



Downtown  
Redevelopment  
Authority

## **Board of Directors Meeting**

August 12, 2025

Tax Increment Reinvestment Zone, Number Three  
City of Houston

**DOWNTOWN  
HOUSTON+**

## Board of Directors Meeting

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# MINUTES OF THE REGULAR MEETING OF THE DOWNTOWN REDEVELOPMENT AUTHORITY

June 10, 2025

The Board of Directors (the “Board”) of the Downtown Redevelopment Authority (the “Authority”) convened in regular session, in person and open to the public, inside the H-Town Conference Room at the Authority’s office, located at 1221 McKinney Street, Suite 4250, Houston, TX 77010, on June 10, 2025, and the roll was called of the duly constituted officers and members of the Board, to wit:

|                       |            |
|-----------------------|------------|
| Curtis Flowers        | Chair      |
| Michele Sabino        | Vice Chair |
| Barry Mandel          | Secretary  |
| Keith Hamm            | Treasurer  |
| Regina Garcia         | Director   |
| James Harrison        | Director   |
| Kirby Liu             | Director   |
| Tiko Reynolds-Hausman | Director   |
| William Taylor        | Director   |

and all of said persons were present except for Treasurer Hamm, Director Harrison and Director Tiko-Hausman. Also present were Allen Douglas, Executive Director (“ED”); Kris Larson, President; Jana Gunter, Director of Finance; and staff members Brett DeBord, Marlon Connally, Andy Corbin, Jacque Gonzalez, Jamie Perkins, Albert Sanchez, Ann Taylor and Candace Williams, all with the Authority; and Algenita Davis, consultant to the Authority.

Additional attendees included Clark Lord of Bracewell, outside counsel to the Authority; Andrew Busker of the City of Houston; and guest presenter Kelly Young of the Coalition for the Homeless.

## **INTRODUCTIONS, QUORUM & CALL TO ORDER**

Board Members, staff, and attendees conducted a round-room introduction of themselves. Curtis Flowers chaired the meeting. Barry Mandel served as Secretary. A quorum was established, and the meeting was called to order at 12:05 PM.

## **PUBLIC COMMENT**

Chair Flowers called for public comment. There were no comments from the public.

## **MINUTES OF PREVIOUS MEETING**

The Board considered approving the minutes of the May 13, 2025, regular joint board meeting. Chair Flowers called for comments or changes. Hearing none, he called for a motion, moved by Vice Chair Sabino, seconded by Secretary Mandel, and the minutes of the May 13, 2025, regular joint board meeting were approved as presented.

## **FINANCE MATTERS**

### **Check Register – May 2025**

Chair Flowers invited Jana Gunter to provide a summary of finance activities for May. Ms. Gunter shared highlights from the check register as of May 31, 2025, and then called for questions.

No questions were raised, and no discussion occurred. Chair Flowers then made a motion to accept the May 2025 check register. Secretary Mandel moved this motion, and Director Garcia seconded, and the Board accepted the May 2025 check register as presented.

### **DRA/TIRZ #3 FY26 DRAFT BUDGET**

Chair Flowers called on ED Douglas to discuss and present this item. ED Douglas began with a summary of the draft FY26 Authority budget, noting that it had been previously vetted by the Budget & Finance Committee on April 25, 2025.

Next, ED Douglas gave an overview of future planned capital project expenses. He called attention to a change to one of the proposed line items, then noted the referenced line item would be discussed in further detail as an agenda item later in the meeting. Discussion ensued and questions were asked and answered. He concluded by sharing the Budget & Finance Committee's recommendation for the Board to accept and approve the draft FY26 budget as presented.

Chair Flower called for a motion, moved by Director Liu and seconded by Director Garcia; and the Board accepted the Budget & Finance Committee's recommendation to accept and approve the Authority's draft FY26 Operations & CIP Budget as presented, for release to the City of Houston for City Council vetting and approval.

## **CENTRAL HOUSTON CIVIC IMPROVEMENT – CIVIC OPPORTUNITIES FOR NHHIP PROJECT**

Chair Flowers asked ED Douglas to continue. ED Douglas provided a brief background on this budgeted item. He then explained how this eighth installment to Central Houston Civic Improvement ("CHCI") will continue to assist with the advocacy and expansion of civic opportunities associated with TxDOT's North Houston Highway Improvement Project ("NHHIP"). Discussion did not occur, and no questions were raised.

Chair Flowers called a motion to approve the eighth installment to Central Houston Civic Improvement for the advocacy of civic opportunities associated with the NHHIP Project, in an amount not to exceed \$400,000, along with the execution of the necessary agreements by the appropriate officer of the Authority. Secretary Mandel moved this motion, and Director Liu seconded it; the Board then approved the request as presented.

## **AUTHORIZE ASSIGNMENT OF HISTORIC PRESERVATION AGREEMENT**

ED Douglas continued, referring to page 43 in the previously provided materials. He began by stating the Star Building, located at 1111 Rusk and a property associated with the Downtown Living Initiative & Façade Grant program, was being sold. ED Douglas then referred to the Historic Preservation Agreement currently in place between the Authority and the building's current owner, HSC Star LP, and further explained the necessity of negotiating an assignment and amendment

to transfer the Historic Preservation Agreement to the property's new owner, Rusk at San Jacinto Partnership LP. Discussion ensued, and questions were asked and answered.

Hearing no further questions, Chair Flowers called for a motion to permit staff and leadership to negotiate the necessary assignments and amendments to the Agreements related to the Downtown Living Initiative & Facade Grant between DRA, HSC Star LP, and Rusk at San Jacinto Partners, LP. The motion was moved by Director Liu, seconded by Secretary Mandel, and the Board approved this request as presented.

### **ECONOMIC DEVELOPMENT PROJECT: COMPLIANCE DISCUSSION + ACTION ITEM**

Chair Flowers asked ED Douglas to continue with presenting this action item. ED Douglas provided background information on the history of the Laura Hotel, its association with the Authority's Economic Development Program, and the reason and nature of this request. Discussion ensued, and questions were asked and answered.

Hearing no further questions, Chair Flowers called for a motion to authorize the waiver of the compliance requirement pursuant to the Economic Development Grant Agreement between the DRA and HHR Houston DT LLC (owner of The Laura Hotel) to permit the release of the 2022-2024 tax rebate payment. The motion was moved by Secretary Mandel, seconded by Director Garcia, and the Board approved this request as presented.

### **REVIEW AND DISCUSS FUNDING FOR AFFORDABLE HOUSING + ACTIONS THEREON**

ED Douglas opened this topic and introduced guest speaker, Kelly Young, President & CEO of the Coalition for the Homeless. Ms. Young shared a presentation outlining the challenges within the downtown community of securing sustainable, affordable housing. She also explored a path forward with potential collaborative solutions, including partnering with the Authority. Discussion ensued, and questions were asked and answered.

Chair Flowers called for a motion to authorize staff and leadership to negotiate and enter into an Agreement with the Coalition for the Homeless to fund affordable housing for Downtown's unhoused individuals and families at the Sobering Center (150 Chenevert) and through The Beacon's Rapid Resolution Program (1212 Prairie) for twelve (12) months beginning in July 2025, for an amount not to exceed \$1,000,000. Director Taylor moved, and Secretary Mandel seconded this motion, and the Board approved this request as presented.

### **STRATEGIC ALIGNMENT UPDATES**

President Kris Larson was called on to share the latest Strategic Alignment updates. He touched on each of the five goals and elaborated on the progress made in each area. Questions were asked and answered. No action was required.

### **OTHER BUSINESS**

No further business was brought forth to the Board.

### **NEXT MEETINGS**

Chair Flowers announced that there will be no Board or Collaborative Committee meetings in July. The next Board meeting is scheduled for Tuesday, August 12, 2025, at 12:00 PM.

**ADJOURNMENT**

With no further business to come before the Board, a motion was called to adjourn at 1:28 PM.

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Barry Mandel, Secretary  
Downtown Redevelopment Authority  
("Authority")

DRAFT

**MINUTES OF THE REGULAR MEETING  
OF THE  
TAX INCREMENT REINVESTMENT ZONE NUMBER THREE**

June 10, 2025

The Board of Directors (the "Board") of the Tax Increment Reinvestment Zone Number Three (the "Zone") convened in regular session, in person and open to the public, inside the H-Town Conference Room at the Zone's office, located at 1221 McKinney Street, Suite 4250, Houston, TX 77010, on June 10, 2025, and the roll was called of the duly constituted officers and members of the Board, to wit:

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and all of said persons were present except for Treasurer Hamm, Director Harrison and Director Tiko-Hausman. Also present were Allen Douglas, Executive Director ("ED"); Kris Larson, President; Jana Gunter, Director of Finance; and staff members Brett DeBord, Marlon Connally, Andy Corbin, Jacque Gonzalez, Jamie Perkins, Albert Sanchez, Ann Taylor and Candace Williams, all with the Zone; and Algenita Davis, consultant to the Zone.

Additional attendees included Clark Lord of Bracewell, outside counsel to the Zone; Andrew Busker of the City of Houston; and guest presenter Kelly Young of the Coalition for the Homeless.

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Barry Mandel, Secretary  
Tax Increment Reinvestment Zone  
Number Three ("Zone")

DRAFT

|                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
|---------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>AGENDA ITEM</b>  | Extend and Amend Increment Participation ILA between the TIRZ/Authority, the City, and the County                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| <b>REQUEST</b>      | Authorize the TIRZ and Authority to enter into the amended and restated Participation Agreement with Harris County for their continued participation in the TIRZ to increase the efficient and effective implementation of certain aspects of the Project Plan.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| <b>ITEM HISTORY</b> | <p>The City created TIRZ #3 (“the Zone”) in 1995 to promote economic development and infrastructure improvements in downtown Houston. In 1999, the City Council approved the creation of the Downtown Redevelopment Authority (“DRA”) to aid in the administration of the Zone and the implementation of the Project Plan and Reinvestment Zone Financing Plan for the Zone (as amended from time to time, the “Project Plan”). The Zone has had eight iterative Project Plans since its inception.</p> <p>In 2001, the County entered into an interlocal agreement (ILA) with the City, the DRA and the Zone to participate in the Zone. The ILA was subsequently amended in 2005 (such interlocal agreement, as amended, is referenced in the ILA under consideration as the “Prior County Participation Agreement”). The Prior County Participation Agreement will expire on the earlier of (i) December 31, 2025, or (ii) the date when an aggregate of \$17,000,000 has been paid into the Zone’s tax increment fund by the County and certain other taxing units participating in the Zone for whom the County levies taxes.</p> <p>In late 2024 DRA staff leadership initiated conversations with the County to gauge its appetite to continue its participation in the Zone beyond the term of the Prior County Participation Agreement. Through these negotiations, the City and the County now seek the DRA’s and the Zone’s authorization to enter into an amended and restated interlocal agreement relating to the County’s participation in the Zone (the “New County Participation Agreement”).</p> |
| <b>DESCRIPTION</b>  | Full participation by Precinct 1 in County TIRZ increment (just the County entity, not Flood Control, Hospital District or Port) within TIRZ 3 enables Precinct 1 to continue to direct (and now amplify) dollars into downtown and immediately adjacent locations, dollars that would otherwise go in to the County’s general fund. This hyperlocal focus on the expenditure of TIRZ 3 county increment dollars will redound to the benefit of property holders in TIRZ 3, comports with the TIRZ 3 Project Plan, and has received approval from both the Commissioner’s Court and City Council. The County increment dollars raised in TIRZ 3 are specifically earmarked for affordable housing, homelessness programs, parks and infrastructure maintenance, and other specific projects to enhance and enliven TIRZ 3 and Houston’s urban core.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| <b>CONTACTS</b>     | DRA: Allen Douglas<br>Bracewell: Clark Lord                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |

**First Amended and Restated Interlocal Agreement by and between the City of Houston, Texas (the “City”), Harris County, Texas (the “County”), the Downtown Redevelopment Authority (“DRA”) and Reinvestment Zone Number Three, City of Houston, Texas (the “Zone”)**

**EXECUTIVE SUMMARY**

**Background**

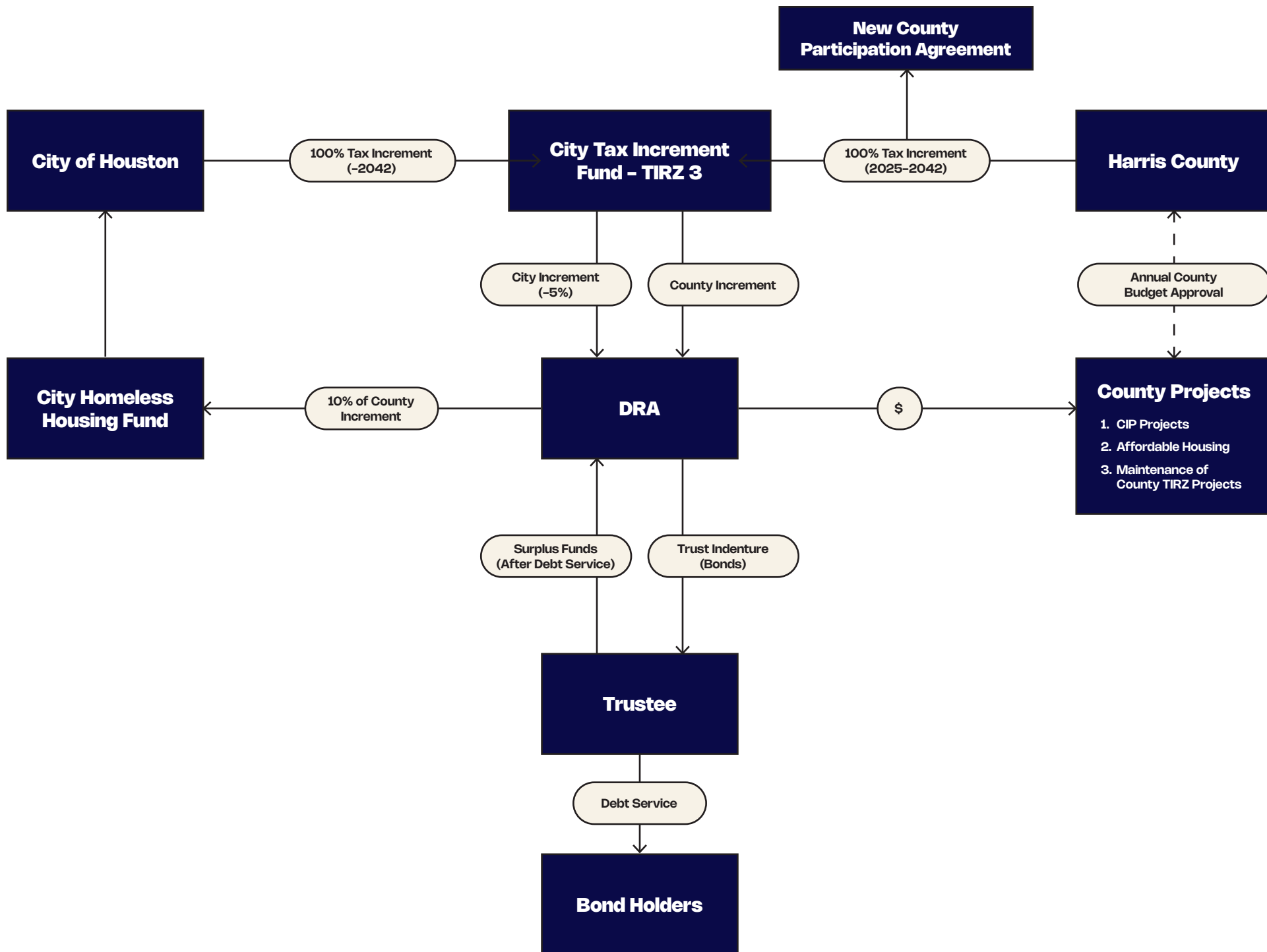
- The City created TIRZ #3 (“the Zone”) in 1995 to promote economic development and infrastructure improvements in downtown Houston. In 1999, the City Council approved the creation of the Downtown Redevelopment Authority (“DRA”) to aid in the administration of the Zone and the implementation of the Project Plan and Reinvestment Zone Financing Plan for the Zone (as amended from time to time, the “Project Plan”). The Zone has had eight iterative Project Plans since its inception.
- In 2001, the County entered into an interlocal agreement (ILA) with the City, the DRA and the Zone to participate in the Zone. The ILA was subsequently amended in 2005 (such interlocal agreement, as amended, is referenced in the ILA under consideration as the “Prior County Participation Agreement”). The Prior County Participation Agreement will expire on the earlier of (i) December 31, 2025, or (ii) the date when an aggregate of \$17,000,000 has been paid into the Zone’s tax increment fund by the County and certain other taxing units participating in the Zone for whom the County levies taxes.
- In late 2024 DRA staff leadership initiated conversations with the County to gauge its appetite to continue its participation in the Zone beyond the term of the Prior County Participation Agreement. Through these negotiations, the City and the County now seek the DRA’s and the Zone’s authorization to enter into an amended and restated interlocal agreement relating to the County’s participation in the Zone (the “New County Participation Agreement”).

**New County Participation Agreement – Key Provisions**

- The County will continue participating in the Zone through the current life of the TIRZ (currently tax year 2042).
- The County will maximize its participation by contributing to the Zone’s tax increment fund 100% of the County’s tax increment
  - (less the portion of the County’s tax rate levied for debt service, and not including any taxes levied by the County on behalf of the Harris County Flood Control District, Harris County Hospital District, Port of Houston Authority, or similar entities).
- The County’s current tax increment is pledged to the bondholders. Any future debt issuance by the DRA that relies on future County tax increment must be approved by

authorized representatives of the County precinct in which a majority of the property within the Zone is located (currently, Precinct 1).

- After the County tax increment is transferred from the Zone's tax increment fund to the Zone's revenue fund and applied pursuant to DRA's indenture of trust (covering any current bond obligations):
  - DRA will transfer 10% of the County's remaining increment to the City for funding of homeless housing programs that benefit the Zone.
  - The balance of the County's increment will be transferred into a separate account held by the DRA for the benefit of the County and can only be applied to expenditures authorized by the County under the New County Participation Agreement and the Project Plan.
  - The County will submit draw requests to the DRA for disbursements from this account for
    - (i) the provision of affordable housing
    - (ii) County projects included in the Project Plan, and
    - (iii) maintenance and operation of public parks, infrastructure, improvements, or other facilities related to the Project Plan within the boundaries of Precinct 1.
- The County must approve the use of the County increment in the TIRZ annual budget, and any amendments to the Project Plan or TIRZ boundaries that involve County participation require the County's review and approval.
- The County will continue to appoint a director to Position 7 on the Zone board; that director will serve in the corresponding position on the DRA board.



**FIRST AMENDED AND RESTATED INTERLOCAL AGREEMENT  
BETWEEN HARRIS COUNTY, CITY OF HOUSTON, REINVESTMENT ZONE  
NUMBER THREE, CITY OF HOUSTON, TEXAS, AND DOWNTOWN  
REDEVELOPMENT AUTHORITY**

THE STATE OF TEXAS     §  
                                          §  
COUNTY OF HARRIS     §

This FIRST AMENDED AND RESTATED INTERLOCAL AGREEMENT (this “Agreement”) is made and entered into pursuant to Chapter 791 of the Texas Government Code and Chapter 311 of the Texas Tax Code, as amended (the “TIRZ Act”), by and between the CITY OF HOUSTON, TEXAS (the “City”), a municipal corporation and home-rule city of the State of Texas, acting by and through its governing body, the City Council of the City (“City Council”), HARRIS COUNTY, TEXAS (the “County”), a body corporate and politic under the laws of the State of Texas, acting by and through its governing body, the Harris County Commissioners Court (the “Commissioners Court”) and DOWNTOWN REDEVELOPMENT AUTHORITY (the “Authority”), a local government corporation created by the City, acting by and through its Board of Directors (the “Authority Board”) acting on behalf of REINVESTMENT ZONE NUMBER THREE, CITY OF HOUSTON, TEXAS (the “TIRZ” or “Zone”), a tax increment reinvestment zone created by the City, acting by and through its Board of Directors (the “TIRZ Board”). The City, the County, the Authority and the TIRZ are referred to individually herein as a “Party” and together, the “Parties.”

WHEREAS, by Ordinance No. 1995-1323, adopted by the City Council on December 13, 1995, the City created the Zone pursuant to the Act and appointed the Zone Board pursuant to the TIRZ Act;

WHEREAS, by Resolution No. 99-39, adopted by City Council on June 30, 1999, the City authorized the creation of the Authority to aid, assist and act on behalf of the City in the performance of the City’s governmental and proprietary functions with respect to the common good and general welfare of the area covered by the Zone;

WHEREAS, by Ordinance Nos. 1998-1204, 2005-1049, 2007-1422, 2011-988, 2019-983, and 2022-1002 adopted by City Council on December 16, 1998, December 14, 2005, December 12, 2007, November 16, 2011, December 4, 2019, and December 14, 2022, respectively, the City approved the annexation of additional property into the boundaries of the Zone;

WHEREAS, the Zone Board adopted and submitted to City Council for approval a Project Plan and Reinvestment Zone Financing Plan for the Zone (the “Original Project Plan”), and by Ordinance No. 96-911, adopted by City Council on September 11, 1996, the City approved the Original Project Plan. The City approved subsequent amendments to the Original Project Plan by Ordinance No. 98-1205, adopted by City Council on December 16, 1998, Ordinance No. 1999-828, adopted by City Council on August 11, 1999, by Ordinance No. 2005-1050, adopted by City Council on September 14, 2005, Ordinance No. 2007-1423, adopted by City Council on December 12, 2007, Ordinance No. 2011-989, adopted by City Council on November 16, 2011, by Ordinance No. 2019-984, adopted by City Council on December 4, 2019, and by Ordinance No. 2022-1003,

adopted by City Council on December 14, 2022 (the Original Project Plan, together with all subsequent amendments thereto, the “Project Plan”);

WHEREAS, the TIRZ Act provides that the TIRZ may enter into agreements as the TIRZ Board considers necessary or convenient to implement the Project Plan and achieve its purposes;

WHEREAS, the City, the TIRZ, and the Authority entered into an Amended Agreement by and between the City of Houston, Texas, the Zone and the Authority, dated April 4, 2000 (the “Tri-Party Agreement”), under which the Authority has complete authority and power to administer the TIRZ, make recommendations to the TIRZ Board and the City with respect to the development and redevelopment of the TIRZ, perform and engage in activities relating to the acquisition and development of land and other properties in the TIRZ, engage in development and redevelopment activities and construct and improve infrastructure in the TIRZ, enter into development agreements with developers/builders in the TIRZ, and, subject to City approval, issue, sell or deliver its bonds or notes, and perform the other activities described in the Tri-Party Agreement;

WHEREAS, the Parties have determined that it is in their collective best interest to amend and restate the Prior County Participation Agreement to provide for the County’s continued participation in the TIRZ to increase the efficient and effective implementation of certain aspects of the Project Plan; and

WHEREAS, the City, the County, the TIRZ and the Authority wish to provide for the participation of the County in the TIRZ in furtherance of the Project Plan, as more fully described in this Agreement;

NOW, THEREFORE, the Parties hereto agree as follows:

## **I. PARTIES**

The initial addresses of the Parties to this Agreement, which a Party may change by giving written notice of its changed address to the other Parties, are as follows:

### **CITY**

City of Houston  
901 Bagby Street, 4<sup>th</sup> Floor  
Houston, Texas 77002  
Attention: Gwendolyn Tillotson-Bell  
Chief Economic Development Officer

### **COUNTY**

Harris County  
1019 Congress, 15th Floor  
Houston, Texas 77002  
Attention: Paige Abernathy, Assistant  
County Attorney

Cc: Harris County Precinct 1  
Commissioner  
1330 Preston Street, Suite 950  
Houston, Texas 77002

## TIRZ & AUTHORITY

Downtown Redevelopment Authority  
1221 McKinney Street, suite 4250  
Houston, Texas 77010  
Attention: Allen Douglas

## II. DEFINITIONS

Capitalized terms used in this Agreement shall have the meanings provided in the preamble and Recitals and in this Article II set out below:

- a. **“Base Year”** means tax year 1995 for the original boundaries of the Zone and tax years 1998, 2005, 2007, 2011, 2019, and 2022 for the annexation enlarging the boundaries of the Zone pursuant to City Ordinance Nos. 1998-1204, 2005-1049, 2007-1422, 2011-988, 2019-983, and 2022-1002, respectively.
- b. **“Base Value”** means the total taxable value of all real property taxable by the County and located within the boundaries of the TIRZ for the applicable Base Year, as established by HCAD.
- c. **“Captured Appraised Value”** means the total taxable value of all real property taxable by the County and located within the boundaries of the TIRZ for a year, as established by HCAD, less the applicable Base Value, as defined by the TIRZ Act.
- d. **“County Revenue Fund Account”** means an account of the Authority into which excess County Tax Increment Participation funds from the Revenue Fund are deposited, including any interest inured thereto.
- e. **“County Tax Increment”** means, for each year, the amount of property taxes levied and assessed by the County within the Zone on the Captured Assessed Value (less the portion of the County’s tax rate levied for debt service, and not including any taxes levied by the County on behalf of the Harris County Flood Control District, Harris County Hospital District, Port of Houston Authority, or similar entities), a portion of which will be deposited into the Tax Increment Fund as the County Tax Increment Participation.
- f. **“County Tax Increment Participation”** means an amount equal to one hundred percent (100%) of the County Tax Increment, which shall be deposited to the Tax Increment Fund, as described in Article IV, Section A.
- g. **“Effective Date”** means the date this Agreement is countersigned by the City Controller.
- h. **“HCAD”** means the Harris Central Appraisal District.

- i. **“Homeless Housing Funding Account”** means an account created by the City into which deposits are made pursuant to Article V, Section G.
- j. **“Indenture”** means an Indenture of Trust to secure bonds issued by the Authority.
- k. **“Maintenance and Operation Increment”** is defined in Article V, Section I.
- l. **“Precinct 1”** means Precinct 1 of the County as its boundaries exist as of the Effective Date of this Agreement; provided, further, that in the event of a subsequent change to the boundaries of Precinct 1, any reference to “Precinct 1” in this Agreement shall be deemed a reference to the County precinct in which a majority of the property within the TIRZ is located.
- m. **“Precinct 1 Designee”** means the Chief of Staff for Harris County Precinct 1 or other person as designated in writing by the Commissioner of Harris County Precinct 1; provided, further, that in the event of a subsequent change to the boundaries of Precinct 1, any reference to “Precinct 1 Designee” in this Agreement shall be deemed a reference to the Chief of Staff or other person designated in writing by the Commissioner for the County precinct in which a majority of the property within the TIRZ is located.
- n. **“Project Fund”** means the fund established by Precinct 1 to deposit the monies received from the Surplus Fund Draw Request for expenditures authorized in the Project Plan.
- o. **“Prior County Participation Agreement”** means the Interlocal Agreement between the City, the Zone, the Authority, and the County approved by Ordinance No. 200-0301, passed and adopted by City Council on April 4, 2001, and made effective April 26, 2001, relating to the County’s participation in the Zone, as amended by that certain First Amendment to Interlocal Agreement approved by Ordinance No. 2005-1052, passed and adopted by City Council on September 14, 2005.
- p. **“Revenue Fund”** means the fund established by the Authority into which payments from the Tax Increment Fund are deposited.
- q. **“Surplus Fund”** is defined in Article V, Section G.
- r. **“Surplus Fund Draw Request”** is defined in Article V, Section G.
- s. **“Tax Increment Fund”** means the fund or account created by the City in the City Treasury for accumulating tax increment revenues in connection with the TIRZ.
- t. **“Term”** is defined in Article III.

Otherwise, the terms used herein have the meanings ascribed in the TIRZ Act.

### III. EFFECTIVE DATE, TERMINATION DATE

This Agreement shall commence on the Effective Date and shall terminate December 31, 2043, unless sooner terminated or extended pursuant to Article VI (the “Term”).

Upon termination of this Agreement, the obligation of the County to contribute the County Tax Increment Participation shall end, subject to the provisions of Article IV, Section B hereof with respect to disbursement of the annual County Tax Increment Participation for the final tax year of the Agreement; however, the obligations of the City and the Authority to refund any overpayment by the County shall survive such termination.

#### **IV. COUNTY OBLIGATIONS AND PROJECT DESCRIPTION & COSTS**

##### **A. County Tax Increment Participation**

For and in consideration of the agreement of the Parties set forth herein, the Parties agree that the County shall participate in the TIRZ through annual tax increment payments, to the extent authorized by law, by remitting to the Tax Increment Fund one hundred percent (100%) of the funds actually collected with respect to the Captured Appraised Value from the County's total ad valorem tax rate (less the portion of the County's tax rate levied for debt service, and not including any taxes levied by the County on behalf of the Harris County Flood Control District, Harris County Hospital District, Port of Houston Authority, or similar entities) (the "County Tax Increment Participation"), for the tax years 2025 through tax year 2042, inclusive (unless the Term is modified as provided in Article VI, Section B), for the area of the TIRZ that is located within Precinct 1.

##### **B. Payment Date & Limitations of County Tax Increment**

The County shall disburse annual County Tax Increment Participation payments to the Tax Increment Fund on or before August 31 with respect to the prior year's tax levy, subject to the provisions of Article V, Sections F and G. (For example, the County Tax Increment Participation payment for tax year 2025 shall be disbursed by August 31, 2026, and the County Tax Increment Participation payment for tax year 2042 shall be disbursed by August 31, 2043.) The County has no duty or obligation to pay the County Tax Increment Participation from any other County taxes or revenues. Any portion of the taxes representing the County Tax Increment Participation that are collected by the County and subsequently refunded to a taxpayer, pursuant to the provisions of the Texas Tax Code, shall be offset against future payments to the Tax Increment Fund. The obligation to pay the County Tax Increment Participation accrues as taxes representing the County Tax Increment Participation are collected by the County. No interest or penalties shall be charged to the County for any late payments from the County to the City or Authority, regardless of any statutory provision that may permit assessment of late payment penalties. The County's obligation to disburse the annual County Tax Increment Participation payment for the final tax year of the Agreement shall survive the termination or expiration of this Agreement and shall terminate upon the County's disbursement of the annual County Tax Increment Participation payment for such final tax year. The County Tax Increment Participation is limited only to the areas within the boundaries of the TIRZ that are located within the boundaries of Precinct 1 as of the Effective Date and does not extend to the County tax increment produced from any additional area annexed into the TIRZ by the City or subject to the terms of this Agreement any amendment to the Project Plan by the TIRZ and the City that would increase the total amount of project costs unless, subject to the terms of this Agreement, the Commissioners Court specifically grants its prior approval to participate in such annexation or the Commissioner of Precinct 1 or the Precinct 1 Designee approves the amendment to the Project Plan. Any County property tax revenue in excess of the

County Tax Increment shall be retained by the County and shall not be remitted to the Tax Increment Fund.

**C. Pledge of County Tax Increment**

The County hereby consents to any assignment and pledge of all or part of the County Tax Increment Participation to the owners and holders of bonds and notes of the Authority in accordance with the Indenture, provided however, the Authority shall not issue additional bonds that rely on the County Tax Increment Participation for payment of debt service (*i.e.*, additional bond issuances shall be sized solely to be paid from the City's tax increment contributed to the Zone) without first obtaining the approval of the Commissioner of Precinct 1 or the Precinct 1 Designee. In addition, the County's participation in the Zone does not extend to any dedication of revenue from the Tax Increment Fund for projects other than those County projects that are included in the Project Plan unless the County specifically agrees to participate in the dedication.

**V. CITY, TIRZ, AND AUTHORITY OBLIGATIONS**

**A. Future Amendments to Project Plan and Boundary Enlargements**

Any member of Commissioners Court may review and comment upon any future amendment to the Project Plan, prior to City Council approval. The City agrees to give the County written notice of any proposed amendment to the Project Plan or boundary enlargement of the TIRZ at least 60 days prior to City Council consideration thereof, if the County will be asked to participate in such an amendment or boundary enlargement. The County must provide written approval or disapproval within 45 days of the notice provided in this Section; the County's failure to respond to the TIRZ's notice of any proposed amendment to the Project Plan or boundary enlargement shall serve as the County's disapproval of the amendment to the Project Plan or boundary enlargement; provided however that nothing in this Section shall prevent the City from moving forward with a Project Plan amendment or boundary enlargement that does not utilize any County Tax Increment.

The Authority shall be responsible for drafting any future amendments to the Project Plan or other agreements deemed necessary by the TIRZ Board or the Authority Board. In the event the County will be asked to participate, the County will be given at least 30 days to review, comment, and/or approve the agreement prior to City Council consideration; provided that no future agreement shall include County participation without written approval by the County.

**B. Disposition of Tax Increment Upon Termination**

Within 60 days following (i) the termination of this Agreement and (ii) application of all County Tax Increment Participation payments hereunder, the City and the Authority shall refund to the County all monies remaining in the Tax Increment Fund, Revenue Fund, County Revenue Fund Account, or Surplus Fund that are attributable to the County Tax Increment Participation.

**C. Annual Audited Financial Statements and Other Reports of the TIRZ**

Each year the Authority shall furnish to the County a complete copy of the audit required by the Tri-Party Agreement, within 90 days of approval of such audit by the Authority Board. In addition, upon the County's written request, the City shall provide to the County a copy of all reports, studies and analyses prepared by the City, the Authority or others concerning expenditure of County Tax Increment Participation funds, to the extent same are in the possession of the City.

**D. Party Audit Rights**

Any Party to this Agreement shall have the right to audit the Tax Increment Fund, Revenue Fund, Project Fund, County Revenue Fund Account, Homeless Housing Funding Account, the Surplus Fund and the accounting and financial records related to the Project Plan of another Party upon 30 days' written notice to the applicable Party. Any such audit shall be performed by the requesting Party's auditor at the requesting Party's expense.

**E. Annual County Approval**

The TIRZ agrees to give the County written notice of the proposed annual budget for the TIRZ, with a copy attached thereto, at least 60 days prior to the Authority Board's consideration thereof. Within 30 days after receipt of the proposed annual budget, the County may provide written notice to the Authority designating any project or projects in such proposed annual budget for which the County Tax Increment Participation may be used; for the avoidance of doubt, no County Tax Increment Participation can be used on a budget line item without written approval of the Commissioner of Precinct 1 or the Precinct 1 Designee. The County may not exercise its right under the prior sentence if such project or projects were included on a previous proposed annual budget and approved by the County; provided, however, that this limitation does not apply if the project has changed materially from the time of its prior approval. The County's failure to respond to the TIRZ's timely notice of a proposed annual budget shall serve as the County's rejection of the use of the County Tax Increment Participation for the projects included in the proposed annual budget. As of the Effective Date, the County has approved the use of County Tax Increment Participation for the projects set forth on **Exhibit A**.

Subject to approval of the annual budget by the TIRZ Board and/or the City, as applicable, the Authority shall include all items in the annual budget designated by the Precinct 1 Designee as County projects; provided that such County project may not require use of funds in the County Revenue Fund Account or the Surplus Fund in an amount exceeding the value of the County Tax Increment Participation, unless otherwise agreed to by the Authority.

## **F. County Budget Items**

The Authority agrees to include items in the annual budget that are requested by the Precinct 1 Designee, provided that such budget item may not require use of funds other than the County Tax Increment Participation, subject to Article VII, Section D.

## **G. Flow of County Tax Increment Participation**

After the Authority receives the County's annual County Tax Increment Participation payment into the Revenue Fund, such funds shall be applied pursuant to its Indenture. Following the application of such funds pursuant to its Indenture, the Authority shall then transfer any such excess amount of the annual County Tax Increment Participation payment into a separately designated County Revenue Fund Account, including any interest inured thereto, with the exception of ten percent (10%) of the annual County Tax Increment Participation payment, which shall not be transferred to the County Revenue Fund Account and shall instead be made available by the Authority to the City for deposit in a "Homeless Housing Funding Account" at the City for purposes of the City's homeless housing programs that demonstrably benefit the TIRZ and are allowable project costs under the TIRZ Act; provided however that, in the event that the Authority and the City determine that (i) such portion of the County Tax Increment Participation payment is partially or wholly unneeded for such homeless housing programs, or (ii) any portion of the County Tax Increment Participation payment deposited into the Homeless Housing Funding Account for such homeless housing programs has not been utilized at the end of each fiscal year, the City shall remit to the Authority such unneeded and/or unused amounts within 90 days of such determination, which the Authority shall transfer to the County Revenue Fund Account.

From the County Revenue Fund Account, the Maintenance and Operation Increment and all unencumbered County Tax Increment shall be transferred into a surplus fund established by the Authority (the "Surplus Fund"). The County may submit a surplus draw request to the Authority requesting disbursements from the Surplus Fund ("Surplus Fund Draw Request") in substantially the same form as attached hereto as **Exhibit B**. Upon receipt of a Surplus Fund Draw Request and subject to availability of funding, the Authority shall remit payment to the County within 30 days of receipt of such draw request. The Authority shall maintain an accounting of the disbursements from the Surplus Fund to the County of the County Tax Increment Participation on a monthly basis as part of the regular bookkeeping report or financial reporting. The Authority's books will be available for inspection by a County representative upon reasonable notice.

The funds within the Surplus Fund will only be applied to expenditures authorized by the County pursuant to this Agreement and the Project Plan. The County will deposit the funds received from the Surplus Fund into a separate Project Fund for the expenditures related to planning, design and construction of County projects set forth in the annual budget, affordable housing as set forth in Article V, Section H and maintenance and operations as set forth in Article VI and described in a Surplus Fund Draw Request. The County will provide an accounting of the use of funds, and the balance of the Project Fund at the completion of any County project. Any remaining balance, other than those Surplus Draw Requests for affordable housing or Maintenance and Operation Increment will be remitted to the Authority for deposit into the Surplus Fund.

The funds and accounts established pursuant to the terms of this Agreement containing

County Tax Increment Participation shall at all times be segregated accounts and funds, separate and identifiable from all other funds and accounts held by the Authority.

## **H. Affordable Housing**

The County intends for thirty-three percent (33%) of the County Tax Increment Participation to be used to provide affordable housing related to the Project Plan during the Term, pursuant to the TIRZ Act, which is inclusive of the ten percent (10%) of the annual County Tax Increment Participation payment authorized to be utilized by the Authority or City for homeless housing assistance programs. The remaining County Tax Increment Participation (assumed to be 23%) will be in the Surplus Fund and accessible for the County's use through a Surplus Fund Draw Request.

## **I. Maintenance and Operation**

An amount of up to ten percent (10%) of the County Tax Increment Participation (or a lesser amount approved by the County in an annual budget) shall be allocated to fund maintenance and operation costs (the "Maintenance and Operation Increment") for projects constructed that are related to the Project Plan. Such Maintenance and Operation Increment shall be paid from the County Revenue Fund Account at the request of the Precinct 1 Designee to the County for maintenance and operation of public parks, infrastructure, improvements, or other facilities related to the Project Plan within the boundaries of Precinct 1. The County, through Precinct 1, will provide a quarterly written report to the TIRZ and Authority regarding the use of the Maintenance and Operation Increment in a form reasonably acceptable to the Parties. The City may not receive any type of fee, whether administrative, overhead or otherwise, from the County Tax Increment Participation.

## **J. Bond Issuances for County Projects**

In the event the County desires to use County Tax Increment Participation in the County Revenue Fund Account to fund the principal and interest of bonds issued by the Authority for the purposes of County projects, the Parties agree to negotiate an agreement in good faith at that time, including the manner in which such bond proceeds would be held by the Authority and the method by which the County could draw down such bond proceeds for purposes of implementing such projects.

# **VI. EARLY TERMINATION; BREACH; EXTENSION OF TERM**

## **A. Default**

Events of default by the County include, but are not limited to, failure to timely remit the annual County Tax Increment Participation payments to the Tax Increment Fund in accordance with Article IV. Events of default by the City or the Authority include, but are not limited to, the expenditure of County Tax Increment Participation funds by the City or the Authority in a manner inconsistent with the Project Plan or this Agreement.

In the event of a material default, the defaulting Party shall be notified of the default, and shall have 60 days to cure the default. If the default is not cured within 60 days following receipt

of such notice, a non-defaulting Party may elect to terminate this Agreement. If such default is of such a nature as to be incapable of cure within such period, the defaulting Party shall commence action to cure said default within 60 days and thereafter diligently and continuously pursue such action to complete such cure promptly.

## **B. Mutual Agreement**

The Term may be modified by written agreement of the Parties. In the event the term of the TIRZ is extended beyond December 31, 2043, subject to the preceding sentence, by written notice to the other Parties not more than 90 days following receipt of written notice from the City that it has approved an ordinance extending the term of the TIRZ beyond December 31, 2043, the County may, but shall not be required to, opt to extend the Term to provide for the participation of the County throughout the extended TIRZ term.

The TIRZ may terminate pursuant to the provisions of the TIRZ Act.

## **C. Prior County Participation Agreement**

Except as otherwise provided with respect to Article VI, Section A of the Prior County Participation Agreement, the Prior County Participation Agreement is hereby terminated and superseded in all respects by this Agreement. Article VI, Section A of the Prior County Participation Agreement shall survive the termination of the Prior County Participation Agreement until the earlier of (i) December 31, 2025, or (ii) the date when an aggregate of \$17M has been paid into the Tax Increment Fund by the County-wide Entities (as that term is defined in the Prior County Participation Agreement), at which time Article VI, Section A of the Prior County Participation Agreement shall also terminate and be of no further force and effect.

# **VII. ADMINISTRATION**

## **A. Cooperation of the Parties**

The Parties shall cooperate in good faith to implement the objectives of the Agreement any shall not take any action that unreasonably delays or impedes any other Party's ability to exercise its rights and responsibilities hereunder, nor shall any Party take any action, including withholding any necessary administrative action, that unreasonably delays or impedes the ability of another Party to deploy the County Tax Increment Participation.

## **B. Reconciliation of Accounts**

The payment calculations for County Tax Increment Participation shall include appropriate retroactive adjustments for any prior year subsequent tax collections or other necessary adjustments caused by errors or late tax payments.

After the reconciliation of any year of County Tax Increment Participation, if the reconciled payment is determined to have been within ten percent of the amount actually paid, the over/under amount will be added or subtracted from the next annual payment, as applicable. Upon the County's written request, discrepancies greater than ten percent will be paid to the applicable Party within 60 days of receipt thereof.

**C. Board of Directors**

Pursuant to the TIRZ Act, the County may appoint a director to position seven on the Zone Board, without action by the City so long as the County is a participating taxing unit in the Zone. The City shall have the right to appoint positions one through five and positions 8 and 9 on the Zone Board. The Parties acknowledge that the Houston Independent School District is currently a participating taxing unit in the Zone and appoints a director to position six on the Zone Board. If more than two taxing units that levy taxes on real property in the Zone and have approved the payment of all or part of the tax increment produced by the taxing unit into the Tax Increment Fund appoint a director, the number of directors on the Zone Board shall be increased by two for each taxing unit above two that appoints a director to the Zone Board, provided further that the maximum number of directors shall not exceed fifteen (15). The City shall be entitled to appoint a person to one position of each of the two positions created as a result of more than two taxing units appointing directors. If a change in law results in a change in the number of directors on the TIRZ Board, the Parties agree to work in good faith to ensure proportional representation for the County on the TIRZ Board will be maintained.

**D. Compliance with Law**

The Parties covenant that all actions and projects undertaken with the adoption of this Agreement and projects funded under a Project Plan undertaken throughout the life of the TIRZ and the Authority, will be reviewed by the Party's legal counsel, and ascertained to be within the authority granted to such Party by State and local laws. Should any project or action undertaken be determined to be a violation of State and local laws, the violating Party shall be responsible for restitution of ineligible costs, whether project costs, operations and maintenance Costs, or other related costs.

**E. Severability**

If any term, covenant or condition herein contained is held to be invalid by any court of competent jurisdiction, such invalidity shall not affect any other term, covenant or condition herein contained.

**F. Entire Agreement**

Upon the Effective Date, except as otherwise expressly provided in Article VI, Section A of the Prior County Participation Agreement, this Agreement completely amends, releases and replaces and supersedes in all respects all prior agreements, understandings, negotiations, and discussions, oral or written, between the Parties related to the subject matter of this Agreement.

#### **G. Written Amendment**

Unless otherwise provided herein, this Agreement may be amended only by written instrument duly executed on behalf of each Party.

#### **H. Notices**

All notices required or permitted hereunder shall be in writing and shall be deemed delivered when actually received or, if earlier, on the third business day following deposit in a United States Postal Service post office or receptacle with proper postage affixed, via certified mail with return receipt requested, and addressed to the respective other Party at the address prescribed in the Section entitled “**PARTIES**” in this Agreement, or at such other address as the receiving party may have theretofore prescribed by notice to the sending Party.

#### **I. Non-Waiver**

Failure of any Party hereto to insist on the strict performance of any of the covenants herein or to exercise any rights or remedies hereunder upon default or failure of performance shall not be considered a waiver of the right to insist on, and to enforce by any appropriate remedy, strict compliance with any other obligation hereunder or to exercise any other right or remedy occurring as a result of any future default or failure of performance.

#### **J. Assignment**

No Party shall assign this Agreement at law or otherwise without the prior written consent of the other parties. No Party shall delegate any portion of its performance under this Agreement without the written consent of the other Parties.

#### **K. Successors**

This Agreement shall bind and benefit the Parties and their legal successors. This Agreement does not create any personal liability on the part of any officer, agent or employee of the City, the City Council, the TIRZ, the TIRZ Board, the Authority, the Authority Board, the County, or the Commissioners Court.

#### **L. No Waiver of Immunity**

No Party hereto waives or relinquishes any immunity or defense on behalf of itself, officers, employees, and agents as a result of its execution of this Agreement and performance of the covenants contained herein.

#### **M. Captions**

Captions contained in this Agreement are for reference only, and, therefore, have no effect in construing this Agreement. The captions are not restrictive of the subject matter of any section in this Agreement.

**N. Third Party Beneficiary**

This Agreement shall not bestow any rights upon any third party, but rather shall bind and benefit only the Parties hereto.

*[signature page to follow]*

**IN WITNESS WHEREOF**, the City, the County, the TIRZ and the Authority have made and executed this Agreement in multiple copies, each of which is an original.

**HARRIS COUNTY**

DocuSigned by:  
  
 By: \_\_\_\_\_  
 Name: County Judge Lina Hidalgo

Signed by:  
**ATTEST:**   
 5D1AD64BD06E423...  
 By: County Clerk Teneshia Hudspeth  
 Date Signed: July 10, 2025

**APPROVED AS TO FORM:**

By: Christian D. Menefee, County Attorney  
 By: Paige H. Abernathy  
 Paige Abernathy, Assistant County Attorney  
 CACI: 25PUB0289

**ATTEST/SEAL:****CITY OF HOUSTON**

By: \_\_\_\_\_

By: \_\_\_\_\_

Troy Lemon, Interim City Secretary

John Whitmire, Mayor

**COUNTERSIGNED:**

By: \_\_\_\_\_

Chris Hollins, Controller

**DATE OF COUNTERSIGNATURE:****APPROVED:**

By: \_\_\_\_\_

Gwen Tillotson-Bell, Chief Economic  
Development Officer**APPROVED AS TO FORM:**

By: \_\_\_\_\_

Assistant City Attorney  
LD-RE-\_\_\_\_\_

**REINVESTMENT ZONE NUMBER THREE, CITY OF HOUSTON, TEXAS**

By: \_\_\_\_\_  
Chair, Board of Directors

ATTEST/SEAL

Date Signed: \_\_\_\_\_

By: \_\_\_\_\_  
Secretary, Board of Directors

Date Signed: \_\_\_\_\_

**DOWNTOWN REDEVELOPMENT AUTHORITY**

By: \_\_\_\_\_  
Chair, Board of Directors

ATTEST/SEAL

Date Signed: \_\_\_\_\_

By: \_\_\_\_\_  
Secretary, Board of Directors

Date Signed: \_\_\_\_\_

**EXHIBIT A**  
**LIST OF COUNTY PROJECTS**

**REMEMBRANCE PARK – LOCATED IN HARRIS COUNTY APPRAISAL DISTRICT CBD  
BLOCKS 4, 13, AND 22.**

## Exhibit B

### Form of Surplus Fund Draw Request

#### **SURPLUS FUND DRAW REQUEST**

**Requisition No. \_\_\_\_\_**

RE: Surplus Fund Draw Request – [Project Name and Year]

Ladies and Gentlemen:

Reference is hereby made to the First Amended and Restated Interlocal Agreement (the “Agreement”) by and among by and among by and among the Downtown Redevelopment Authority (the “Authority”), Reinvestment Zone Number Three, City of Houston, Texas (the “TIRZ”), Harris County, Texas (the “County”), and the City of Houston, Texas (the “City”). Capitalized terms used and not otherwise defined herein have the meanings assigned to such terms in the Agreement.

Pursuant to the Agreement, the Precinct 1 Designee hereby submits a Surplus Fund Draw Request, to be made in accordance with the Agreement and pursuant to the terms hereof:

1. Amount Requested: \_\_\_\_\_
2. Source of Funds: \_\_\_\_\_
3. Purpose of Funds: \_\_\_\_\_
4. Supporting Documentation (including bid documents, design documents, project plans or City permit information) (attached)
5. Remaining amount of County Tax Increment Participation in Surplus Fund: \$ \_\_\_\_\_
6. Withdrawals from Surplus Fund: \$ \_\_\_\_\_

**Total   \$ \_\_\_\_\_**

7. Instructions to Make Payments. The Precinct 1 Designee hereby instructs the Authority to make the above-referenced withdrawals and payments in accordance with the terms of the Agreement.

#### 8. Certification

The Precinct 1 Designee on behalf of the County hereby certifies the following:

- a. The Draw Request will be used for a County project which is included in the Project Plan and approved annual budget.
- b. The Draw Request amount reflects costs that are (i) allocable to County Tax Increment Participation dollars; (ii) eligible costs under the TIRZ Act and the Project Plan; and (iii) not previously reimbursed or financed from other sources available to the County therefor.

- c. The Draw Request amount will be deposited into a separate account under control of the County and will be expended in accordance with and subject to the terms and conditions of the Project Plan, the Agreement, the TIRZ Act and all applicable law.

/Date of Requisition:

\_\_\_\_\_

HARRIS COUNTY

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

|                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|---------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>AGENDA ITEM</b>  | Market Square Park Kiosk Improvements – Authorization for Expenditures                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| <b>REQUEST</b>      | Authorize remaining construction financing in an amount not to exceed \$200,000 for the completion of the Market Square Park Kiosk Improvements Project.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| <b>ITEM HISTORY</b> | <p><b>2008-2010:</b> The Authority reconstructed and reopened Market Square Park with Niko Niko’s Greek Café operating as the kiosk food vendor.</p> <p><b>November 2023:</b> Niko Niko’s opted out of the current agreement to be the food vendor in Market Square Park.</p> <p><b>March – April 2024:</b> An RFP process was held to identify a new kiosk vendor for Market Square Park.</p> <p><b>June 2024:</b> The District authorized Gensler Architects to prepare design and engineering documents for the refurbishment of the existing kiosk and storage buildings and a new free-standing café structure.</p> <p><b>September 2024:</b> District authorization to advance tenant agreement with Petite Lucie as the new restaurant operator in Market Square Park.</p> <p><b>October 2024:</b> Authority Staff initiated the public procurement process for a General Contractor with competitive sealed proposals received on November 5, 2024.</p> <p><b>November 2024:</b> Board authorizes the execution of necessary agreements for construction services by Talon Construction for the Market Square Park Kiosk Improvements Project in the amount of \$550,000.</p> |
| <b>DESCRIPTION</b>  | Authority Staff is requesting authorization of the remaining budgetary funds in the amount of \$200,000 for the completion of the Market Square Park Kiosk Improvements Project. The additional funds would cover any unanticipated and unforeseen expenses incurred during the construction of the new improvements.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| <b>CONTACTS</b>     | <p>DRA: Brett DeBord, Director of Operations &amp; Capital Projects</p> <p>DRA: Dusty McCartney, Construction Manager</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |

# DRA 4Q25 FINANCIAL SUMMARY

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August 12, 2025

**DOWNTOWN  
HOUSTON+**

# STATEMENT OF NET POSITION

## JUNE 30, 2025

- Assets
  - Cash and Investments \$44.1M
  - Other Receivables and Prepaid Expense - \$796K
    - Tax Increment Receivable \$127K
    - HDMD support for DLI - \$666K
- Liabilities
  - Accounts Payable and Accrued Expenses are \$6.7M
    - DLI and Economic Development Grants Outstanding \$4.6M
    - Due to Affiliates - \$109K
    - Accounts Payable - \$1.9M
  - Bonds Payable due Aug 2025 - \$2.635M

# STATEMENT OF ACTIVITIES

## JUNE 30, 2025

- Net increment revenue from the City was \$4.5M under budget, though only \$200K less than the prior year. The DRA's revenue budget is based on the City's forecasted property values. Interest income outperformed expectations by \$429K

# STATEMENT OF ACTIVITIES

## JUNE 30, 2025

- Project Costs are \$12M - \$17.6M under Budget -The variance is primarily due to committed funds that have not yet been spent.
  - EADO Cap Park \$6.5M
  - Downtown Living Initiative 2.0 \$2.9M
  - More Space Main Street \$2.1M
  - Office Conversion Incentive Program \$1.9M
  - Pedestrian Lighting Improvements \$1M
  - Hike and Bike Trails East of Allen Landing \$1M
  - Montrose Bridge at Allen Parkway \$937K

# FOURTH QUARTER 2025

## CASH INVESTMENT REPORT

|                                                 | 4/1/2025  | Net Changes | 6/30/2025 | Simple Interest Yield |
|-------------------------------------------------|-----------|-------------|-----------|-----------------------|
| JP Morgan Chase                                 | \$150K    | \$2,410K    | \$2,560K  |                       |
| Logic Increment                                 | \$12,912K | \$10,488K   | \$23,400K | 4.4281%               |
| Texas Class                                     | \$9,097K  | \$101K      | \$9,198K  | 4.4149%               |
| Debt Service:<br>Morgan Stanley Investment Fund | \$79K     | \$4,286K    | \$4,364K  | 3.1340%               |
| Bond Reserve:<br>Morgan Stanley Investment Fund | \$4,522K  | (\$157K)    | \$4,365K  | 3.1340%               |
| Pledged Funds:<br>BNY Mellon                    | \$186K    | \$8K        | \$195K    |                       |
| Totals                                          | \$26,946K | \$17,136K   | \$44,082K |                       |

# CHECK REGISTER

June 2025

- Total checks issued were \$2.5M
  - Buffalo Bayou Partnership - \$1.4M – Maintenance & Operations support
  - Central Houston Civic Improvement - \$400K – NHHIP
  - Talon Construction LLC - \$237K – Trebly Park
  - Central Houston, Inc - \$128K – Admin Contractor
  - Houston TRS, LLC - \$126K – Eco. Dev. Grant
  - Houston Downtown Management District - \$65K – Allen Parkway

# CHECK REGISTER

July 2025

- Total checks issued were \$2.6M
  - City of Houston - \$1.9M - Municipal Services
  - Fairfield 1810 Main LP - \$365K - DLI
  - Central Houston, Inc - \$126K - Admin Contractor (Jun)
  - Moon Papas Art - \$75K - Under passage Lighting
  - Bracewell - \$36K - Homelessness/TIRZ#24
  - Talon Construction LLC - \$33K - Trebly Park

**DOWNTOWN  
HOUSTON+**

**Downtown Redevelopment Authority**  
**Statement of Net Position**  
**June 30, 2025 and June 30, 2024**

|                                             | <u>06/30/25</u>             | <u>06/30/24</u>             |
|---------------------------------------------|-----------------------------|-----------------------------|
| <b>Assets</b>                               |                             |                             |
| Cash                                        | \$ 2,559,592                | \$ 238,107                  |
| Investments - Debt Service                  | 8,924,272                   | 10,043,706                  |
| Investments - General                       | 32,597,787                  | 30,835,684                  |
| Tax Increments Receivable                   | 127,479                     | 180,257                     |
| Other Receivables & Prepaid Expenses        | 668,450                     | 536,601                     |
| Capital Assets, Net                         | 9,413,358                   | 10,001,514                  |
| Cost of Issuance                            | 297,105                     | 327,320                     |
| <b>Total Assets</b>                         | <u><u>\$ 54,588,043</u></u> | <u><u>\$ 52,163,189</u></u> |
| <b>Liabilities</b>                          |                             |                             |
| Accounts Payable & Accrued Expenses         | \$ 6,685,648                | \$ 7,398,403                |
| Accrued Interest Payable                    | 597,885                     | 636,884                     |
| Lease Liabilities Due in One Year           | 450,709                     | 442,703                     |
| Lease Liabilities Due After One Year        | 9,666,012                   | 10,116,722                  |
| Bonds Payable Due in One Year               | 2,635,000                   | 2,340,000                   |
| Bonds Payable Due After One Year            | 37,139,213                  | 39,997,352                  |
| <b>Total Liabilities</b>                    | <u><u>57,174,467</u></u>    | <u><u>60,932,065</u></u>    |
| <b>Net Position</b>                         |                             |                             |
| Net Position                                | (2,586,425)                 | (8,768,876)                 |
| <b>Total Liabilities &amp; Net Position</b> | <u><u>\$ 54,588,043</u></u> | <u><u>\$ 52,163,189</u></u> |

**Downtown Redevelopment Authority**  
**Statement of Activities**  
**For the Fourth Quarter ended June 30, 2025**

|                                   | <b>2025</b>         | <b>2025</b>           | <b>2025</b>            | <b>Fav (Unfav)</b>    |
|-----------------------------------|---------------------|-----------------------|------------------------|-----------------------|
|                                   | <b>4Q Actual</b>    | <b>YTD Actual</b>     | <b>YTD Budget</b>      | <b>Variance</b>       |
| <b>Revenues</b>                   |                     |                       |                        |                       |
| Tax Increments                    | \$ (303,224)        | \$ 23,181,262         | \$ 31,312,648          | (8,131,386)           |
| Other Revenues                    | -                   | 1,190                 | -                      | 1,190                 |
| Interest Income                   | 270,706             | 1,429,456             | 1,000,000              | 429,456               |
| <b>Total Revenues</b>             | <b>\$ (32,518)</b>  | <b>\$ 24,611,908</b>  | <b>\$ 32,312,648</b>   | <b>\$ (7,700,740)</b> |
| <b>Transfers</b>                  |                     |                       |                        |                       |
| Administrative Fees               | 63,877              | 969,424               | 1,207,396              | 237,972               |
| HISD Adjustment                   | (2,250,490)         | 1,229,493             | 4,639,977              | 3,410,484             |
|                                   | (2,186,613)         | 2,198,917             | 5,847,373              | 3,648,456             |
| <b>Net Revenues</b>               | <b>\$ 2,154,095</b> | <b>\$ 22,412,991</b>  | <b>\$ 26,465,275</b>   | <b>\$ (4,052,284)</b> |
| <b>Expenses</b>                   |                     |                       |                        |                       |
| Project Costs                     | 6,542,292           | 11,972,318            | 29,551,908             | 17,579,590            |
| Municipal Services                | 1,870,982           | 1,870,982             | 2,045,000              | 174,018               |
| Professional Fees                 | 101,620             | 175,232               | 61,500                 | (113,732)             |
| Administrative Contractor         | 132,621             | 517,955               | 765,083                | 247,128               |
| Insurance                         | 808                 | 3,283                 | 7,500                  | 4,217                 |
| Office Expense                    | 1,761               | 12,675                | 20,000                 | 7,325                 |
| Interest Expense - Bonds          | 393,003             | 1,591,511             | 1,591,511              | (0)                   |
| Cost of Issuance                  | 7,554               | 86,584                | 30,214                 | (56,370)              |
| <b>Total Expenses</b>             | <b>\$ 9,050,639</b> | <b>\$ 16,230,540</b>  | <b>\$ 34,072,716</b>   | <b>\$ 17,842,176</b>  |
| <b>Change in Net Position</b>     | <b>(6,896,544)</b>  | <b>6,182,451</b>      | <b>(7,607,441)</b>     | <b>13,789,892</b>     |
| Net Position Beginning of Year    |                     | (8,768,876)           | (8,759,389)            | (9,487)               |
| <b>Net Position End of Period</b> |                     | <b>\$ (2,586,425)</b> | <b>\$ (16,366,830)</b> | <b>\$ 13,780,405</b>  |

**Downtown Redevelopment Authority**  
**Statement of Activities**  
**For the Year ended June 30, 2025 and June 30, 2024**

|                                   | <b>2025</b>           | <b>2024</b>           | <b>Fav (Unfav)</b>    |
|-----------------------------------|-----------------------|-----------------------|-----------------------|
|                                   | <b>YTD Actual</b>     | <b>YTD Actual</b>     | <b>Variance</b>       |
| <b>Revenues</b>                   |                       |                       |                       |
| Tax Increments                    | \$ 23,181,262         | \$ 23,489,312         | (308,050)             |
| Other Revenues                    | 1,190                 | 182                   | 1,008                 |
| Interest Income                   | 1,429,456             | 1,231,499             | 197,957               |
| <b>Total Revenues</b>             | <b>\$ 24,611,908</b>  | <b>\$ 24,720,993</b>  | <b>\$ (109,085)</b>   |
| <b>Transfers</b>                  |                       |                       |                       |
| Administrative Fees               | 969,424               | 968,589               | (835)                 |
| HISD Adjustment                   | 1,229,493             | 1,126,124             | (103,369)             |
|                                   | 2,198,917             | 2,094,713             | (104,204)             |
| <b>Net Revenues</b>               | <b>\$ 22,412,991</b>  | <b>\$ 22,626,280</b>  | <b>\$ (213,289)</b>   |
| <b>Expenses</b>                   |                       |                       |                       |
| Project Costs                     | 11,972,318            | 8,475,821             | (3,496,497)           |
| Municipal Services                | 1,870,982             | 1,913,625             | 42,643                |
| Professional Fees                 | 175,232               | 58,978                | (116,254)             |
| Administrative Contractor         | 517,955               | 1,048,554             | 530,599               |
| Insurance                         | 3,283                 | 4,054                 | 771                   |
| Office Expense                    | 12,675                | 24,625                | 11,950                |
| Interest Expense - Bonds          | 1,591,511             | 1,692,905             | 101,394               |
| Cost of Issuance                  | 86,584                | 30,214                | (56,370)              |
| <b>Total Expenses</b>             | <b>\$ 16,230,540</b>  | <b>\$ 13,248,776</b>  | <b>\$ (2,981,764)</b> |
| <b>Change in Net Position</b>     | <b>6,182,451</b>      | <b>9,377,504</b>      | <b>(3,195,053)</b>    |
| Net Position Beginning of Year    | (8,768,876)           | (18,136,893)          | 9,368,017             |
| <b>Net Position End of Period</b> | <b>\$ (2,586,425)</b> | <b>\$ (8,759,388)</b> | <b>\$ 6,172,964</b>   |

**Downtown Redevelopment Authority  
Project Cost Detail  
For the Year ended June 30, 2025**

|                                               | <b>2025<br/>YTD Actual</b> | <b>2025<br/>YTD Budget</b> | <b>Fav (Unfav)<br/>Variance</b> |
|-----------------------------------------------|----------------------------|----------------------------|---------------------------------|
| <b>Project Costs</b>                          |                            |                            |                                 |
| <b>Capital Improvement Projects</b>           |                            |                            |                                 |
| More Space Main Street 2.0                    | 1,967,392                  | \$ 4,075,166               | \$ 2,107,774                    |
| Downtown Living Initiative 2.0                | 105,776                    | 3,042,498                  | 2,936,722                       |
| Allen Parkway                                 | 164,233                    | 150,000                    | (14,233)                        |
| EADO Cap Park Set Aside                       | -                          | 6,500,000                  | 6,500,000                       |
| Trebly Park                                   | 1,599,440                  | 1,696,720                  | 97,280                          |
| Market Square Park                            | 4,802                      | 150,661                    | 145,859                         |
| NHHIP Civic Opportunities                     | 439,903                    | 438,002                    | (1,901)                         |
| Montrose Bridge at Allen Parkway              | 101,362                    | 1,038,002                  | 936,640                         |
| Office Conversion Incentive Program           | 50,667                     | 2,000,000                  | 1,949,333                       |
| Pedestrian Lighting Improvements              | 492,674                    | 1,568,857                  | 1,076,184                       |
| Road Resurfacing, Design & Engineering        | 125,591                    | -                          | (125,590)                       |
| Undesignated                                  | 97,768                     | 1,000,000                  | 902,232                         |
| <b>Total Capital Improvement Projects</b>     | <b>5,149,607</b>           | <b>\$ 21,659,906</b>       | <b>\$ 16,510,300</b>            |
| Buffalo Bayou Park                            | 2,937,810                  | 2,965,591                  | 27,781                          |
| 806 Main/JW Marriott                          | 345,223                    | 185,541                    | (159,682)                       |
| Hotel Laura                                   | 77,100                     | 56,150                     | (20,950)                        |
| Holiday Inn/Savoy Hotel                       | 27,825                     | 23,323                     | (4,502)                         |
| 723 Main/AC Hotel                             | 44,113                     | 22,752                     | (21,361)                        |
| Downtown Living Initiative                    | -                          | 100,000                    | 100,000                         |
| Economic Development/Retail Program           | 140,747                    | 500,000                    | 359,253                         |
| Texaco Building/The Star                      | 411,216                    | 246,344                    | (164,872)                       |
| SkyHouse Houston                              | 239,774                    | 247,161                    | 7,387                           |
| Fairfield Block 334                           | 134,935                    | 156,826                    | 21,891                          |
| Hines Market Square                           | 378,745                    | 410,872                    | 32,127                          |
| Market Square Tower                           | 650,774                    | 586,629                    | (64,145)                        |
| SkyHouse Main                                 | 243,311                    | 248,199                    | 4,888                           |
| Fairfield Residential                         | 286,202                    | 226,847                    | (59,355)                        |
| Post HTX                                      | 369,627                    | 365,767                    | (3,860)                         |
| Hike & Bike Trails East of Allens Landing     | -                          | 1,000,000                  | 1,000,000                       |
| Downtown Launchpad                            | 535,310                    | 550,000                    | 14,690                          |
| <b>Total Developer/Project Reimbursements</b> | <b>6,822,711</b>           | <b>\$ 7,892,002</b>        | <b>\$ 1,069,292</b>             |
| <b>Total Project Costs</b>                    | <b>11,972,318</b>          | <b>\$ 29,551,908</b>       | <b>\$ 17,579,592</b>            |

**DOWNTOWN REDEVELOPMENT AUTHORITY  
INVESTMENT REPORT, THIRD QUARTER FYE 2025  
FOR THE PERIOD APRIL 1, 2025 THROUGH JUNE 30, 2025**

| FUND                                  | BEGINNING BAL.<br>BOOK VALUE | BEGINNING BAL.<br>MARKET VALUE | GAIN (LOSS)<br>TO MARKET FILE | INTEREST<br>EARNED / ACCRUED<br>THIS PERIOD | NET DEPOSITS<br>OR<br>(WITHDRAWALS) | ENDING BALANCE<br>BOOK<br>VALUE | ENDING BALANCE<br>MARKET<br>VALUE | ENDING BALANCE<br>% OF<br>PORTFOLIO | SIMPLE<br>INTEREST<br>YIELD | WT AVG<br>MAT. DAYS |
|---------------------------------------|------------------------------|--------------------------------|-------------------------------|---------------------------------------------|-------------------------------------|---------------------------------|-----------------------------------|-------------------------------------|-----------------------------|---------------------|
| <b><u>OPERATING</u></b>               |                              |                                |                               |                                             |                                     |                                 |                                   |                                     |                             |                     |
| JP MORGAN CHASE OPERATING             | 149,880.90                   | 149,880.90                     | 0.00                          | 0.00                                        | 2,409,711.05                        | 2,559,591.95                    | 2,559,591.95                      | 5.81%                               | N/A                         | 1                   |
| JP MORGAN CHASE BOND OPERATING        | 0.00                         | 0.00                           | 0.00                          | 0.00                                        | 0.00                                | 0.00                            | 0.00                              | 0.00%                               | N/A                         | 1                   |
| <b>TOTAL JPM</b>                      | 149,880.90                   | 149,880.90                     | 0.00                          | 0.00                                        | 2,409,711.05                        | 2,559,591.95                    | 2,559,591.95                      | 5.81%                               |                             |                     |
| <b><u>POOLED INVESTMENT FUNDS</u></b> |                              |                                |                               |                                             |                                     |                                 |                                   |                                     |                             |                     |
| LOGIC PUBLIC FUNDS                    | 12,912,367.48                | 12,912,367.48                  | 0.00                          | 121,663.73                                  | 10,365,961.06                       | 23,399,992.27                   | 23,399,992.27                     | 53.08%                              | 4.4281%                     | 46                  |
| TEXAS CLASS                           | 9,097,109.32                 | 9,097,109.32                   | 0.00                          | 100,685.65                                  | 0.00                                | 9,197,794.97                    | 9,197,794.97                      | 20.87%                              | 4.4149%                     | 39                  |
| <b>TOTAL POOLED</b>                   | 22,009,476.80                | 22,009,476.80                  | 0.00                          | 222,349.38                                  | 10,365,961.06                       | 32,597,787.24                   | 32,597,787.24                     | 73.95%                              |                             |                     |
| <b><u>REPURCHASE AGREEMENTS</u></b>   |                              |                                |                               |                                             |                                     |                                 |                                   |                                     |                             |                     |
| BAYERISCHE LANDESBANK                 | 0.00                         | 0.00                           | 0.00                          | 0.00                                        | 0.00                                | 0.00                            | 0.00                              | 0.00%                               |                             |                     |
| <b>TOTAL BLB</b>                      | 0.00                         | 0.00                           | 0.00                          | 0.00                                        | 0.00                                | 0.00                            | 0.00                              | 0.00%                               |                             |                     |
| <b><u>DEBT SERVICE</u></b>            |                              |                                |                               |                                             |                                     |                                 |                                   |                                     |                             |                     |
| MORGAN STANLEY INVESTMENT FUND        | 78,501.60                    | 78,501.60                      | 0.00                          | 1,027.22                                    | 4,284,746.18                        | 4,364,275.00                    | 4,364,275.00                      | 9.90%                               | 3.1340%                     | 1                   |
| <b><u>BOND RESERVE</u></b>            |                              |                                |                               |                                             |                                     |                                 |                                   |                                     |                             |                     |
| MORGAN STANLEY INVESTMENT FUND        | 4,522,711.70                 | 4,522,711.70                   | 0.00                          | 47,247.84                                   | (204,640.72)                        | 4,365,318.82                    | 4,365,318.82                      | 9.90%                               | 3.1340%                     | 1                   |
| <b><u>PLEDGED FUNDS</u></b>           |                              |                                |                               |                                             |                                     |                                 |                                   |                                     |                             |                     |
| BANK OF NEW YORK MELLON               | 185,797.30                   | 185,797.30                     | 0.00                          | 0.00                                        | 8,800.00                            | 194,597.30                      | 194,597.30                        | 0.44%                               | N/A                         | 1                   |
| <b><u>PROJECT FUNDS</u></b>           |                              |                                |                               |                                             |                                     |                                 |                                   |                                     |                             |                     |
| BANK OF NEW YORK MELLON               | 0.00                         | 0.00                           | 0.00                          | 0.00                                        | 0.00                                | 0.00                            | 0.00                              | 0.00%                               | N/A                         | 1                   |
| <b>TOTAL BNY</b>                      | 4,787,010.60                 | 4,787,010.60                   | 0.00                          | 48,275.06                                   | 4,088,905.46                        | 8,924,191.12                    | 8,924,191.12                      | 20.24%                              |                             |                     |
| <b>GRAND TOTAL</b>                    | 26,946,368.30                | 26,946,368.30                  | 0.00                          | 270,624.44                                  | 16,864,577.57                       | 44,081,570.31                   | 44,081,570.31                     | 100%                                |                             |                     |

## DRA--Main Street Market Sq Redevelopment Auth

## Check register

For the month of June 2025

| Date      | Vendor                                       | Document no. | Amount              |
|-----------|----------------------------------------------|--------------|---------------------|
| 6/3/2025  | VEN-00031--Central Houston Civic Improvement | 1026         | 400,000.00          |
| 6/3/2025  | VEN-00118--John Allen Douglas                |              | 178.28              |
| 6/3/2025  | VEN-00562--GENSLER                           |              | 3,695.60            |
| 6/6/2025  | VEN-00092--Houston Downtown Management Dis   | 1027         | 65,099.86           |
| 6/11/2025 | VEN-00024--Buffalo Bayou Partnership         |              | 1,433,476.73        |
| 6/11/2025 | VEN-00318--STERLING EXPRESS SERVICES         |              | 25.00               |
| 6/11/2025 | VEN-00751--The Goodman Corporation           |              | 8,768.72            |
| 6/11/2025 | VEN-00785--Talon Construction LLC            |              | 236,559.50          |
| 6/11/2025 | VEN-00808--Hibrid Engineering, LLC           |              | 59,325.00           |
| 6/16/2025 | VEN-00820--HOUSTON TRS, LLC                  | 1029         | 125,850.00          |
| 6/17/2025 | VEN-00787--LeVass Ventures LLC               |              | 18,000.00           |
| 6/18/2025 | VEN-00032--Central Houston, Inc              | 1030         | 18,730.76           |
| 6/26/2025 | VEN-00185--Pfeiffer & Son, LTD.              |              | 7,956.50            |
| 6/30/2025 | VEN-00032--Central Houston, Inc              | 1031         | 128,298.00          |
|           |                                              |              | <b>2,505,963.95</b> |

## DRA--Main Street Market Sq Redevelopment Auth

## Check register

For the month of July 2025

| Date      | Vendor                                        | Document no. | Amount              |
|-----------|-----------------------------------------------|--------------|---------------------|
| 7/2/2025  | VEN-00021--Bracewell                          |              | 22,968.75           |
| 7/2/2025  | VEN-00036--City of Houston                    |              | 1,870,982.00        |
| 7/2/2025  | VEN-00081--Hamilton Plumbing Services         |              | 565.00              |
| 7/2/2025  | VEN-00539--Walter P Moore                     |              | 17,029.20           |
| 7/2/2025  | VEN-00562--GENSLER                            |              | 220.00              |
| 7/2/2025  | VEN-00797--UES Professional Solutions 44, LLC |              | 290.00              |
| 7/8/2025  | VEN-00719--FAIRFIELD 1810 MAIN LP             | 1032         | 364,756.00          |
| 7/9/2025  | VEN-00082--Hardy & Hardy                      |              | 11,500.00           |
| 7/9/2025  | VEN-00562--GENSLER                            |              | 1,009.80            |
| 7/9/2025  | VEN-00785--Talon Construction LLC             |              | 32,742.31           |
| 7/9/2025  | VEN-00808--Hibrid Engineering, LLC            |              | 8,968.00            |
| 7/16/2025 | VEN-00318--STERLING EXPRESS SERVICES          |              | -25.00              |
| 7/17/2025 | VEN-00021--Bracewell                          |              | 13,006.25           |
| 7/17/2025 | VEN-00044--Crest Printing                     |              | 1,264.00            |
| 7/17/2025 | VEN-00265--Thomas Printworks                  |              | 11,801.39           |
| 7/17/2025 | VEN-00318--STERLING EXPRESS SERVICES          |              | 25.00               |
| 7/17/2025 | VEN-00751--The Goodman Corporation            |              | 2,439.91            |
| 7/28/2025 | VEN-00032--Central Houston, Inc               | 1033         | 126,144.97          |
| 7/29/2025 | VEN-00115--Jerdon Enterprise, LP              |              | 1,768.77            |
| 7/29/2025 | VEN-00265--Thomas Printworks                  |              | 12,823.75           |
| 7/29/2025 | VEN-00321--Block by Block                     |              | 10,814.49           |
| 7/29/2025 | VEN-00562--GENSLER                            |              | 1,680.00            |
| 7/29/2025 | VEN-00664--Piper Faust                        |              | 15,000.00           |
| 7/29/2025 | VEN-00757--Moon Papas Art                     |              | 74,500.00           |
| 7/29/2025 | VEN-00797--UES Professional Solutions 44, LLC |              | 2,160.00            |
|           |                                               |              | <b>2,604,434.59</b> |



DOWNTOWN HOUSTON+

# STRATEGIC ALIGNMENT PLAN UPDATES

August 2025

# GOAL 1



Champion major projects, initiatives and investments that improve Downtown.

## 1.4 Guide the implementation of Plan Downtown, the HDMD Service & Improvement Plan, and TIRZ Project Plan.

**Highlight:** Efforts to renew the HDMD are moving ahead full speed. The HDMD was created by the Texas Legislature in 1995 to beautify and improve Downtown and support economic development. The HDMD Service Plan has been renewed five times since its first year of operations in 1996. To renew the district, The HDMD Board is statutorily required to obtain signatures from property owners representing more than 50% of the assessed value of the district, or 50 unique property owners. After the signatures are collected and affirmed, the HDMD Board can hold a public hearing followed by a Board vote to consider approving the new Service Plan. HDMD leadership has worked tirelessly to meet with property owners to review the draft Service Plan and collect signatures. The next plan proposes a 10-year term, plus an expansion of our economic development focus to include office tenant recruitment. As of this writing, DTH+ is nearing the critical 50% threshold and hopes to achieve this accomplishment in August.

### Participating Agency:



## 1.6 Explore opportunities to integrate emergent technologies and resiliency by improving infrastructure to manage and mitigate the effects of climate change.

**Highlight:** Cutting the ceremonial ribbon on four new EV chargers at Buffalo Bayou Park on Allen Parkway, Houston City Council Member Abbie Kamin celebrated the construction of Houston's first publicly accessible EV charging stations on City property in over a decade. Council Member Kamin thanked Downtown Houston+, CenterPoint, Evolve, EV Bolt, and the Mayor's Office of Economic Development for their partnership. Houston City Council District C funded the project, while DTH+ handled planning, coordination, and project execution. The Downtown Redevelopment Authority will serve as the owner / operator of the infrastructure and service.

### Participating Agency:



## GOAL 2

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

### 2.10 Expand collaboration and explore novel approaches to maintain a low crime rate and make Downtown feel safe

**Highlight:** In response to a public hearing held by the City of Houston on July 24, CHI leadership offered a position statement encouraging the City Council to act to protect public safety. The statement observed that the City's current ordinance regulating motorized scooters has enabled considerable negative externalities and unintended consequences. Additionally, the modus operandi voids point-to-point transportation benefits, which are the core purpose of well-managed, micro-mobility programs in cities across the country.

Importantly, the current ordinance designs out the opportunity for the City to regulate the time, place and manner in which the devices are utilized. Most cities and sophisticated vendors enact measures to "geofence" the use of these devices to prevent their use in parks and on sidewalks, to limit and regulate speeds, to enact age requirements, and to limit hours of use. The devices aren't available for rent after 9 or 10 PM to protect pedestrians from irresponsible and/or impaired use. None of these regulatory measures are possible in the current ordinance's configuration where scooters are treated like rented toys rather than transportation.

To address these concerns, the statement urged City Council to consider adopting a new ordinance that would better regulate the deployment and use of rented, motorized vehicles in and around Downtown with a goal of maximizing the protection of public safety.

#### Participating Agency:



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

**Highlight:** Houston has taken another step forward in addressing street homelessness. On July 15, the Houston City Council approved a pilot expansion of its civility ordinance by a vote of 14-2. Before this action, sitting, lying, or storing belongings on sidewalks was allowed between 11 PM until 7 AM. Under the revised ordinance, these activities are prohibited 24/7. The ordinance empowers law enforcement to offer secure housing and services while protecting access to public places. This approach provides law enforcement with a non-punitive tool to help transition vulnerable people into safer, more dignified spaces where they can find a path toward resources and resiliency.

The expanded ordinance aims to balance public space enjoyment with compassionate outreach. Its geographic focus overlaps with the initial areas included in the broader re-housing strategy unfolding in Downtown and East Downtown.

#### Participating Agencies:





# GOAL 3

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

## 3.1 Plan, design, and construct public infrastructure that supports safety and equity.

**Highlight:** Construction on the Main Street Promenade began in June, transforming seven blocks of Downtown’s central spine into a shaded, people-focused corridor from Allen’s Landing to Rusk Street. The project will add 85 new trees—a 154% canopy increase—plus shade structures, improved storefront access, outdoor dining areas, native landscaping, and signature blue tile details honoring Houston’s heritage. Guided by nearly 3,000 points of public feedback, the Promenade is a cornerstone of the DTH+ Public Realm Action Plan, improving comfort, walkability, and district connections ahead of the 2026 FIFA Men’s World Cup.

### Participating Agency:



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

**Highlight:** As of August, three complementary grant programs provide funding for improvements to buildings, storefronts and patios, enhancing Downtown’s street-level experience. HDMD offers reimbursement-based Thrive Storefront Grants for exterior upgrades—such as windows, shade, signage and lighting—and Alfresco Patio Grants of up to \$5,000 Downtown-wide or \$10,000 along Main Street Promenade for nonpermanent café seating and shade. Available to property owners, DRA Façade Grants target structural revitalizations to buildings within TIRZ #3. Layered with major capital projects, these investments can expand outdoor activity, drive economic vitality and strengthen perceptions of public safety through livelier, more connected streetscapes.

### Participating Agency:



## GOAL 4

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

### 4.9 Research and develop return-to-office strategies to accelerate the return of employees to Downtown.

**Highlight:** Employee recovery Downtown continues to strengthen, driven in part by stricter in-office mandates from both public and private employers. In Q2 2025, employee recovery set a record, reaching 80.8% of pre-pandemic levels (Q2 2019), with a 10.3% year-over-year increase in employee visits. According to Placer, Houston's city-wide office recovery exceeds the national average by 3%, while CoStar consistently ranks Houston among the top three metro areas for office attendance out of ten major cities. These positive trends reinforce the value of our ongoing initiatives to boost daytime activity and position Downtown as a vibrant, desirable place to work each day.

#### Participating Agencies:



### 4.13 Assist Downtown business owners and managers in navigating municipal regulatory processes.

**Highlight:** Downtown Houston + continues to revitalize the public domain and assist business owners in navigating Houston's regulatory environment. On June 2, 2025, the Main Street Promenade broke ground, and three blocks of Main Street are currently under construction. DTH+'s Economic Development, Capital Projects and Engagement Teams are working in sync to minimize the impact on business owners and their patrons by providing an individualized, concierge-level-of-service to impacted businesses. We've made ourselves available to talk through project details and respond to public and stakeholder inquiries. Each month, we publish a newsletter to identified stakeholders in Downtown, update our webpage with the current status of construction and progress, and conduct weekly outreach to owners/operators of establishments where construction is occurring in front of their businesses. Finally, we hold a weekly in-person "mobile office hours" at a central location on Main Street to increase our presence and availability for all stakeholders.

#### Participating Agencies:



## GOAL 5

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

### 5.6 Improve and expand external communications to increase awareness of CHI, its actions, and general Downtown happenings.

**Highlight:** An in-depth Houston Chronicle story generated buzz about Downtown’s residential growth, followed by a Houston Business Journal cover story “Downtown Houston living is thriving. Where will it go next?” On July 30, a Chronicle cover story, “Downtown abuzz with rooftop bees,” showcased Downtown’s busiest worker bees at Norton Rose Fulbright Tower. Meanwhile, the JW Marriott Downtown’s expansion into the historic Battlestein’s building with a new rooftop pool lounge garnered media coverage in lifestyle and business publications.

#### Participating Agencies:



### 5.8 Advance efforts to spotlight the initiatives, moments, and entities advancing Downtown as an inclusive community.

**Highlight:** Get Down, Downtown! The summer Latin dance class series in Market Square Park pulled the largest social media audience this month, when a reel produced by the DTH+ in-house team generated 245,459 views and was shared 5,792 times. DTH+ gained 9,423 new fans, boosting combined total social media audience to 536,774 followers. Looking for fun things to do Downtown, more than 13,000 unique visitors clicked on the DTH+ website calendar, while Market Square Park was viewed more than 8,000 times.

#### Participating Agencies:

