and withhold reimbursement if there is reason to believe that the expenditures are inappropriate or extravagant.
- e. Reporting for reimbursement should state exactly the type, amount, date, persons, and entities involved in the expenditure.
- f. Expenses eligible for reimbursement generally include travel expenses including airfare, luggage fees, car rental, personal mileage, parking tolls, meals, lodging, tips, conference fees, local travel expenses (but not ordinary expense of getting to work and/or parking fees for work obligations within Downtown) and local meals of employees and business guests clearly serving a business purpose conducted on behalf of CHI.
- g. Ordinarily, expenses of the spouse of an employee incurred when accompanying you on official company business, whether at the normal business location or out-of-town, will not be reimbursed. When the presence of a spouse at a meeting does not serve a business purpose, the spouse's expenses are considered a personal expense.
- h. Upon receipt of proper documentation of who, what, where, when, and why supported by receipts, approval by the supervisor and the Director of Finance, the Company will reimburse you through the regular Accounts Payable process.

~~Expense Reporting—The following general principles apply to the expenditure of HDMD funds and in the reporting of related personnel expenditures:~~

- ~~a. When spending HDMD money or personal money that will be reimbursed, the personnel involved should make sure that HDMD receives proper value in return. Prudent and proper judgment must be used in reporting and approving business expenses. Lavish or extravagant expenditures must be avoided. The business purpose must be clearly stated on the expense report documentation.~~
- ~~b. The concept that personnel is "entitled" to certain types or amounts of expenditures when on HDMD business, whether actually incurred or not, is an erroneous one, and reimbursement for expenditures not incurred would put the personnel in the position of having defrauded HDMD.~~
- ~~c. A claim for reimbursement for expenses incurred in the conduct of HDMD business must not include any expense, either in type or amount, which has not been incurred. There are not arbitrary averages provided for any type of expenditures. Personal expenditures to be reported for reimbursement should be stated exactly as they were incurred; in type, amount and with respect to the date and the persons involved in the expenditure.~~
- ~~d. The purpose of travel and meeting expense is to assist HDMD's objectives. Out of town travel is expected to be limited and must be approved in advance by the President/CEO. In all cases, prudent judgment should be used in incurring expense, especially those for hotels, air travel, and entertainment. Excessive amounts will not be reimbursed. All personal expenses are to be paid for separately by the employee while on the trip.~~
- ~~e. An Expense Report is to be prepared by each person for reimbursable expenses incurred for a meeting, travel, entertainment or miscellaneous reasons. A completed Expense Report should be submitted within 30 days of when the expenses are incurred, thereby allowing those expenses to be matched with budgeted expenses. It is the employee's obligation to ensure that all requests for reimbursement of expenses over \$25.00 are supported by an appropriate invoice or receipt and are reported on a timely basis. A personal check should be attached to the Expense Report if an amount is due to HDMD.~~
- ~~f. Generally, no spousal travel expense will be reimbursed.~~
- ~~g. Generally, no first class air travel will be allowed. Tickets for air travel should be purchased by HDMD directly through the Senior Administrative Assistant and not reimbursed as an expense. Business Class air travel will be allowed for distances exceeding 3,000 miles or 4,828 kilometers.~~

~~h. Mileage is reimbursable only to the extent that it is in excess of the mileage driven by an employee daily on his round trip between the HDMD offices and his home. Mileage will be reimbursed at the rate allowed by the Internal Revenue Service. Each person so using his or her own auto must provide adequate insurance for their own protection.~~

~~i. Meal expenses will be reimbursed if they relate directly to the conduct of work in the Service & Improvement Plan. Reporting must be detailed including date, place, persons with title and affiliation, purpose of meal, and amount. Questions as to the efficacy of an expense should be reviewed with the President/CEO in advance of their incurrence.~~

10. Expense Advances — Upon review and recommendation by the designated supervisor and with the Chief Operating Officer's approval, a cash amount authorized by the Chief Operating Officer may be paid to you in advance of incurring expenses. The advance, whether for travel related or other expenditures, must be repaid no later than 30 days from its issuance to the entity issuing the advance in either one of the following methods:

a. Repayment by you of the full amount of the advance in cash; or

b. Submission of a fully supported and approved reimbursement expense form reflecting an offset entry for the cash advance. Any amount remaining due to you will be paid through the regular Accounts Payable process. Any amount of the cash advance remaining unspent must be repaid with the fully documented and approved reimbursement expense form and its receipts.

11. Petty Cash Amounts—

a. All petty cash accounts are required to be reconciled upon replenishment.

b. All expenditures from the petty cash account should be supported by a receipt with the check number if applicable, amount paid, and date written on the receipt. Attached to the receipt should be documentation regarding who spent the funds and for what purpose. Meeting attendees' names and affiliations must be noted.

c. Expenses which will be reimbursed to the petty cash account should be shown on a typed listing reflecting the following information: check number, payee, account and cost center to be charged, and the dollar amount. The total dollar amount shown will be the amount reimbursed to the petty cash account.

d. When replenishment is requested, a reconciliation must be attached to show the petty cash balancing with the funded amount.

- e. The Office Manager will complete the petty cash report requesting reimbursement and submit the report for approval by the Chief Operating Officer, President/CEO or Treasurer.
- f. Generally, no more than \$200 of petty cash will be kept on hand.

Section 87. Ownership of Property, Data, Equipment and Other Materials

- A. The Houston Downtown Management District may own property, equipment, fixtures, landscaping materials, data, and other materials required to accomplish its purposes. Unless HDMD Directors adopt a position to the contrary, it is the policy of the District to donate fixtures and materials attached to public rights of way and properties to the appropriate department of the City of Houston. A condition of such donation may be HDMD's maintenance of such fixtures.
- B. All files, data, illustrations, maps, and similar material paid for by HDMD will be clearly labeled "Houston Downtown Management District" or some derivative thereof as to show ownership by the Management District. Such material may be readily removed from the premises of the Administrative Contractor.
- C. HDMD may lease property to accomplish the Service & Improvement Plan; however, no lease shall survive beyond the completion date of the present Service & Improvement Plan. Procurement procedures would be followed in obtaining a lease.
- D. Intellectual Property Assets – Intellectual Property Assets (IPA) is the term used to describe intangible personal property falling within one of the categories of assets known as patent rights, copyrights, trademarks, and trade secrets. It is HDMD's policy to safeguard IPA against theft, unauthorized disclosure, misuse, and infringement, and against indiscriminate handling. Accordingly, all personnel are expected to:
 - 1. Comply with the laws and regulations applicable to the creation and protection of IPA.
 - 2. Comply with the laws, regulations, and contractual commitments protecting the valid and enforceable IPA rights of third parties. HDMD will not knowingly infringe or misuse the valid and enforceable IPA rights of third parties.
 - 3. Recognize that IPA is a valuable asset and to contractually address ownership at the time of creation.
 - 4. Avoid any use of HDMD's IPA for personal gain.
 - 6. Be accountable for the protection, use and disclosure of IPA and to seek guidance when unsure of their responsibility.

7. Report violations of this policy to appropriate management.

Section **98**. Power of Attorney

- A. Only the Board in open, properly called meetings may enter into contracts, obligate the District, or authorize the expenditure of funds. The Board in such sessions may direct District Officials, the President/CEO and personnel to take specific actions within parameters as set by the board.
- B. In matters pursuant to the relationship between the Administrative Contractor and HDMD, the President will customarily sign on behalf of HDMD.

Section **109**. Insurance

- A. HDMD will carry at all times commercial general liability, office contents, valuable papers and records, umbrella liability, directors and officers liability, fidelity and public officials bond.
- B. HDMD will require indemnification and/or mandatory liability insurance coverage by its contractors and be named as a co-insured, [with it's affiliate entities and the City of Houston being listed as additional insured](#).

Section **110**. Public Relations

- A. "Downtown District" and/or logo to be adopted by the Board will be the official public identification of services and improvements provided through funds of the District.
- B. HDMD will endeavor to communicate progress on the Service & Improvement Plan and seek input from the community, especially property owners within the District.
- C. The Chair and President/CEO will be principal spokespeople for HDMD and the Downtown District. Positions on issues will not be stated unless there is concurrence on a position by the Board or, absent Board discussion, the Executive Committee.
- D. The Director of ~~Public Relations and Communications~~ [Engagement](#) will oversee the continued development of the public relations program for the Downtown District.

Section 124. Open Meetings and Training

- A. The Texas Open Meetings Act (TOMA), Chapter 551, Texas Government Code, provides that meetings of governmental bodies must be open to the public, except for expressly authorized executive sessions, and that Directors, as appointed public officials, must complete a course of training no later than the 90th day after the date a Director takes the oath of office.
- B. Prior to a meeting of the Board, the Records Management Officer will post a meeting notice 72 hours in advance, stating the time, place and subject matter of the meeting.
- C. Each appointed Director will complete their training and confirm their completion of TOMA training by filing a certificate of course completion with the Records Management Officer. The Records Management Officer can assist each Director with training materials disseminated by the Texas Attorney General's Office.

Section 132. Open Records and Training

- A. The Texas Public Information Act (TPIA), Chapter 552, Texas Local Government Code, stipulates certain information and records of the District, with exceptions, are subject to public scrutiny at the formal request of a member of the public. Therefore, HDMD has developed the following procedure to accommodate any requests by the public for its information. Questions as to whether information is of public record should be addressed to the Records Management Officer; however, the Texas Attorney General makes the final determination whether information is subject to an exception.
 - 1. HDMD requires all requests for copies of files to be in writing.
 - 2. The request must include the requesting individual's name, company (if relevant), address, phone number, and specific details of information being sought.
 - 3. Requests may be submitted to the Records Management Officer, as follows:
 - a. By U. S. mail or other delivery service to HDMD's offices;
 - b. By facsimile; or
 - c. By electronic mail.
 - 4. HDMD will date stamp the written request and respond in accordance with applicable law.

5. HDMD charges \$.15 per copy per page and charges must be paid in full prior to HDMD releasing its information. If charges are anticipated to exceed \$40.00, HDMD will provide an estimate of charges in advance.
- B. TPIA mandates each appointed Director as well as the “officer for public information of a governmental body,” without regard to whether such person is appointed or elected, must complete training within the same time period as the TOMA training.
- C. No later than 90 days after the Director has taken the oath of office, the Director must confirm completion of TPIA training and file the certificate of course completion with the Records Management Officer.
- D. The Records Management Officer, as the public information coordinator, will also file a certificate of completion with respect to TPIA training. This certification will satisfy the training requirements of Section 552.012 for those public officials who so designate.

Section 143. Code of Ethics

- A. Policy and Purposes
 1. The District's Directors, Officials, and personnel will conduct themselves in a manner consistent with sound business and ethical practices; the public interest will always be considered in conducting corporate business; the appearance of impropriety will be avoided to ensure and maintain public confidence in the District; and the Board will establish policies to control and manage the affairs of HDMD fairly, impartially, and without discrimination.
 2. The Code of Ethics is adopted for the following purposes: (a) to comply with Section 49.199 of the Texas Water Code and Chapter 176 of the Texas Local Government Code; (b) to encourage high ethical standards in official conduct by HDMD Directors and Officials; and (c) to establish guidelines for such ethical standards of conduct.
- B. Qualification of Directors
 1. A person shall not serve as a Director if he or she is disqualified by law from doing so.
 2. To be qualified to serve as a Director, a person must be 18 years old and be:
 - a. A resident of the District;
 - b. An owner of property in the District;

- c. An owner of stock, whether beneficial or otherwise, of a corporate owner of property in the District;
 - d. An owner of a beneficial interest in a trust that owns property in the District; or
 - e. An agent, employee or tenant of a person covered by items (b), (c), or (d) above.
3. Qualified directors must have on file with the District's Secretary, Records Management Officer, and/or Public Information Coordinator, all of the following documents as currently required and as may be revised or amended or legislated by any future act of revision, amendment, or legislation:

*Executed and filed as soon as practicable after appointment.
TLGC §375.067; TWC §49.055*

- (a) Sworn Statement;
- (b) Oath of Office;
- (c) Official Bond;

*Executed and filed within 90 days after Oath of Office is taken.
TGC §551.005; TGC §552.012*

- (d) Open Meetings Act Training Certification;
- (e) Public Information Act Training Certification or equivalent designation;

*Executed and filed prior to vote or decision.
TLGC §176.004*

- (f) Affidavit of Vote Abstention (Recusal)

*Executed and filed not later than 5 p.m. on the seventh business day after the date on which the officer becomes aware of the facts that require the filing of the statement.
TLGC §176.003.*

- (g) Conflicts Disclosure Statement, where applicable;
- (h) Other affidavits as may be required by act of legislature or board resolution.

C. Participation of Directors

- 1. In accepting nomination to be a Director, a person understands the obligation of his or her service and responsibilities pursuant to the position including participation in meetings of the Board of Directors.

2. When a Director has missed three (3) successive regularly scheduled Board of Directors meetings, he or she will be reminded of his or her responsibility to participate. After a Director has missed one-half or more of the regularly scheduled meetings during the prior twelve (12) months, the Board of Directors by the authority of Section 49.052(g) of the Water Code may elect to remove the person from office as a Director.

D. Conflicts of Interest

1. Although Chapter 171 and Section 375.072(a) and (b) of the Texas Local Government Code provides that a Director may participate in all votes pertaining to business of the District regardless of any other statutory provision to the contrary, an HDMD Director or officer is prohibited from participating in a vote, decision, or award of a contract involving a business entity or real property in which the HDMD Director or the officer has a substantial interest, if it is foreseeable that the business entity or real property will be economically benefited by the action except as provided in subsection 3. A person has a substantial interest in a business: (a) if his ownership interest is ten percent or more of the voting stock or shares of the business entity or ownership of \$15,000 or more of the fair market value of the business entity, or (b) if the business entity provides more than ten percent of the person's gross income. A person has a substantial interest in real property if the interest is an equitable or legal ownership with a fair market value of \$2,500 or more. An interest of a person related in the first degree by affinity or consanguinity to an HDMD Director or officer is considered a substantial interest.
2. Directors or personnel who have a substantial interest in any matter involving the business entity or real property covered by D. 1 above shall disclose that fact to the other Directors (Board) by Affidavit. The Affidavit must be filed with the Secretary of the Board.
3. Directors or personnel who have a substantial interest in a business entity that will receive a pecuniary benefit from an action of the Board may vote on that action if a majority of the Board has a similar interest in the same action or if all other similar business entities in the District will receive a similar pecuniary benefit.
4. An employee of a public entity may serve on the Board, but that public employee may not participate in the discussion or vote on any matter regarding assessments on or contracts with the public entity of which the HDMD Director is an employee.

- E. Acceptance of Gifts—District Directors, Officials or personnel may not solicit or accept any benefit from a person or business entity the District Official knows is interested in or likely to become interested in any contract, purchase, payment, claim or transaction involving the exercise of the District Official's discretion, or

any matter before the Board for any decision, opinion, recommendation, vote or other exercise of discretion in carrying out his official acts for the District as prohibited by law. As of the date of adoption of this Code of Ethics, Section 36.08, Texas Penal Code, ~~a copy of which is attached as Appendix "A"~~, prohibits gifts to public servants such as the Directors. Section 36.08 does not apply to the matter set forth in Section 36.10, ~~which is attached as Appendix "B"~~. Violations of penal laws may subject District Officials to criminal prosecution. ~~See Appendixes "A" and "B"~~.

- F. Bribery—Directors, Officials or personnel shall not intentionally or knowingly offer, confer, or agree to confer on another, or solicit, accept, or agree to accept from another, any benefit as consideration when to do so is prohibited by law. As of the date of adoption of this Code of Ethics, Section 36.02, Texas Penal Code, ~~a copy of which is attached as Appendix "C"~~, lists the offenses that are considered bribery when committed by District Officials. Violations of penal laws may subject a District Official to criminal prosecution. ~~See Appendix "C"~~.
- G. Nepotism—The Board and its Administrative Contractor shall comply with all anti-nepotism laws applicable to municipal management districts. As of the date of adoption of this Code of Ethics, Chapter 573 of the Texas Government Code, ~~a copy of which is attached as Appendix "D"~~, is the anti-nepotism law governing municipal management districts.

Section 154. 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 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 -- qualified broker/dealers with whom the District may engage in investment transactions are included in Exhibit A.
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.
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.
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 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:
 - i. Obligations, including letters of credit, of the United States or its agencies and instrumentalities;
 - ii. Direct obligations of the State of Texas or its agencies and instrumentalities;
 - iii. 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;
 - iv. 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;
 - v. 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;
 - vi. 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;
 - vii. 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;

- viii. Repurchase agreements that comply with the Investment Act;
- ix. Bankers' acceptances that comply with the Investment Act;
- x. Commercial paper that complies with the Investment Act;
- xi. No-load money market mutual funds that comply with the Investment Act; and
- xii. No-load mutual funds that comply with the Investment Act.
- xiii. 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 153.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 A
List of Qualified Broker/Dealers

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

Section 165. Information Protection and Management

- A. Information Protection – Information assets are vital resources. These resources include information in any form, whether acquired from others or developed by HDMD, and any systems that store, process, or transmit information. It is the policy of HDMD to ensure the availability, integrity, and confidentiality of these resources in a manner that is consistent with risk and business value. It is the joint responsibility of management and all personnel to take the necessary actions to protect these resources. Personnel have the responsibility to understand the business value of their information resources. Personnel also have the responsibility to understand the risks associated with the possible compromise of the availability, integrity, and confidentiality of these resources. Personnel are responsible for taking appropriate actions to ensure that HDMD information resources are protected commensurate with business value and risk. Accordingly, personnel who are unsure of the legal or regulatory implications of their actions will be responsible for seeking management or supervisory guidance. HDMD information is to be used in pursuing HDMD's own business interests and must not otherwise be used or disclosed by any personnel either during or after performing work for HDMD.
- B. Records Retention Policy – In lieu of a formal Records Management Program approved by the State and Local Records Management Division of the Texas State Library and Archives Commission, HDMD has a policy of permanent retention with respect to all District Records. General Counsel, with the Executive Director and the Chief Operating Officer, is responsible for creating a Records Retention Policy. The Records Management Officer is responsible for establishing and maintaining a procedure which ensures the integrity and protection of the District's records.
- C. District Records
1. Any written, photographic, machine-readable, or other recorded information created or received by or on behalf of the District that documents activities in the conduct of official business.
 2. Vital Records: Any District Record necessary to:
 - a. The resumption or continuation of District operations in an emergency or disaster;
 - b. The re-creation of the legal and financial status of the District; or
 - c. The protection and fulfillment of obligations to the people of the District.

- D. Contract Files: Any District Record, regardless of form or format, which constitutes an agreement between the District and any other agency, institution, business entity (for profit and not for profit), vendor or consultant, with or without a related expenditure, is a contract and all contracts are filed in a central location according to a predetermined file arrangement.
- E. Personnel are required to apply HDMD's Records Retention Policy to all documents and other forms of information--including any and all electronic data--they create or receive in the course of exercising their responsibilities under the Administrative Contract.
- F. Computer Systems and Other Technical Resources – It is the joint responsibility of management and all personnel to ensure that the computer systems and other technical resources are used appropriately, that is, consistent with the District's and its Administrative Contractor's standards of business and ethical conduct and policies.
 - 1. Internet
 - a. Internet services support the advancement of the HDMD's goals and objectives. HDMD encourages use of the Internet as a strategic business and learning tool. Occasional access to the Internet for learning or personal use is acceptable to facilitate the learning process and to promote the use of this strategic resource. At all times, during and after work, the Internet user is responsible for avoiding Internet sites including sexually explicit and game sites that violate HDMD and the Administrative Contractor's policies. Any unintentional contact with such a site requires the user to avoid exposing anyone else to the material, which should be deleted immediately from computer storage.
 - b. HDMD has the right to monitor and log Internet activity and to block offensive, illegal, and non-business-related sites. If an Internet user is uncertain whether a site violates company policy or the law, he or she should contact the Records Management Officer.
 - c. Internet activity is to be considered public and users must conduct their activity accordingly. Use caution when sending e-mail to a non-HDMD Internet address. These messages travel across non-secure, public lines and may be stored in third-party systems, subject to discovery and/or disclosure. In addition, the address of the intended recipient should be confirmed prior to sending the communication.

- d. The Internet can be used to communicate and exchange information as long as usage complies with all applicable laws, regulations and these Administrative Policies.
2. Electronic Mail – HDMD operates and maintains electronic mail ("e-mail") systems to facilitate business communications. While the company's e-mail system may be used for incidental and occasional personal messages, such use should be kept to a minimum. E-mail may not be used in any way that may be disruptive to operations, offensive to others or violative of policy or law. E-mail users should be aware that HDMD and others may access e-mail records that are either stored or handled by HDMD's e-mail systems. E-mail messages, including personal messages, may thus be subject to review by management and others for appropriate purposes. Personnel with unique or special access to e-mail records shall not access such records outside the normal course of supporting or administering these systems, without proper authorization. Personnel who access the e-mail records of others without proper justification and authorization will be subject to disciplinary action up to and including termination of employment by the Administrative Contractor.
- G. Access – Personnel may access only files or programs, whether computerized or not, that they have permission to enter. Unauthorized review, duplication, dissemination, removal, damage or alteration of files, passwords, computer systems or programs, or improper use of information obtained by unauthorized means, may be grounds for disciplinary action, up to and including termination of employment by the Administrative Contractor.
 - H. Privacy – It is HDMD's policy to comply with applicable legal requirements concerning privacy in the workplace. However, personnel should be aware that they have no right of privacy as to any information or file maintained in or on HDMD and Administrative Contractor owned property or transmitted or stored through their computer systems, voice mail, e-mail, or other technical resources. HDMD may override any applicable passwords for purposes of inspecting, investigating, or searching any and all computerized files or transmissions, voice mail, or e-mail or any other HDMD media in which information is stored or transmitted.
 - I. Litigation Discovery – Special care must be taken with information requests during litigation. It is the policy of HDMD to respect the judicial process. Truth in that process is essential. Therefore, personnel involved in litigation discovery (that is, when documents or other evidence are required to be produced) shall:
 1. Treat litigation discovery as a priority;

2. Thoroughly and continuously review any questions they have with the President/CEO and HDMD counsel handling the matter and fully and completely comply with the instructions received from them; and
 3. Immediately report any suspected noncompliance to the President/CEO.
- J. Requests for Information (Open Records Policy) – Information and records of HDMD are subject to public scrutiny at the formal request of a member of the public. Therefore, HDMD has developed the procedures outlined in Section 13 to accommodate any requests by the public for its information. Personnel having a question as to whether information is of public record should contact General Counsel. (see also Section 13)
- K. Testimonials and Endorsements – It is HDMD’s policy not to provide information in the form of endorsements or testimonials of products or services. However, in those cases where further interpretation may be needed, please contact the President/CEO.

Section 176. Adoption and Revision

District Administrative Policies and Procedures shall be reviewed at least annually; if necessary, amended and approved by HDMD’s Board in open meeting.

-END-



DOWNTOWN HOUSTON+

STRATEGIC ALIGNMENT PLAN UPDATES

MARCH 2024

GOAL 1



Champion major projects, initiatives and investments that improve Downtown.

1.3 Plan collaboratively for Downtown's evolving edges, connections, and major attractions.

Highlight: On February 28, Downtown Houston+ submitted a \$12 million funding application to the U.S. Department of Transportation's (USDOT) Rebuilding American Infrastructure with Sustainability and Equity (RAISE) grant. The funding will support planning and engineering for amenities atop the East Downtown (EaDo) Cap, which is a 30-acre concrete deck over the trashed I-69/I-45 realignment that is part of the North Houston Highway Improvement Project (NHHIP). Construction of the cap is slated to begin by 2030.

For over a decade, Downtown Houston+ worked collaboratively with the TxDOT Houston District Office, the City of Houston, and community-based partners to ideate a programmed open space with multimodal accessibility plus landscape and stormwater mitigation features. However, the weight of the soil, landscaping, and other potential programmed amenities requires additional structural support above and beyond TxDOT's planned base condition. Funding from the grant sustains planning for the additional structural support needed to make one of our key "Civic Opportunities" and Downtown's core connections a reality.

In the spirit of collaboration and support of our RAISE federal funding request, Downtown Houston+ requested and received nearly 30 letters of support from our valued NHHIP partners listed below.

1. Senator John Cornyn, United States Senate
2. Congresswoman Sheila Jackson Lee, United States House of Representatives, District 18
3. Mayor John Whitmire, City of Houston
4. Senator Carol Alvarado, Texas Senate, District 6
5. Senator Borris L. Miles, Texas Senate, District 13
6. State Representative Christina Morales, Texas House of Representatives, District 145
7. Commissioner Rodney Ellis, Harris County Precinct One
8. Commissioner Adrian Garcia, Harris County Precinct Two
9. Councilman Mario Castillo, Houston City Council, Dist. H
10. Councilman Joaquin Martinez, Houston City Council, Dist. I
11. Marc Williams, Executive Director, TxDOT
12. Chuck Wemple, Executive Director, HGAC
13. Thomas J. Jasien, Deputy Chief Executive Officer, METRO
14. Shahin Naghavi, Board of Directors Chairman, East Downtown (EaDo) Management District
15. Matt Thibodeaux, Executive Director, Midtown R.A.
16. Harvey Clemons, Jr., Board Chair, Fifth Ward R.A.
17. Theola Petteway, Executive Director, OST/Almeda Redevelopment Authority
18. Jerry Davis, General Manager, Greater Southeast Management District
19. Rebecca Reyna, Executive Director, Greater Northside Management District
20. Carme Williams, Chair, Greater Black Chamber of Commerce
21. Dr. Laura Murillo, President and CEO, Houston Hispanic Chamber of Commerce
22. James R. Crane, Owner and Chairman, Houston Astros
23. Jessica O'Neill, President of Business Operations, Houston Dynamo/Dash
24. Tilman Fertitta, Chairman and CEO, Houston Rockets
25. Steve Kean, President and CEO, Greater Houston Partnership
26. Michael Heckman, President and CEO, Houston First
27. Anne Olson, President, Buffalo Bayou Partnership
28. Kathryn Lott, President and Park Director, Discovery Green
29. Robby Robertson, President and CEO, Joyride Houston

Participating Agencies:



GOAL 2

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

2.3 Quickly and pro-actively respond to blighting influences such as graffiti and building damage.

Highlight:

Maintaining the appearance and cleanliness of the public realm is one of the most important priorities of the Operations Team. The removal of graffiti, which we define as markers, paint, writing, stickers, or posters on public spaces without permission, is a daily activity for our cleaning ambassadors. We strive to have all graffiti removed within four business hours from the time the graffiti was encountered or reported. If the graffiti is on a building or private property, the Operations Team will first contact the property to receive permissions for our team to remove it. Over the past two months (Jan-Feb), our teams have removed 1,358 instances of graffiti.

Participating Agency:



2.4 Broadly address the needs of people experiencing homelessness and the associated impacts.

Highlight:

On the morning of Thursday, February 29, one of our Downtown Public Safety Guides encountered an unresponsive homeless male in the 300 block of Fannin Street. SEAL Security was called and arrived on scene to find the man not breathing. 911 was immediately called and the SEAL Officer started performing chest compressions on the individual. By the time EMS arrived, the SEAL Officer was able to revive the individual and get him to breathe again. EMS transported the man to an area hospital for medical treatment.

Participating Agency:



GOAL 3



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

3.7 Utilize public art and other place enhancement strategies to improve walkability where built conditions limit storefront activations.

Highlight: In partnership with Harris County Precinct 1 Commissioner Rodney Ellis, HDMD management is supporting the production of a third phase for the mural program. Our engagement as a supporting partner for this effort is significantly reduced from prior years. HDMD provided only limited support on recruiting buildings for this phase and has no financial commitment to the project. There will be a total of nine (9) murals painted between Mar 20-29, with an unveiling ceremony to occur at the March 30 Market Square Park Farmer’s Market. Central Houston Civic Improvement entered into an agreement with Harris County to serve as the fiscal sponsor for the program, and the County’s commitment includes \$80,000 for supporting materials such as web and print content, event production, and unforeseen costs to ensure that the HDMD has no fiscal outlay as part of the continuation of the mural program.

Participating Agency:



3.11 Plan and implement an events and programming strategy that appeals to diverse audiences and drives vibrancy in strategic areas.

Highlight: On February 10, DTH+ held its inaugural Lunar New Year festival in the Historic District celebrating Houston’s diverse Asian American populations. To better understand and explain the event’s potential to brighten a traditional post-holiday lull, Engagement and Research teams collaborated on a data collection and analysis mission. Our team collected 600+ intercept surveys, partnered with business to report induced sales data, and analyzed data derived from cell phones.

Key takeaways:

- 5,200+ unique attendees,
- 73% of attendees went to Downtown food & beverage establishments before or afterward,
- Each group spent on average \$94 on food & beverages in Downtown,
- 24% arrived by walking, transit, bike, or rideshare, and
- Bravery Chef Hall partnered with DTH+ on Lunar New Year promotions and reported a 75% sales increase compared to typical Saturday receipts.

Participating Agency:



GOAL 4



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

4.2 Engage with local partners such as the City of Houston, Houston First and the GHP to improve the national image and reputation of Downtown Houston.

Highlight: In collaboration with the Greater Houston Partnership (GHP), our Economic Development team is spearheading the creation of Houston's first-ever comprehensive inventory of energy transition companies. This initiative, inspired by DTH+ over a year ago, will not only document these companies but also pinpoint those located Downtown and speak to the specific energy transition companies Downtown attracts. This partnership positions Houston, and particularly Downtown, as a prime location for companies and leaders driving the next wave of energy innovation.

With guidance from our Thrive Collaborative Committee, DTH+ and GHP intend to make public this detailed picture of Downtown's energy ecosystem within the broader regional context. Publishing this information will allow DTH+ and GHP to effectively showcase the unique advantages Houston and Downtown offer to energy transition businesses. As an early return from this effort, DTH+ is also involved in an active recruitment project for a firm looking to move its corporate headquarters from the pacific northwest and will host them in Houston in mid-March.

Participating Agencies:



4.7 Support efforts to build a Downtown community that is home to a diverse population.

Highlight: With 25% of Downtown's employment base working in the service industry and similar jobs, providing access to attainable housing is a cornerstone of a healthy and sustainable Downtown economy. DTH+ worked with real estate developer Urban Genesis and property management company Asset Living to publicize phase one of The Warehouse District apartment community at 813 McKee Street, with future phases slated for April and June. Locating in a walkable area in a major employment center is key to providing what the developer calls "essential housing," keeping housing cost within range for people earning modest incomes, as well as college students at the nearby University of Houston-Downtown campus.

Participating Agencies:



GOAL 5

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

5.1 Develop a representative engagement structure that provides stakeholders the opportunity to inform decision making and advise on the direction of Downtown.

Highlight: On Feb. 20, DTH+ hosted a joint collaborative committee meeting for CONNECT, ENHANCE, and THRIVE committees with Texas Department of Highways (TxDOT) reps updating participants on the North Houston Highway Improvement Program (NHHIP). Committee members asked questions, received clarifications, and gave input directly to TxDOT. Attendees also included team members tasked with producing a DTH+ highway messaging toolkit to equip Downtown stakeholders with information and visual communications tools. Speaking confidently and accurately about access, impact mitigation, and mobility strategies is one way we can ensure Downtown continues to be seen as the beating heart of our region.

Participating Agencies:



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

Highlight: Following a successful 2023 pilot and back by popular demand, the Market Square Park Farmer's Market is expanding with spring & fall seasons on March 30. After an RFP process, Central City Co-Op, Houston's oldest local, sustainable, organic food co-op, was selected as 2024 market producer. Weekly Saturday morning markets with holiday-themed celebrations and family-friendly activities not only bring first-time visitors to Downtown's Historic District, but also strengthen community ties among residents. Activating Market Square Park from 10 am to 2 pm also helps drive off-peak vibrancy. Along with other park programming, the market will support the launch of a new restaurant kiosk operator and the area's storefront economy.

Participating Agency:



Engagements

21,657

Total

Homeless Count

283

Average

Sidewalk Cleaning

4.23

Average

Garbage Disposed (Tons)

263

Total

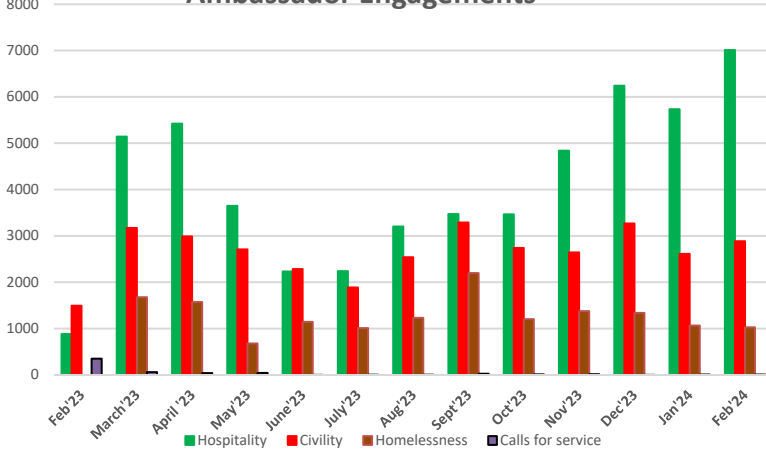
Reliability

88%

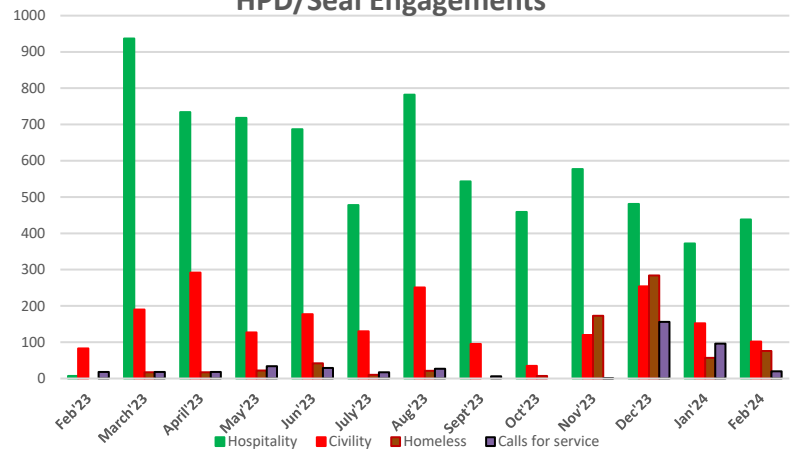
Average

Safety & Quality Control

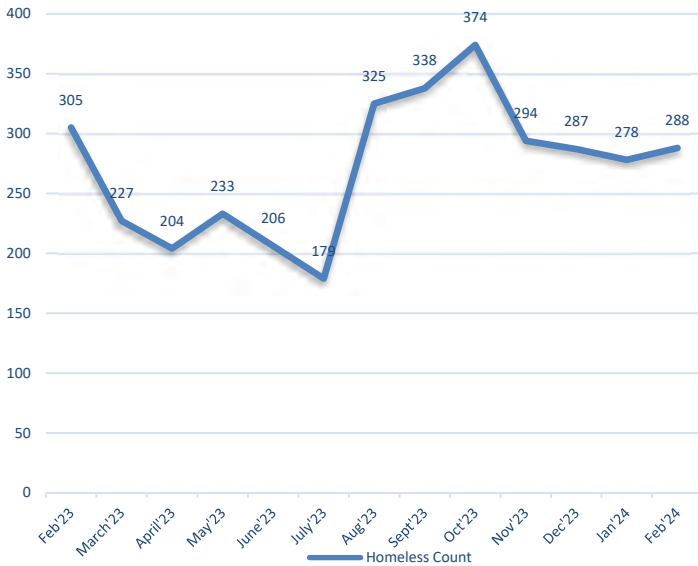
Ambassador Engagements



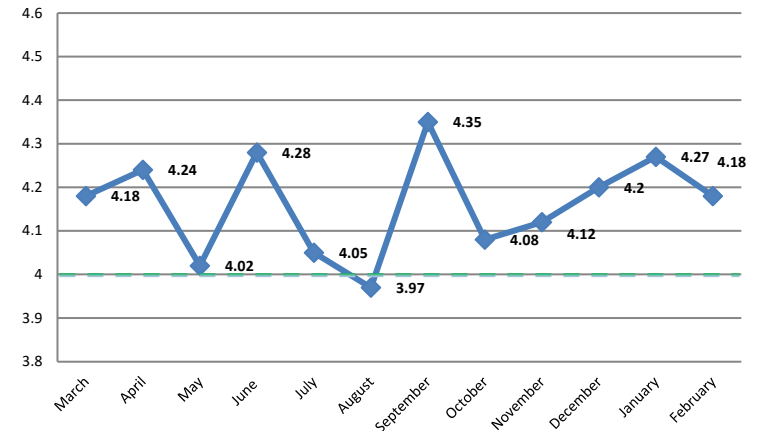
HPD/Seal Engagements



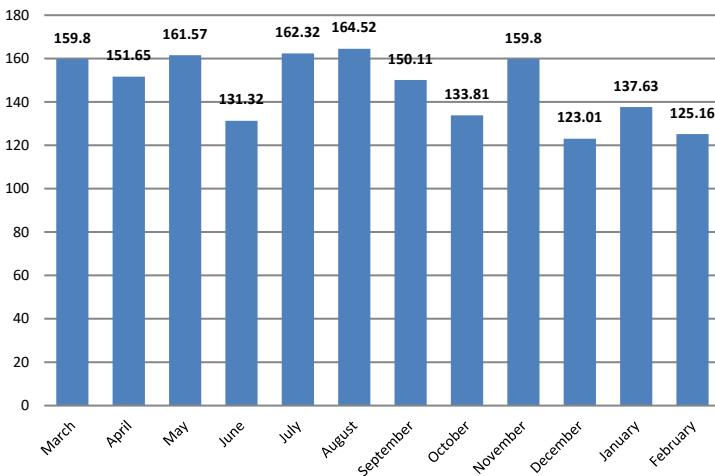
Homeless Count



Sidewalk Cleaning



Garbage Disposed (Tons)



Reliability

