Board of Directors Meeting

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

November 14, 2024

THE STATE OF TEXAS §
§
COUNTY OF HARRIS §

The Board of Directors of the Houston Downtown Management District (the "District") met in regular session, open to the public, on November 14, 2024 at 12:00 p.m. inside the H-Town Conference Room of the District's office, located at 1221 McKinney Street, Houston, TX 77010, and the roll was called of the duly appointed members of the Board, to-wit:

BOARD MEMBERS

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

and all of the above were present, with the exception of Directors Allen, Davis, Huang, Hughes, Jacobs, Kennedy, Liu, Massad, Pryor, and Reggie.

Also attending were Kris Larson, President/CEO; Allen Douglas, COO & General Counsel; Jana Gunter, Director of Finance; and staff members Christal Ayala, Jenna Beasley, David Cisneros, Brett DeBord, David Fields, Scott Finke, Jacque Gonzalez, Keith Gould, Aaron Hernandez, Justin Jerkins, James Kennedy, Amanda Marquez, Dusty McCartney, Jamie Perkins, Clint Self, Ann Taylor, and Candace Williams, all with the District. Algenita Davis, consultant to the District, and Clark Lord, outside counsel from Bracewell, were also present.

Guest speakers and presenters invited were Lita Lemus with Utility Tax Services; Chris Newport from Mayor Whitmire's Office; and Kelly Young with the Coalition for the Homeless. Additional attendees included Tina Ortiz with the City of Houston Public Works Department; Cristina Aguirre with the City of Houston Parks & Recreation Department, and Eugene Lee from the public.

WELCOME

Chair Ashby presided over the meeting and welcomed all directors, consultants, and other meeting attendees. Marian Harper served as Secretary.

A quorum was established, and the meeting was called to order at 12:07 PM.

PUBLIC COMMENT

Chair Ashby asked if anyone in attendance would like to make a public comment. There were no public comments brought forth.

APPROVAL OF MINUTES

The Board considered approving the October 10, 2024 board of directors meeting minutes. Chair Ashby asked for comments or corrections.

Hearing none, a motion was called, moved, and seconded, and the Board approved the October 10, 2024 minutes as presented.

ITEMS PERTAINING TO FINANCE AND ADMINISTRATIVE MATTERS

Approval of Financial Statements and Ratification of Expenditures

Chair Ashby called on Richard Torres, Treasurer & Investment Officer, to present the interim financial statements and check registers for the period of October 31, 2024. Mr. Torres provided a summary of the October 2024 financials and check registers. Next, he called for questions and discussion. No questions or discussion points were raised.

A motion was called, moved by Director Foreman; seconded by Director Schaefer; and the interim financial statements and check registers for the period ending October 31, 2024 were accepted as presented.

Annual Review of Administrative Policies & Procedures Manual

Allen Douglas was asked to begin a discussion about the District's Administrative Policies & Procedures Manual. He referred to draft Policy Manual included in the materials previously provided and provided a recap of the changes made to the Policy Manual earlier in 2024.

He explained the latest draft contained no material changes from the prior version adopted in August 2024. He then reminded the Board of the requirement outlined in Section 17 of the

Policy Manual, which requires the Board to annually review both the Policy Manual, specifically the Investment section (Section 15), which was last reviewed in 2023.

Mr. Douglas noted outside counsel was consulted, and confirmed no material change to the Investment section had occurred since the 2023 review. Questions were asked and answered, and discussion ensued.

A motion was called, moved by Director Crawford; seconded by Secretary Harper; and the Board acknowledged the annual review of and acceptance of the draft Administrative Policies & Procedures Manual, as presented.

Summary Report on HDMD Board Survey & CEO Performance

Chair Ashby shared with the Board a summary of the feedback received from a survey previously circulated for Board members to provide input with regard to the CEO's annual performance review. She noted this feedback will be shared with the Central Houston Personnel Committee and taken into consideration for the CEO's annual review. Chair Ashby concluded stating an update will be brought forward after the conclusion of the review process. No further action was necessary.

Set 2025 Meeting Dates

Chair Ashby referred to the memo containing the proposed 2025 District Board meeting dates. Hearing no questions or discussion, a motion was called, moved by Director Crawford, seconded by Director Boykins, and the Board approved the proposed 2025 District Board meeting dates as presented.

HOMELESSNESS PLAN AND RELATED ACTION ITEM

Kris Larson opened this topic by providing an overview of the Mayor's proposed plan to house and provide related services to the homeless. He introduced Mayor Whitmire's Chief of Staff, Chris Newport; and Kelly Young, President & CEO of the Coalition for the Homeless.

Mr. Newport began the discussion by giving reassurance to the Board that the Mayor fully supports the proposed plan. Questions were asked and answered. Next, Kelly Young shared a presentation outlining past successes, continued efforts, and a look into future goals to continue housing and providing support services to those experiencing homelessness.

Questions were asked and answered, and discussion ensued. From these discussions, it was requested for Chair Ashby to review any proposed agreements with the Coalition prior to execution by the President/CEO.

A motion was called, moved by Director Schafer; seconded by Director Boykins; and the Board approved the expenditure in an amount not to exceed $1,000,000 to the Coalition for the Homeless; with the caveat of having Chair Ashby review any proposed agreements prior execution by the President/CEO.

REVIEW AND DISCUSSION OF 2025 BUDGETING AND ASSESSMENT RATE AND RELATED ACTION

Presentation and Discussion of Draft 2025 Operating and Capital Budgets

President Larson began the discussion and presented the draft 2025 operating and capital budgets. Questions were asked and answered. President Larson noted the final operating and capital budgets will be presented for Board approval at the December 12th meeting. No further action was required.

Assessment Rates for 2025 (2024 Tax Year)

Chair Ashby called on President Larson to continue. He opened discussion over the proposed 2025 assessment rate and introduced Lita Limus with Utility Tax Services. He notated the suggested 2025 rate for the 2024 tax year is $0.1425 per $100 assessed valuation, comprised of $0.1325 for operating and $0.01 for capital improvements. Questions were asked and answered.

A motion was called, moved by Director Ramos, seconded by Director Galvan, and the Board approved setting the 2025 tax rate for the 2024 tax year to $0.1425 per $100 assessed valuation, comprised of $0.1225 for operating and $0.01 for capital improvements, by a majority vote of 17 to 1 in favor.

OTHER BUSINESS

Chair Ashby noted the next Board meeting is scheduled for December 14th and will be held in person. There being no further business to come before the Board, the meeting was adjourned at 1:41 PM.

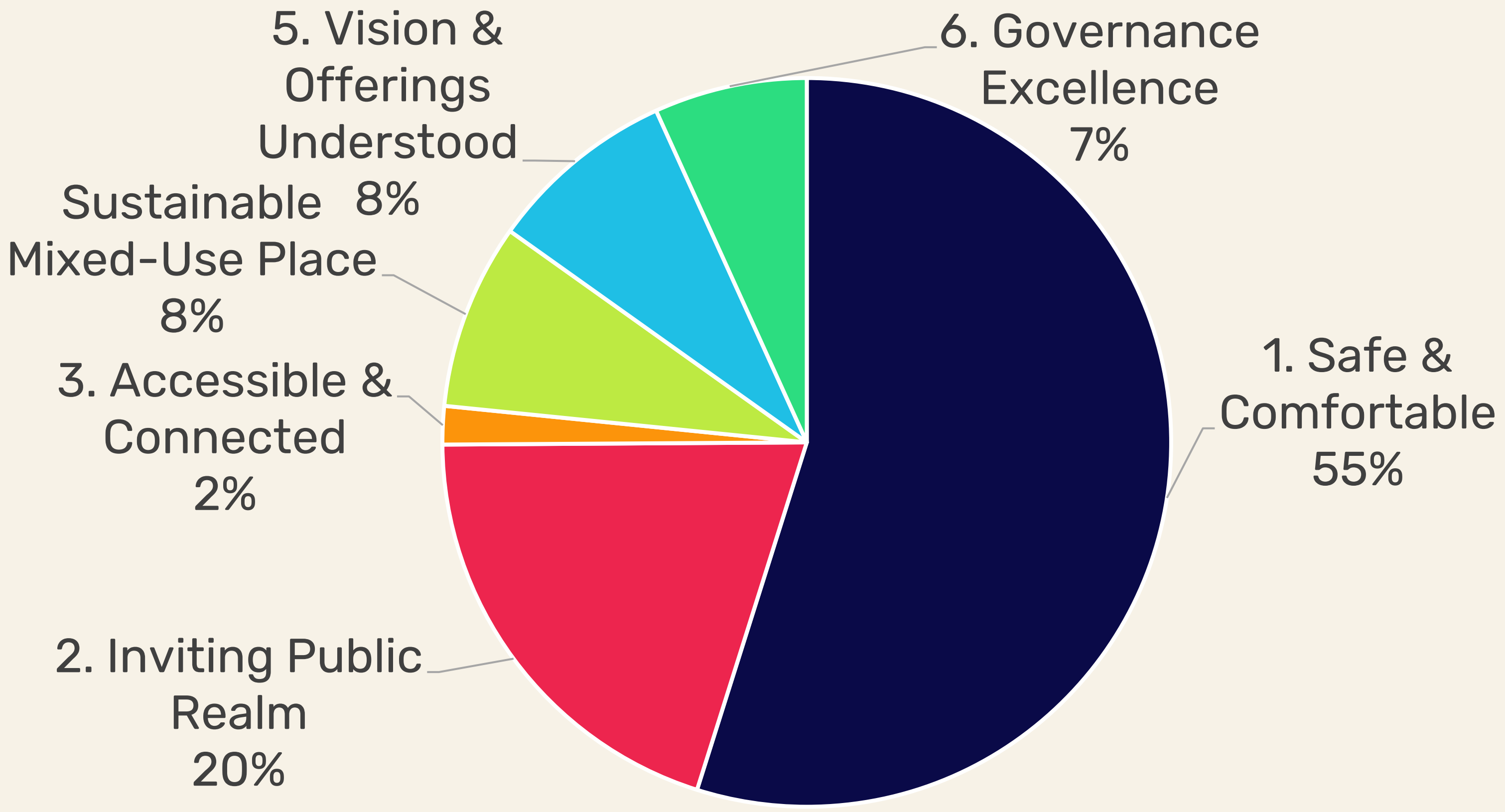
Marian Harper, Secretary
Houston Downtown Management District

HDMD NOVEMBER 2024 FINANCIAL SUMMARY

12/12/2024

DOWNTOWN HOUSTON+

2024 ANNUAL BUDGET



Total $22,918,133

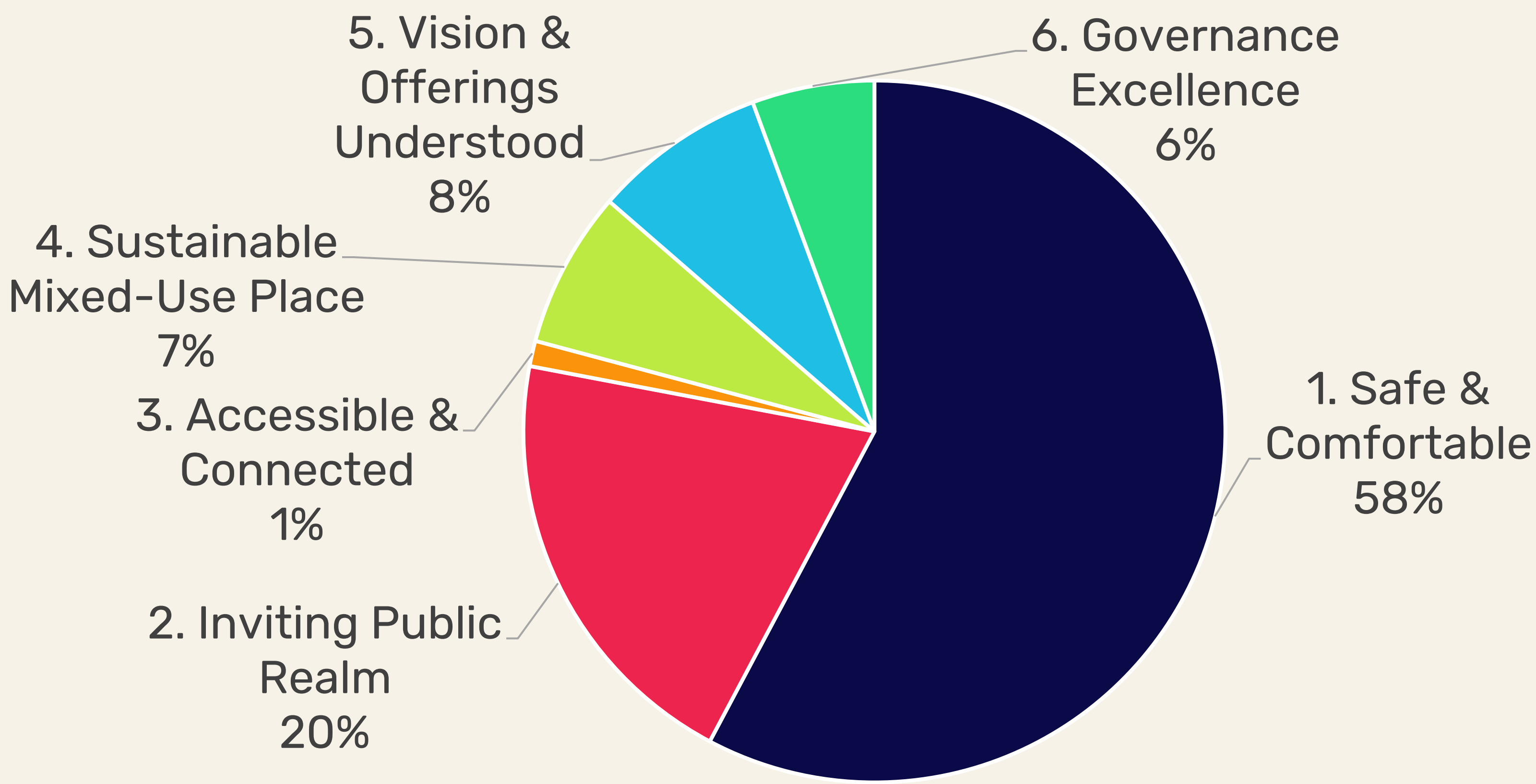
Operating: $20,132,219 Capital: $2,785,914

YTD BALANCE SHEET

November 2024

- Assets
  - Operating Cash Balance is $154K
  - TexPool Investments $11.0M
  - 2024 Assessments Billed: $19.6M
- Liabilities
  - Reserves for Property Value Protests are $3M
    - $2.4 million was added to the reserve balance to account for a potential loss in property values of 12.45%, the average 6-year loss rate.
- Fund Balance
  - Unrestricted Operating Fund Balance is $20.7M
  - Capital Restricted Fund Balance is $6.8M

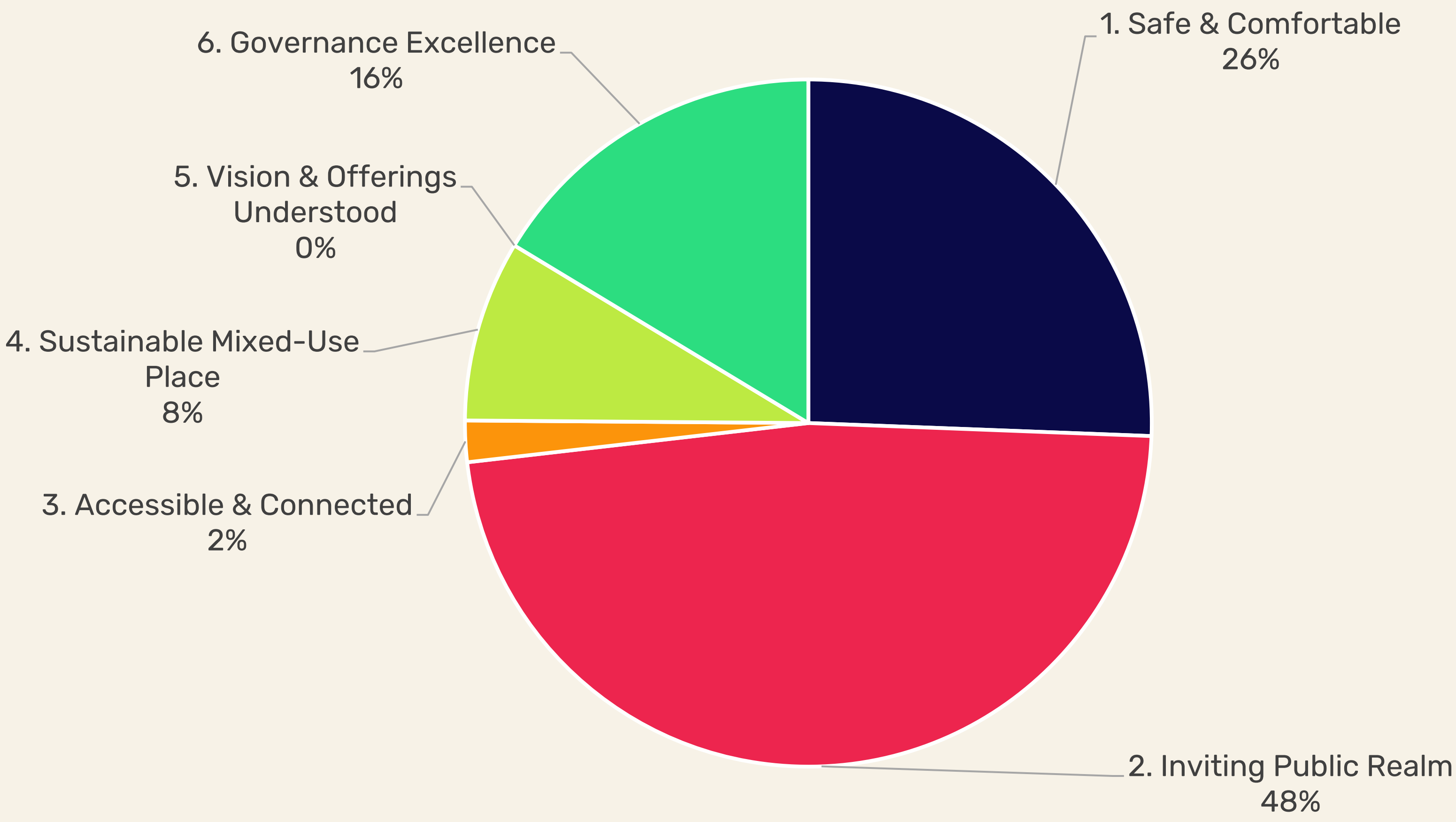
NOVEMBER 2024 OPERATING SPENDING



Total $15,156,036

Budget Expended 76% over 92% of 2024

NOVEMBER 2024 CAPITAL SPENDING



Total $733,752

Budget Expended 26% over 92% of 2024

NOVEMBER 2024 BUDGET NOTES

- Revenues
  - The board approved an annual assessment rate of 14.25 cents per $100 value in property on an assessed value of $13.8B. Total assessments billed were $19.6M. With $2.4M allocated to reserves, total revenue booked was $17.1M, $260K better than plan.
- Operating Expenses
- Categories not anticipated to meet budget are the following:
  - Goal 1f-Prepare for Emergencies-The District has exceeded budget due to the unanticipated emergency response required to clean up Downtown after the derecho and Beryl storms. The District has applied to FEMA for reimbursements totaling $220K. To date, the District has received $79K. Tree planting also began in November.
  - Goal 3a-Effective Transit Access More Places-Fort Bend will not be requesting $150K because they have not fully utilized the funding provided prior to covid.

NOVEMBER 2024 BUDGET NOTES

- Capital Expenses
  - Accessible to Entire Region – The allocated budget of $550K is a contingency fund for Southeast Sidewalks TxDOT. The District anticipates that TxDot will settle the balance below budget. Timing remains uncertain.

CHECK REGISTER

November 2024

- Total checks issued were $2.0 million

  - Block by Block $328K – contract services
  - Seal Security $148K – security contract services
  - Gehl Studio Inc. $136K – public realm design services
  - Chevron USA Inc $110K – assessment refund
  - 1000 Louisiana LP $97K – assessment refund
  - Block 42 Owner LLC $85K – assessment refund
  - One Experiential $69K – Snow Glow payment
  - FC Tower Property Partner $68K – assessment refund
  - Gensler $65K – MSP kiosk design services

2024 DISADVANTAGED BUSINESS ENTERPRISE

Program (DBE) Activity Report (1/1 – 9/30)

	2024			2023		
	Operating	Capital	Total	Operating	Capital	Total
Total Certified MWBE	$1,864K	$95K	$1,959K	$1,839K	$16K	$1,855K
Adj. Total Spending	$12,257K	$565K	$12,822K	$11,605K	$868K	$12,473K
Less: Qualified Exclusions	$(4,533)K	$-	$(4,533)K	$(6,253)K	$(362)K	$(6,615)K
Qualifying Total Spending	$7,724K	$565K	$8,289K	$5,352K	$506K	$5,858K
% MWBE Certified	24.1%	16.9%	23.6%	34.4%	3.2%	31.7%
Total Self-Certified MWBE	$201K	$37K	$238K	$90K	$-	$90K
% Cert.+ Self Cert.	26.7%	23.4%	26.5%	36.0%	3.2%	33.2%
OBJECTIVE			**25%**			**25%**

2024 INVESTMENT REPORT

3Q – 7/1/2024 thru 9/30/2024

	7/1/2024			Net Changes	9/30/2024		
	Oper	Capt	Total		Oper	Capt	Total
JP Morgan Chase	$644K	$638K	$1,282K	$(52K)	$742K	$488K	$1,230K
TexPool Prime*	$13,198K	$4,066K	$17,264K	$(3,884K)	$9,258K	$4,122K	$13,380K
Total Cash	$13,842K	$4,704K	$18,546K	$(3,936K)	$10,000K	$4,611K	$14,610K

*Avg. Daily Yield: 5.39%

DOWNTOWN HOUSTON+

CPAs
OPERATIONAL & FINANCIAL CONSULTING

To Management
Houston Downtown Management District

Management is responsible for the accompanying financial statements of the Houston Downtown Management District (the District), which comprise the governmental fund balance sheets and statements of net position as of November 30, 2024 and 2023, and the related statements of activities for the months then ended, in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements, nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

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

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

Sincerely,

nctp cpas, pllc

Houston, Texas
December 9, 2024

www.nctp-cpas.com
Main Location |700 Westgreen Blvd. Katy, TX 77450 |832-287-1709
1104 Rayford Blvd. Spring, TX 77386| 9600 Bellaire Blvd ste.#207. Houston, TX 77036|
500 E. Saint John Ave. Ste.# 2.620. Austin, TX 78752|
350 Nursery Rd. Ste.# 1101., The Woodlands, TX 77380

Houston Downtown Management District
Statement of Activities
For the period ended November 2024, and November 2023

	Operating YTD Actual	Capital YTD Actual	Total YTD Actual	2024 Budget	% Budget Received	% Year Elapsed	Notes
Revenue							
Assessment Revenue	15,966,524	1,205,021	17,171,545	16,910,573	102%	92%	1
Operations Revenue	727,115	-	727,115	815,000	89%	92%	
Project Revenue	199,915	-	199,915	180,000	111%	92%	
Other Income	99,400	-	99,400	-	N/A	92%	2
Interest Income	656,606	165,074	821,680	963,000	85%	92%	
Total Revenues	**$ 17,649,560**	**$ 1,370,095**	**$ 19,019,655**	19,863,573	96%	92%	
Expenses							
Downtown Feels Safe & Comfortable at All Times							
Collaboration to Maintain Low Crime Rate	2,901,599	-	2,901,599	3,817,393	76%	92%	
Reduced Presence of Homeless & Street Persons	897,390	-	897,390	1,467,302	61%	92%	3
Downtown Sidewalks are Comfortably Lighted	165,675	-	165,675	229,735	72%	92%	
Downtown Clean & Well-Kept Appearance	4,267,916	-	4,267,916	5,347,379	80%	92%	
Remove Signs of Disorder in Downtown	64,232	-	64,232	70,241	91%	92%	
Prepare for Emergencies	459,102	-	459,102	114,365	401%	92%	4
	8,755,914	-	8,755,914	11,046,415	79%	92%	
Public Realm is Charming, Inviting, Beautiful & Celebrates the Life of the City							
Key Pedestrian Streets are Inviting	435,937	-	435,937	632,959	69%	92%	
Public Spaces Managed, Programmed, & Delightful	1,717,500	-	1,717,500	1,967,203	87%	92%	
Place of Civic Celebration	910,304	-	910,304	1,433,214	64%	92%	5
	3,063,742	-	3,063,742	4,033,376	76%	92%	
Accessible to Region & E asy to Get Around							
Effective Transit Access More Places, More Hours	18,293	-	18,293	170,145	11%	92%	6
Convenient Circulation Without Personal Vehicle	-	-	-	-	N/A	92%	
Easy to Find Way Around	88,767	-	88,767	95,000	93%	92%	
Connect Neighborhoods & Districts Inside/Outside Downtown	58,593	-	58,593	63,678	92%	92%	
Convenient, Understandable & Managed Parking	11,709	-	11,709	12,780	92%	92%	
	177,362	-	177,362	341,603	52%	92%	
Vibrant, Sustainable Mixed-Use Place							
Best Place to Work in Region	309,220	-	309,220	535,854	58%	92%	
Exciting Neighborhoods to Live In	752,540	-	752,540	1,087,732	69%	92%	
Competitive Shopping Place	16,928	-	16,928	19,202	88%	92%	
Remarkable Destination for Visitors	15,689	-	15,689	17,316	91%	92%	
	1,094,377	-	1,094,377	1,660,104	66%	92%	
Downtown's Vision & Offering Understood By All							
Market to Region	596,881	-	596,881	959,323	62%	92%	7
Promote Downtown's Ease of Use	88,611	-	88,611	123,833	72%	92%	
Vision/Development Framework Understood By All	478,576	-	478,576	549,768	87%	92%	
Tools to Assist Continued Redevelopment	24,876	-	24,876	28,456	87%	92%	
Develop & Main Information to Support Downtown	21,256	-	21,256	23,438	91%	92%	
	1,210,199	-	1,210,199	1,684,818	72%	92%	
District Governance & Service Known for Excellence							
Engage Stakeholders in Decision Making	749,550	-	749,550	1,143,735	66%	92%	
Communications to Owners, Tenants & Others	57,920	-	57,920	71,321	81%	92%	
Preservation of District's Capital Assets	46,972	-	46,972	46,900	100%	92%	
	854,442	-	854,442	1,261,956	68%	92%	
Capital Improvement & Expenditures							
Downtown Feels Safe & Comfortable	-	187,868	187,868	231,700	81%	92%	
Public Realm is Charming, Inviting & Beautiful	-	349,076	349,076	1,210,000	29%	92%	8
Accessible to Region & Easy to Get Around	-	14,247	14,247	750,000	2%	92%	9
Vibrant, Sustainable Mixed-Use Place	-	62,575	62,575	338,214	19%	92%	10
Downtown's Vision & Offering Understood By All	-	-	-	-	N/A	92%	
Capital Replacement Expenditure	-	119,986	119,986	256,000	47%	92%	11
	-	733,752	733,752	2,785,914	26%	92%	
Total Expenses	**15,156,036**	**733,752**	**15,889,788**	**22,814,186**	70%	92%	
Depreciation Expense	83,763	0	83,763	150,846	56%	92%	12
Fund Balance Allocation				3,101,459			
Excess of Revenue Over Expenses GAAP Basis	**2,409,762**	**636,342**	**3,046,104**	**-**			

Houston Downtown Management District
Statement of Activities
For the period ended November 2024, and November 2023

	Operating YTD Actual	Capital YTD Actual	2024 Total YTD Actual	2023 Total YTD Actual	Fav (Unfav) Variance	% Var
Revenue						
Assessment Revenue	15,966,524	1,205,021	17,171,545	16,910,573	260,972	N/A
Operations Revenue	727,115	-	727,115	631,088	96,027	15%
Project Revenue	199,915	-	199,915	195,839	4,076	2%
Other Income	99,400	-	99,400	21,038	78,363	372%
Interest Income	656,606	165,074	821,680	755,040	66,640	9%
Total Revenues	**$ 17,649,560**	**$ 1,370,095**	**$ 19,019,655**	**$ 18,513,578**	**$ 506,077**	**3%**
Expenses						
Downtown Feels Safe & Comfortable at All Times						
Collaboration to Maintain Low Crime Rate	2,901,599	-	2,901,599	2,486,112	(56,753)	-2%
Reduced Presence of Homeless & Street Persons	897,390	-	897,390	752,112	(145,278)	-19%
Downtown Sidewalks are Comfortably Lighted	165,675	-	165,675	162,370	(3,306)	-2%
Downtown Clean & Well-Kept Appearance	4,267,916	-	4,267,916	4,514,474	246,558	5%
Remove Signs of Disorder in Downtown	64,232	-	64,232	78,388	14,156	18%
Prepare for Emergencies	459,102	-	459,102	111,621	(347,481)	-311%
	8,755,914	-	8,755,914	8,105,077	(650,837)	-8%
Public Realm is Charming, Inviting, Beautiful & Celebrates the Life of the City						
Key Pedestrian Streets are Inviting	435,937	-	435,937	453,076	17,139	4%
Public Spaces Managed, Programmed, & Delightful	1,717,500	-	1,717,500	1,544,980	(172,520)	-11%
Place of Civic Celebration	910,304	-	910,304	1,410,013	499,709	35%
	3,063,742	-	3,063,742	3,408,069	344,328	10%
Accessible to Region & E asy to Get Around						
Effective Transit Access More Places, More Hours	18,293	-	18,293	26,346	8,052	31%
Convenient Circulation Without Personal Vehicle	-	-	-	-	-	N/A
Easy to Find Way Around	88,767	-	88,767	58,691	(30,076)	-51%
Connect Neighborhoods & Districts Inside/Outside Downtown	58,593	-	58,593	110,327	51,733	47%
Convenient, Understandable & Managed Parking	11,709	-	11,709	7,652	(4,056)	-53%
	177,362	-	177,362	203,015	25,653	13%
Vibrant, Sustainable Mixed-Use Place						
Best Place to Work in Region	309,220	-	309,220	267,056	(42,164)	-16%
Exciting Neighborhoods to Live In	752,540	-	752,540	783,112	30,572	4%
Competitive Shopping Place	16,928	-	16,928	22,544	5,616	25%
Remarkable Destination for Visitors	15,689	-	15,689	14,940	(749)	-5%
	1,094,377	-	1,094,377	1,087,652	(6,725)	-1%
Downtown's Vision & Offering Understood By All						
Market to Region	596,881	-	596,881	683,375	86,494	13%
Promote Downtown's Ease of Use	88,611	-	88,611	97,737	9,126	9%
Vision/Development Framework Understood By All	478,576	-	478,576	589,330	110,755	19%
Tools to Assist Continued Redevelopment	24,876	-	24,876	24,871	(5)	0%
Develop & Main Information to Support Downtown	21,256	-	21,256	24,289	3,033	12%
	1,210,199	-	1,210,199	1,419,603	209,404	15%
District Governance & Service Known for Excellence						
Engage Stakeholders in Decision Making	749,550	-	749,550	702,872	(46,678)	-7%
Communications to Owners, Tenants & Others	57,920	-	57,920	53,165	(4,754)	-9%
Preservation of District's Capital Assets	46,972	-	46,972	44,561	(2,412)	-5%
	854,442	-	854,442	800,598	(53,844)	-7%
Capital Improvement & Expenditures						
Downtown Feels Safe & Comfortable	-	187,868	187,868	209,034	21,165	10%
Public Realm is Charming, Inviting & Beautiful	-	349,076	349,076	204,341	(144,735)	-71%
Accessible to Region & Easy to Get Around	-	14,247	14,247	545,610	531,363	97%
Vibrant, Sustainable Mixed-Use Place	-	62,575	62,575	67,133	4,558	7%
Downtown's Vision & Offering Understood By All	-	-	-	-	-	N/A
Capital Replacement Expenditure	-	119,986	119,986	93,988	(25,998)	-28%
	-	733,752	733,752	1,120,106	386,353	34%
Total Expenses	**15,156,036**	**733,752**	**15,889,788**	**16,144,120**	**254,332**	**2%**
Depreciation Expense	83,763	0	83,763	83,753	(9)	0%
Excess of Revenue Over Expenses GAAP Basis	**2,409,762**	**636,342**	**3,046,104**	**2,285,705**	**760,400**	**33%**

Houston Downtown Management District
Budget Notes
For the Eleven Months Ended November 30, 2024

Revenue

1) The board approved an annual assessment rate of 14.25 cents per $100 value in property on an assessed value of $13.8 billion. Total assessments billed were $19.6 million. With $2.4 million allocated to reserves, total revenue booked was $17.1 million, $260,000 better than planned.

2) FEMA provided a $79K reimbursement for the emergency response services for Beryl. Total anticipated reimbursement is $220K

Operating Budget

Expenses

3) Goal 1b-Reduced Presence of Homeless & Street Persons-The allocated budget for homeless outreach programs will be utilized before the end of 2024.

4) Goal 1f-Prepare for Emergencies-Exceeded budget due to the unanticipated emergency response required to clean up Downtown after both the May 16 derecho storm and Hurricane Beryl. The storm expenses are being funded by the Board Designated Reserve Fund allocated for emergency expenditures. The District is working with FEMA on getting reimbursement for some of the costs. Tree Planting also began in November at a cost of $22K.

5) Goal 2c-Place of Civic Celebration - The allocated budget will be utilized before the end of 2024 with payments for Holiday Logistics and Installation, Art and Holiday Programming, Banner, Pole and Pot Maintenance, and Allen Parkway Maintenance.

6) Goal 3a-Effective Transit Access More Places-Below budget ($150K) due to the Fort Bend County Park and Ride not requesting the allocated funds. Services had been suspended in prior years and the funding the District initially provided is still available for their use.

7) Goal 5a-Market to Region-The allocated funding will be utilized by the end of 2024 for the Market at Trebly Park and advertising support for the Holidays.

Capital Budget

8) Public Realm Is Charming - The allocated budget will be utilized before the end of 2024 for the design and production of Holiday Banners, the Urban Canopy and Park Improvements. Unused funds committed for the Lighting Plan Implementation, the Storefront/Streetscape Activation and Improved Pedestrian Connection Plan will be included in the 2025 budget.

9) Accessible to Entire Region - The allocated budget is a contingency for the Southeast Sidewalks TxDOT. The District anticipates that TxDot will settle the balance below budget and in the last quarter of the year.

10) Vibrant Sustainable Mixed-Use Place - The allocated budget is for grants to the Downtown Living Initiative program. Requests for the grants are pending due to properties disputing property values. When they are settled, payments will be issued.

11) District Governance - The allocated budget is for Capital Replacement expenditures which includes unanticipated maintenance and repairs throughout Downtown. These types of maintenance and repairs of been delayed due to the two storms that occurred in May and July.

12) Depreciation - the allocated budget included the Capital depreciation of the banners for the full year of 2024. The banners will not be added to our fixed assets until late 2024.

District--HDMD and Funds
Check register
November 2024

Bank	Date	Vendor	Amount
HDMD Operating	**Account no: 1890323643**		
	11/1/2024	VEN-00688--14420 JCRO LLC	7.72
	11/1/2024	VEN-00601--PAPPAS RESTAURANTS INC	165.27
	11/1/2024	VEN-00693--ROBERT OR HELENA WILLIAMS	217.46
	11/1/2024	VEN-00692--JEFFERSON SMITH LLC	5,718.17
	11/1/2024	VEN-00626--Camden Property Trust	9,410.29
	11/1/2024	VEN-00691--CENTERPOINT ENERGY HOU ELE	9,767.33
	11/1/2024	VEN-00694--SWVP HOUSTON HOTEL LLC	11,592.03
	11/1/2024	VEN-00618--HM Market Square, LLC	44,618.19
	11/1/2024	VEN-00689--BLOCK 42 OWNER LLC	84,710.14
	11/1/2024	VEN-00690--CHEVRON USA INC	110,798.63
	11/5/2024	VEN-00126--Keith Gould	56.08
	11/5/2024	VEN-00402--Central City Co-Op	150.00
	11/5/2024	VEN-00113--Jana Gunter	250.00
	11/5/2024	VEN-00502--John Mills-McCoin	250.00
	11/5/2024	VEN-00530--Antoine Holmes	260.00
	11/5/2024	VEN-00614--CARLOS BARRERA	260.00
	11/5/2024	VEN-00569--Christina LaFour	260.00
	11/5/2024	VEN-00517--Franklin Burnett	260.00
	11/5/2024	VEN-00527--Jacob Pena	260.00
	11/5/2024	VEN-00528--JOELL MATHEWS	260.00
	11/5/2024	VEN-00523--Marcus Labbe	260.00
	11/5/2024	VEN-00604--Nancy Jones	260.00
	11/5/2024	VEN-00439--1st Response Medic Services	384.00
	11/5/2024	VEN-00557--Lila Vaughn	440.00
	11/5/2024	VEN-00665--Richard Berrios	440.00
	11/5/2024	VEN-00212--Ronald Cooks	440.00
	11/5/2024	VEN-00526--Charles Franklin	520.00
	11/5/2024	VEN-00519--David Russell	520.00
	11/5/2024	VEN-00532--Ivan Sosa-Castillo	520.00
	11/5/2024	VEN-00595--Joe O'Neal	520.00
	11/5/2024	VEN-00081--Hamilton Plumbing Services	545.00
	11/5/2024	VEN-00520--Jennifer Kennedy	668.00
	11/5/2024	VEN-00440--Fastlane Services	750.00
	11/5/2024	VEN-00525--Brandon Kpotie	780.00
	11/5/2024	VEN-00529--Moises Alfaro	780.00
	11/5/2024	VEN-00217--Sabrina Naulings	880.00

District--HDMD and Funds
Check register
November 2024

Bank	Date	Vendor	Amount
	11/5/2024	VEN-00044--Crest Printing	1,195.00
	11/5/2024	VEN-00506--601 JEFFERSON TOWER (TX) LLC	1,481.83
	11/5/2024	VEN-00251--Texas Outhouse	1,566.26
	11/5/2024	VEN-00372--Coopwoods Air Conditioning Inc.	1,702.01
	11/5/2024	VEN-00447--Jordan Dunn-Ridgill	2,000.00
	11/5/2024	VEN-00322--COLOR SPECIALIST LANDSCAPING, INC	2,923.90
	11/5/2024	VEN-00305--Young Audiences, Inc. of Houston	3,070.00
	11/5/2024	VEN-00408--Avalon Music	7,650.00
	11/5/2024	VEN-00393--CKP Communications Group LLC	9,950.00
	11/5/2024	VEN-00504--Today's Landscape	23,542.64
	11/5/2024	VEN-00219--Seal Security Solutions, LLC	31,392.00
	11/5/2024	VEN-00324--Associated Landscape Services LLC	32,516.93
	11/5/2024	VEN-00174--Neon Electric Corporation	45,589.00
	11/5/2024	VEN-00666--Gehl Studio Inc.	135,670.91
	11/6/2024	VEN-00672--416 MAIN LLC	79.50
	11/6/2024	VEN-00682--HUGH OR BARBARA CARMICHAEL	212.00
	11/6/2024	VEN-00670--BLOCK 9 LTD	331.97
	11/6/2024	VEN-00673--HYCO INDUSTRIAL LTD	344.83
	11/6/2024	VEN-00486--First Date LLC	380.54
	11/6/2024	VEN-00601--PAPPAS RESTAURANTS INC	457.00
	11/6/2024	VEN-00683--HDT HOTELS LLC	1,125.64
	11/6/2024	VEN-00676--M2 HOUSTON DOWNTOWN LLC	2,259.44
	11/6/2024	VEN-00675--FANNIN & RUSK ASSOC LP	3,200.76
	11/6/2024	VEN-00671--FKM PARTNERSHIP LTD	3,545.31
	11/6/2024	VEN-00681--AT&T COMMUNICATIONS TX LTD	3,589.37
	11/6/2024	VEN-00679--1200 LOUISIANA LLC	5,351.69
	11/6/2024	VEN-00680--WFP LOT 298 LLC	5,718.02
	11/6/2024	VEN-00622--SPUS9 HSTN North Tower, LP	7,425.00
	11/6/2024	VEN-00669--EPD BUILDING, LLC	7,874.37
	11/6/2024	VEN-00674--GALIUM RICE LLC	10,600.00
	11/6/2024	VEN-00289--UTS, LLC	11,083.18
	11/6/2024	VEN-00620--SPUS9 HSTN South Tower, LP	15,196.13
	11/6/2024	VEN-00668--THE GIBBS FIRM	16,347.03
	11/6/2024	VEN-00625--Finger FSC Crawford, Ltd	27,534.51
	11/6/2024	VEN-00637--CENTERPOINT ENERGY PROPERTIES INC	48,418.38
	11/6/2024	VEN-00677--FC TOWER PROPERTY PARTNERS, LP	67,746.26
	11/6/2024	VEN-00678--1000 LOUISIANA LP	96,989.67

District--HDMD and Funds
Check register
November 2024

Bank	Date	Vendor	Amount
	11/15/2024	VEN-00179--Orkin	66.00
	11/15/2024	VEN-00302--Westpark Communications, L.P.	69.00
	11/15/2024	VEN-00318--STERLING EXPRESS SERVICES	79.00
	11/15/2024	VEN-00331--CITY OF HOUSTON-HPARD	145.75
	11/15/2024	VEN-00185--Pfeiffer & Son, LTD.	170.00
	11/15/2024	VEN-00169--Montalbano Lumber	194.14
	11/15/2024	VEN-00569--Christina LaFour	260.00
	11/15/2024	VEN-00519--David Russell	260.00
	11/15/2024	VEN-00517--Franklin Burnett	260.00
	11/15/2024	VEN-00532--Ivan Sosa-Castillo	260.00
	11/15/2024	VEN-00527--Jacob Pena	260.00
	11/15/2024	VEN-00595--Joe O'Neal	260.00
	11/15/2024	VEN-00528--JOELL MATHEWS	260.00
	11/15/2024	VEN-00279--TXU Energy	269.35
	11/15/2024	VEN-00380--ABC Home & Commercial services	424.00
	11/15/2024	VEN-00086--Home Depot Credit Services	472.90
	11/15/2024	VEN-00530--Antoine Holmes	520.00
	11/15/2024	VEN-00523--Marcus Labbe	520.00
	11/15/2024	VEN-00403--AARON HERNANDEZ	539.36
	11/15/2024	VEN-00408--Avalon Music	550.00
	11/15/2024	VEN-00251--Texas Outhouse	593.60
	11/15/2024	VEN-00685--Juniper Jairala	600.00
	11/15/2024	VEN-00354--BERNARD SIMIEN	660.00
	11/15/2024	VEN-00684--Edgar Gomez	660.00
	11/15/2024	VEN-00686--MELISSA OQUENDO	660.00
	11/15/2024	VEN-00290--Verizon Wireless	667.60
	11/15/2024	VEN-00520--Jennifer Kennedy	718.00
	11/15/2024	VEN-00525--Brandon Kpotie	780.00
	11/15/2024	VEN-00614--CARLOS BARRERA	780.00
	11/15/2024	VEN-00526--Charles Franklin	780.00
	11/15/2024	VEN-00529--Moises Alfaro	780.00
	11/15/2024	VEN-00610--DalfyMedia LLC	1,295.00
	11/15/2024	VEN-00182--PartyPerks	1,500.00
	11/15/2024	VEN-00404--AT&T	1,522.20
	11/15/2024	VEN-00200--Raffle Parking Company	1,800.00
	11/15/2024	VEN-00146--Lincoln Colwell	1,930.00
	11/15/2024	VEN-00259--The Davey Tree Expert Company	2,000.00

District--HDMD and Funds
Check register
November 2024

Bank	Date	Vendor	Amount
	11/15/2024	VEN-00039--Cold Creek Productions	2,100.00
	11/15/2024	VEN-00259--The Davey Tree Expert Company	2,200.00
	11/15/2024	VEN-00271--Touch Agree Property	2,547.20
	11/15/2024	VEN-00082--Hardy & Hardy	3,550.00
	11/15/2024	VEN-00369--Environmental Design INC	3,950.00
	11/15/2024	VEN-00016--Bartlett Tree Experts	4,250.00
	11/15/2024	VEN-00192--Power Pest Corp dba Texas Bird Services	7,820.00
	11/15/2024	VEN-00102--Incontrol Construction LLC	9,629.64
	11/15/2024	VEN-00376--INCONTROL water systems	9,629.64
	11/15/2024	VEN-00083--Harris County Treasurer	10,342.00
	11/15/2024	VEN-00323--Gulf Coast Pavers, Inc	39,600.00
	11/15/2024	VEN-00607--One Experiential	69,125.50
	11/15/2024	VEN-00321--BLOCK BY BLOCK	327,884.24
	11/20/2024	VEN-00380--ABC Home & Commercial services	145.00
	11/20/2024	VEN-00534--Vestis Group, Inc	203.49
	11/20/2024	VEN-00614--CARLOS BARRERA	260.00
	11/20/2024	VEN-00517--Franklin Burnett	260.00
	11/20/2024	VEN-00527--Jacob Pena	260.00
	11/20/2024	VEN-00528--JOELL MATHEWS	260.00
	11/20/2024	VEN-00523--Marcus Labbe	260.00
	11/20/2024	VEN-00604--Nancy Jones	260.00
	11/20/2024	VEN-00109--Jacque Gonzalez-Garcia	377.42
	11/20/2024	VEN-00526--Charles Franklin	520.00
	11/20/2024	VEN-00519--David Russell	520.00
	11/20/2024	VEN-00532--Ivan Sosa-Castillo	520.00
	11/20/2024	VEN-00595--Joe O'Neal	520.00
	11/20/2024	VEN-00525--Brandon Kpotie	552.50
	11/20/2024	VEN-00520--Jennifer Kennedy	697.25
	11/20/2024	VEN-00530--Antoine Holmes	780.00
	11/20/2024	VEN-00276--Trik Motorsports	957.81
	11/20/2024	VEN-00044--Crest Printing	1,040.00
	11/20/2024	VEN-00529--Moises Alfaro	1,040.00
	11/20/2024	VEN-00114--Jenna Beasley	1,155.35
	11/20/2024	VEN-00498--Clint Self	1,203.82
	11/20/2024	VEN-00056--Egidio Narvaez Photographer	1,750.00
	11/20/2024	VEN-00271--Touch Agree Property	2,547.20
	11/20/2024	VEN-00445--TALON CONSTRUCTION LLC	3,800.00

District--HDMD and Funds
Check register
November 2024

Bank	Date	Vendor	Amount
	11/20/2024	VEN-00339--All American Poly	9,578.40
	11/20/2024	VEN-00021--Bracewell	11,306.25
	11/20/2024	VEN-00320--Clutch Consulting Group LLC	11,550.00
	11/20/2024	VEN-00324--Associated Landscape Services LLC	20,880.20
	11/20/2024	VEN-00219--Seal Security Solutions, LLC	116,593.44
	11/25/2024	VEN-00169--Montalbano Lumber	22.64
	11/25/2024	VEN-00302--Westpark Communications, L.P.	113.18
	11/25/2024	VEN-00530--Antoine Holmes	260.00
	11/25/2024	VEN-00614--CARLOS BARRERA	260.00
	11/25/2024	VEN-00569--Christina LaFour	260.00
	11/25/2024	VEN-00517--Franklin Burnett	260.00
	11/25/2024	VEN-00528--JOELL MATHEWS	260.00
	11/25/2024	VEN-00372--Coopwoods Air Conditioning Inc.	265.00
	11/25/2024	VEN-00627--Brenson York	440.00
	11/25/2024	VEN-00557--Lila Vaughn	440.00
	11/25/2024	VEN-00217--Sabrina Naulings	440.00
	11/25/2024	VEN-00525--Brandon Kpotie	520.00
	11/25/2024	VEN-00526--Charles Franklin	520.00
	11/25/2024	VEN-00519--David Russell	520.00
	11/25/2024	VEN-00532--Ivan Sosa-Castillo	520.00
	11/25/2024	VEN-00410--CASSANDRA HOEPRICH	546.38
	11/25/2024	VEN-00520--Jennifer Kennedy	590.00
	11/25/2024	VEN-00523--Marcus Labbe	780.00
	11/25/2024	VEN-00529--Moises Alfaro	780.00
	11/25/2024	VEN-00102--Incontrol Construction LLC	880.00
	11/25/2024	VEN-00251--Texas Outhouse	1,004.31
	11/25/2024	VEN-00212--Ronald Cooks	1,320.00
	11/25/2024	VEN-00374--CoStar Realty Information, Inc.	1,614.60
	11/25/2024	VEN-00408--Avalon Music	1,800.00
	11/25/2024	VEN-00044--Crest Printing	3,024.00
	11/25/2024	VEN-00610--DalfyMedia LLC	3,100.00
	11/25/2024	VEN-00425--Centra 417 San Jacinto LLC	3,125.00
	11/25/2024	VEN-00299--We 68 LLC	4,586.04
	11/25/2024	VEN-00056--Egidio Narvaez Photographer	4,600.00
	11/25/2024	VEN-00259--The Davey Tree Expert Company	4,800.00
	11/25/2024	VEN-00320--Clutch Consulting Group LLC	5,425.00
	11/25/2024	VEN-00279--TXU Energy	7,492.13

District--HDMD and Funds
Check register
November 2024

Bank	Date	Vendor	Amount
	11/25/2024	VEN-00185--Pfeiffer & Son, LTD.	9,078.56
	11/25/2024	VEN-00695--Engage by Cell	10,000.00
	11/25/2024	VEN-00083--Harris County Treasurer	10,342.00
	11/25/2024	VEN-00182--PartyPerks	10,699.00
	11/25/2024	VEN-00220--SEARCH Homeless Services	10,852.32
	11/25/2024	VEN-00424--HOUSTON CITY TOURS LLC	13,000.00
	11/25/2024	VEN-00247--Synlawn Houston	13,308.97
	11/25/2024	VEN-00467--Premier Sound and Lighting of Houston	14,500.00
	11/25/2024	VEN-00393--CKP Communications Group LLC	14,692.00
	11/25/2024	VEN-00497--BIII GStreet LLC	21,007.05
	11/25/2024	VEN-00537--LANDSCAPE ART	22,498.85
	11/25/2024	VEN-00696--THE SLATE GROUP	24,652.80
	11/25/2024	VEN-00229--Special Events Houston	24,675.00
Total for HDMD Operating 3643			**1,879,906.47**

Bank	Date	Vendor	Amount
HDMD Capital	**Account no: 1890323635**		
	11/5/2024	VEN-00562--GENSLER	31,950.00
	11/5/2024	VEN-00174--Neon Electric Corporation	1,856.00
	11/5/2024	VEN-00504--Today's Landscape	1,852.50
	11/20/2024	VEN-00562--GENSLER	17,325.00
	11/20/2024	VEN-00562--GENSLER	13,725.00
	11/20/2024	VEN-00174--Neon Electric Corporation	2,853.00
	11/20/2024	VEN-00174--Neon Electric Corporation	3,192.00
	11/25/2024	VEN-00562--GENSLER	2,026.59
	11/25/2024	VEN-00147--Lone Star Flags	71,360.00
Total for HDMD Capital x3635			**146,140.09**

Houston Downtown Management District

Disadvantaged Business Enterprise Program (DBE) Activity Report

Reporting Period: **1/1/2024 - 9/30/2024**

	2024			2023		
	Operating	**Capital**	**Total**	**Operating**	**Capital**	**Total**
Total Certified MWBE	$ 1,863,577	$ 95,301	$ 1,958,878	$ 1,838,761	$ 15,969	$ 1,854,730
Adjusted Total Spending	$ 12,256,594	$ 565,372	$ 12,821,966	$ 11,605,592	$ 867,685	$ 12,473,277
Less Qualified for Exclusion	$ (4,532,621)	$ -	$ (4,532,621)	$ (6,253,147)	$ (362,259)	$ (6,615,406)
Qualifying Total Spending	$ 7,723,973	$ 565,372	$ 8,289,345	$ 5,352,445	$ 505,426	$ 5,857,871
%MWBE Certified	24.1%	16.9%	23.6%	34.4%	3.2%	31.7%
Total Self-Certified MWBE	$ 200,775	$ 36,757	$ 237,532	$ 89,950	$ -	$ 89,950
% Certified + Self-Certified	26.7%	23.4%	26.5%	36.0%	3.2%	33.2%

AMENDMENT TO INFORMATION FORM OF
HOUSTON DOWNTOWN MANAGEMENT DISTRICT

THE STATE OF TEXAS §
§
COUNTY OF HARRIS §

We, the undersigned, constituting a majority of the members of the Board of Directors of Houston Downtown Management District (the "District"), do hereby make, execute and affirm this Amended Information Form in compliance with TEXAS WATER CODE § 49.455 and TEXAS ADMIN. CODE §293.92. We do hereby certify as follows:

1. The most recent rate of the assessment levied by the District on property within the District is $0.1425 per $100 of assessed valuation.

2. The form Notice to Purchasers required by Texas Water Code, Section 49.452, to be furnished by a seller to a purchaser of real property in the District is attached hereto as Exhibit A and incorporated herein for all purposes.

IN WITNESS WHEREOF on this 12th day of December 2024.

______________________________	______________________________
______________________________	______________________________
______________________________	______________________________
______________________________	______________________________
______________________________	______________________________
______________________________	______________________________

THE STATE OF TEXAS §
§
COUNTY OF HARRIS §

BEFORE ME, the undersigned, a Notary Public, on this day personally appeared ____ ____ known to me to be the persons and officers whose names are subscribed to the foregoing instrument and affirmed and acknowledged that said instrument is correct and accurate to the best of their knowledge and belief, and that they executed the same for the purposes and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 12th day of December 2024.

____
Notary Public, State of Texas

(SEAL)

After recording, return to: Jamie Perkins at Houston Downtown Management District, 1221 McKinney St., Suite 4250 Houston, TX 77010.

EXHIBIT A

NOTICE TO PURCHASERS

The real property, described below, that you are about to purchase is located in the Houston Downtown Management District (the "District"). The District has taxing authority separate from any other taxing authority, and may, subject to voter approval, issue an unlimited amount of bonds and levy an unlimited rate of tax in payment of such bonds. As of this date, the rate of taxes levied by the District on real property located in the District is $0.1425 on each $100 of assessed valuation. The total amount of bonds, excluding refunding bonds and any bonds or any portion of bonds issued that are payable solely from revenues received or expected to be received under a contract with a governmental entity, approved by the voters and which have been or may, at this date, be issued is $__0__, and the aggregate initial principal amount of all bonds issued for one or more of the specified facilities of the District and payable in whole or in part from property taxes is $__0__.

The District has the authority to adopt and impose a standby fee on property in the District that has water, sanitary sewer, or drainage facilities and services available but not connected and which does not have a house, building, or other improvement located thereon and does not substantially utilize the utility capacity available to the property. The District may exercise the authority without holding an election on the matter. As of this date, the most recent amount of the standby fee is $__0__. An unpaid standby fee is a personal obligation of the person that owned the property at the time of imposition and is secured by a lien on the property. Any person may request a certificate from the District stating the amount, if any, of unpaid standby fees on a tract of property in the District.

The District has the authority to levy an assessment on property within the District. The District may exercise this authority without holding an election on the matter. As of this date, the amount of the assessment is $0.1425 ($0.1325 for services and minor capital improvements and $.01 for major capital improvements) per $100 of valuation for the real property and any improvements thereon, as reflected on the tax rolls of the Harris County Appraisal District for 2024, in the District, in accordance with the provisions of the District's Service Plan, adopted on November 12, 2020.

The District is located in whole or in part within the corporate boundaries of the City of Houston. The taxpayers of the District are subject to the taxes imposed by the municipality and assessments or taxes imposed by the District until the District is dissolved. By law, a district located within the corporate boundaries of a municipality may be dissolved by municipal ordinance without the consent of the district or the voters of the district.

The purpose of this District is to promote, develop, encourage and maintain employment, commerce, transportation, housing, tourism, recreation, arts, entertainment, economic development, safety and public welfare. The cost of these services and improvements is not included in the purchase price of your property.

The legal description of the property you are acquiring is as follows:

(legal description of property attached as Attachment A)

SELLER:

______________________________ ______________________________

(Date) Signature of Seller

PURCHASER IS ADVISED THAT THE INFORMATION SHOWN ON THIS FORM IS SUBJECT TO CHANGE BY THE DISTRICT AT ANY TIME. THE DISTRICT ROUTINELY ESTABLISHES ASSESSMENT RATES DURING THE MONTHS OF SEPTEMBER THROUGH DECEMBER OF EACH YEAR, EFFECTIVE FOR THE UPCOMING YEAR. PURCHASER IS ADVISED TO CONTACT THE DISTRICT TO DETERMINE THE STATUS OF ANY CURRENT OR PROPOSED CHANGES TO THE INFORMATION SHOWN ON THIS FORM.

The undersigned purchaser hereby acknowledges receipt of the foregoing notice at or prior to execution of a binding contract for the purchase of the real property described in such notice or at closing of purchase of the real property.

PURCHASER:

______________________________ ______________________________

(Date) Signature of Purchaser

(APPROPRIATE ACKNOWLEDGMENTS)

NOTE: After recording, please return to:

____

____

____

____

ATTACHMENT A

Legal Description of Property

MEMORANDUM
December 12, 2024

To: Board of Directors
Houston Downtown Management District

From: Kristopher Larson, AICP, LPM

Re: 2025 Budget Assumptions

Revenue

On October 27, 2020, a virtual format Public Hearing was conducted for the purpose of giving testimony regarding the details and benefits to property owners of the District's 2021-2025 Service and Improvement Plan. As a result of the hearing, the Plan came before the Board of Directors on November 20, 2020, and was adopted. The new Plan called for total spending of $100.3 million over the five-year period, divided into $93.8 million for operations and $6.5 million for capital improvements at a maximum rate of 15 cents per $100 of assessed value. The District has changed its method of assessment to measure property values annually based on the HCAD property values in each year of the Plan and the Board of Directors will set the assessment rate annually, subject to the maximum rate cap. In addition, the new Plan calls for approximately $1 million of the surplus fund balance to be utilized in each of the five years.

The 2025 budget was prepared using the six goals outlined in the 2021-2025 Service and Improvement Plan and is similar in scope to the budget adopted for 2024. The draft budget prepared for your review reflects an assessment rate increase of 1.00 cent. The increase results in 14.25 cents per $100 of assessed value, with the split of 13.25 cents to operating expenditures and 1 cent to capital improvements. The District has provided for potential valuation adjustments achieved through protests/litigation of approximately $2.4 million which assumes a 12.4% loss rate on those properties currently in dispute. We project net assessment revenue to be $17.1 million for 2025.

The status of properties in litigation continues to be significant. For tax year 2024, approximately $12.0 billion, or nearly 84% of the property value in downtown, is under protest. For tax year 2023, $1.1M in refunds have been issued, $166K more than what was issued during 2023 for tax year 2022. We will add $2.4 million to the reserves to take care of the protests for tax year 2024, for a total reserve for protests balance of $3.1 million. We will continue to monitor the litigation status each month and will increase or decrease the reserve as appropriate to provide for assessment refunds.

In addition to the assessment revenue, the District expects to receive the following other sources of revenue: $225K from the trash subscription program, $297K from METRO bus shelter cleaning, $279K from METRO rail platform cleaning, $70K from Main Street fountain maintenance reimbursements, $187K from Cotswold fountain maintenance reimbursements by Houston First, $90K from Tout Suite for rent and utilities at Trebly Park, $150K reimbursement from Downtown Redevelopment Authority for Allen Parkway maintenance and $4K reimbursement from Buffalo Bayou Park for irrigation. Total partner funding equals $1.7 million. Other income budgeted includes Field Guide Ads, 3rd Party Activations and Sponsorships for a total of $228K and FEMA reimbursements of $220K for expenses associated with the Beryl and derecho storms emergency response and root ball removal. Interest income is forecasted to be $633K. We anticipate utilizing the $1.650 million of the carryover fund balance to balance the budget.

Total sources of revenue for 2025 are $20.8 million ($3.1 million higher than 2024 projected revenue) on a total property valuation of $13.8 billion.

Process

The 2025 budget represents the fifth year of the current Plan and addresses the priorities discussed with stakeholders during the Service and Improvement Plan development.

During the month of October 2024, the District conducted two work sessions with the Board to review priorities. Feedback from those meetings is incorporated into the 2025 budget.

Expenditures

Highlights of the 2025 budget include:

Public Safety

Public Safety includes 30 guides and supervision to meet the deployment needs throughout downtown and Discovery Green. The total budget for public safety guides is $2.5 million. The service contract was bid in 2021 and awarded to Block by Block. The budget has increased $253K due to Block by Block's ongoing efforts to raise wages to support a "living wage" and maintain an adequate level of staff and $118K is attributed to the expansion of services to patrol Discovery Green which is reimbursed by Discovery Green.

The number of Off-Duty HPD Officers has been set at 2 full-time equivalent positions. This allows four-hour shifts of 2 officers, seven days a week. The District has moved all but 3 officers to contract expense from admin contractor expense for a total of $379K.

To supplement the Off-Duty Officers and provide coverage for late night downtown activities, the District entered into a contract for private security officers with S.E.A.L. Security. Two officers with a patrol car are assigned to four different shifts providing coverage 24 hours a day, seven days a week. Dedicated walking patrols cover Main Street and the Historic District in addition to patrols in marked vehicles throughout downtown. The total budget for S.E.A.L. security is $1.4M up from the 2024 budget of $965K due to an expansion of services into Discovery Green. $470K is reimbursed by Discovery Green.

The total 2025 budget for Public Safety is $4.5M.

Homelessness

The District currently contracts with SEARCH for an Outreach Coordinator, Peer Specialist and Case Manager dedicated to downtown. The District has also engaged Harris Center to provide a Mental Health Case Manager dedicated to downtown to connect us with direct access to mental health resources, partnered with a Certified Mental Health law enforcement officer to work outreach with the Harris Center team. The intensive case management and collaboration between Harris Center and SEARCH is an approach that is working. In addition, SEARCH is conducting night outreach regularly to better connect with individuals that may be mobile and hard to find during the daytime. Total cost of SEARCH, Harris Center, and the accompanying sheriff in 2025 is $570K. In 2025, the District will continue its Homeless Outreach through funding the Quality-of-Life Response team. The team is made up of six Public Safety guides at a cost of $425K.

During 2023, the District created the Downtown Public Safety office across the street from the Beacon, a facility which provides day services to persons experiencing homelessness. The Downtown Public Safety office provides additional oversight and houses staff from the Harris Center, Sheriff Deputy, Quality of Life Team, and "hot coffee" for HPD. Since the satellite public safety center's opening, the Beacon's surroundings have become much safer.

The total 2024 budget for Homeless Initiatives is $1.1 million. It also includes rent and utilities for the Downtown Public Safety office of $61K.

Street Lighting

The total 2025 budget for lighting enhancements is $185K. These expenditures include the one-time annual payment to the City of Houston for upgraded light levels, the ongoing electrical maintenance, and monthly bills of our electrical amenities.

Street Team

The 2025 budget provides funding for the cleaning associates, an operations manager, a full-time maintenance technician, a dispatcher, a training coordinator, a supervisor, and team leaders. The total budget for Street Teams and equipment (contracted through Block by Block) is $2.8 million, up from $2.3 million in 2024. In addition to adding expanding services to the METRO rail line, contractor Block By Block continues to move towards a livable wage that is increasing costs.

The budget for the trash collection personnel who perform encampment cleanups, trash receptacle tipping and trash bag disposal is $564K which is partially offset by revenue of $225K from the curbside trash program.

METRO reimburses the district a total of $576K offsetting costs in bus stop cleaning, rail platform cleaning and pressure washing.

Paver Repairs

The 2025 budget provides $350K in funding for paver repairs reflecting no increase from 2024. Funding is used to maintain, repair, and replace pavers installed by the many improvement projects downtown and removed by Public Works to make utility repairs. This contract was bid in 2021 and was awarded to Gulf Coast Pavers.

Landscaping, Tree Maintenance and Water

The District has extensive landscaping responsibilities for approximately 2,000 trees throughout downtown and maintenance of ground cover, shrubbery, and fence lines. The cost to maintain these assets is budgeted at $915K, up $40K from the 2024 budget. The contractor and supplies budget increased by $10K to $260K due to increasing costs, the water budget increased by $5K to $280K and irrigation-maintenance and repair increased by $25K to $225K.

Operations Center Facility

During 2018 a 15-year lease was signed for the Operations Center facility at 1313 Main, upgrading the operational capabilities and expanding the space to 12,500 square feet. The

District also utilizes a warehouse for storage of attic stock and equipment near downtown. In 2024, total rent for the facility and the warehouse equals $317K and other facility operating costs are $98K.

Graffiti Removal

Every year the District removes thousands of stickers and graffiti from the public realm of the downtown area. Eliminating this type of urban blight is a key function of the Street Team and $35K is budgeted in 2025 for this effort.

Emergency Planning

The 2025 budget allows for a standby emergency contractor and the District to provide information to the stakeholders for hurricane preparedness and any other type of events that might arise. The budget for emergency planning is $10K.

Public Realm Spaces

Floral displays are beautiful and extensive along Main Street, Dallas Street, Bagby Street, Crawford Island and in the McKinney/Lamar pots. Colors are changed three times a year and supplemental plants are added in the cases where the plants have been damaged. Total budget for floral "around" downtown is $540K reflecting a $10K increase from 2024 budget. This does not include floral plantings in Market Square Park, Main Street Square, or Trebly Park which are included in the maintenance budgets for those areas.

Maintenance costs for Market Square Park, including park attendants, landscaping/floral, maintenance, supplies, kiosk repairs/utilities and programming is $566K for 2025, an increase of $12K due to increasing costs in landscaping, contracting services and utilities. Maintenance costs for Main Street Square including these corresponding categories total $405K, up from $389K in 2023. The District receives reimbursement from the surrounding properties of $70K for fountain maintenance. Maintenance and programming costs for Trebly Park are $461K, up $78K from 2024 due to increased programming and increasing costs in accent plants, contracting services and park repairs. Maintenance costs for the Cotswold fountains in the 2025 budget are $187K which will be fully reimbursed by Houston First.

The cost of the Holiday Décor in 2025 is $700K with no increase from 2024. The decorations will continue to include LED trees, twinkling lights, pole décor and installations at Market Square Park and Trebly Park. The décor will be expanded to Allen's Landing and continue to be installed on Main Street from Polk to Commerce. Total cost of collaborative and holiday programming is $380K.

Banner program costs and pole/pot maintenance are budgeted at $120K, and Allen Parkway maintenance is budgeted at $150K which is reimbursed by the Downtown Redevelopment Authority.

Circulation/Wayfinding

An interlocal agreement signed in 2020 between the District and Fort Bend County provides operating support to a new park and ride service from Ft. Bend County estimated at $150K per year for three years. The launch of this park and ride service is expected to resume in 2025, after being delayed because of COVID, with the bus fleet delivered 3Q-4Q 2023. This program was not funded during 2022, 2023 or 2024. In 2025, $150K is budgeted representing the second payment of three.

We currently have a wayfinding maintenance agreement for the 64 vehicular and 109 pedestrian wayfinding signs and have budgeted $65K for wayfinding system upkeep.

Economic Development

In 2025, the budget is $160K down from $340K in 2024. It includes $20K for Economic Development Reports produced quarterly, and ad-hoc data on Downtown, $50K for Marketing, $20K for Regional Collaboration with the Greater Houston Partnership, and $70K for Reference Material/Research Sources. The 2025 budget also includes $1.1 million for grant payments related to the Downtown Living Initiative. $20K has been budgeted for Residential Programming.

Engagement

The 2025 marketing plan includes opportunities to spotlight appeal aspects of downtown and attract diverse audiences from around the region. It includes $275K for an advertising campaign that includes television spots, digital and social media, and funds for creative & strategy. An additional $165K was allocated to include original video production, promotional items, a field guide, and PR consultants.

The total 2024 marketing budget is $440K down from $615K in 2023.

Planning and Design

The 2025 planning budget is $250K down from $450K in 2024. In 2025 Planning and Design will continue the development work with TxDOT on the NHHIP civic opportunities project ($100K). Fund a public realm action plan implantation: Block-Level Cooling Structures & Landscape Strategy, impactful microclimate investments to cool down important connective and retail-oriented thoroughfares ($100K). Fund Main Street design guidelines: document for fronting properties and storefronts along the new Main Street Promenade to inform their installation and maintenance of outdoor cafes and related amenities; this document will be a part of the City Ordinance for the new Main Street Promenade ($50K).

Governance

District governance includes expenditures for assessment collection, legal, accounting/auditors, administration contractor fees, insurance, District website and administrative personnel. There is no material change in the budget for administration and governance from 2024. The total 2025 budget is $626K. Staffing costs are approximately 15% of total expenditures, equal with 2024.

Overall, total operating expenditures are budgeted at $20.8 million, an increase from the 2024 budget of approximately $652K (3.15%). Operating expenses net of partner funding (funding directed to offset costs of certain expenses) is $18.2M, $891K less than 2024. This reflects the District's desire to work with Discovery Green, METRO, HoustonFirst and other community partners for the betterment of Downtown. It should be noted that the total budgeted 2025 expenditures track very closely with our expectations of total spending on operations approved in the five-year Service and Improvement Plan.

Based on 2024, the expenditure budget for 2025 presents an optimistic outlook with the continued growth in the downtown workforce, business travel, visits to restaurants/bars, arts, sports, and entertainment venues, etc. over the course of the year. However, while the budget is built with a degree of optimism to accomplish a myriad of objectives, the financial position of the District remains strong and provides considerable flexibility to adjust with the ever-changing needs of the district.

Capital Projects

New projects for 2025 are:

Landscape Enhancements – Fence replanting- $58K
Storefront & Streetscape Activation & Improved Pedestrian Connection – $518K
Trebly Park Improvements $64K
Market Square Park Improvements $99K
Paver Attic Stock - $50K

There are carryover projects from 2024 that also have been budgeted for 2025:

Banners - $168K
Lighting Plan Implementation – Mural & Building Façade Grants - $513K
Sidewalk Infill Projects - $207K
Thrive Challenge Grants - $762K
Flock Cameras - $151K

Also included in the capital projects budget is the capital portion of the Downtown Living Initiative grants of $98K, and an allowance for capital replacement expenditures of $266K.

Total capital projects expenditures for 2025 are $2.97 million and we anticipate utilizing the $1.6 million of the carryover fund balance to balance the budget.

<u>Operating Fund Balance</u>

The District has accumulated surplus fund balance through the years driven by conservative revenue assumptions and careful spending. There are a couple of major development projects under construction and the District will have to monitor the number of protests and the decreasing property values for 2025 and beyond. The board designated reserve of $800K included in our fund balance held for catastrophic circumstances was impacted by the restoration costs of two storms, Beryl, and derecho in 2024 by approximately $300K. The District anticipates receiving reimbursement from FEMA of $220K to offset that expense.

Houston Downtown Management District

DRAFT 2025 Operating Budget Summary

	2021-2025 Service Plan Avg. Annual	2024 Budget	2024 Projected	2025 Budget	2025 Budget vs. 2024 Projected	2025 Budget vs. 2024 Budget
Revenues						
Assessment revenue	$17,065,269	$15,634,303	$15,966,524	15,963,351	($3,173)	$329,047
Total Other Revenue	$575,000	$995,000	$1,091,347	$2,519,356	$1,428,009	$1,524,356
Interest	$200,000	$733,000	$642,698	$633,450	($9,248)	($99,550)
Utilization of Surplus Fund Balance	$933,155	$2,769,916		$1,649,793	$1,649,793	($1,120,122)
Total Funds Available	**$18,773,424**	**$20,132,219**	**$17,700,569**	**$20,765,950**	$3,065,381	$633,731
Expenses						
Goal 1. Downtown feels comfortable and safe at all times						
1a. Collaboration to maintain low crime rate	$3,545,000	$3,817,393	$3,477,181	$4,545,784	$1,068,603	$728,391
1b. Reduced presence of homeless & street persons	$1,366,645	$1,467,302	$1,019,305	$1,177,417	$158,112	($289,885)
1c. Downtown's sidewalks are comfortably lighted	$346,917	$229,735	$180,653	$252,526	$71,873	$22,791
1d. Downtown noted for cleanliness and well kept appearance	$4,591,002	$5,347,379	$4,973,825	$6,013,212	$1,039,387	$665,833
1e. Remove conditions of disorder in downtown	$36,794	$70,241	$72,585	$60,906	($11,679)	($9,335)
1f. Prepare for and respond to emergencies	$113,011	$114,365	$468,249	$104,153	($364,096)	($10,212)
Total Goal 1:	**$9,999,369**	**$11,046,414**	**$10,191,798**	**$12,153,998**	$1,962,200	$1,107,584
Goal 2. Public realm is charming, inviting, beautiful and celebrates the life of the city						
2a. Key pedestrian areas are inviting	$633,388	$632,959	$444,517	$645,561	$201,044	$12,602
2b. Public spaces: managed, programmed and delightful	$1,604,230	$1,967,203	$1,901,768	$2,279,119	$377,351	$311,916
2c. Place of civic celebration	$1,325,646	$1,433,214	$1,055,538	$1,341,872	$286,334	($91,342)
Total Goal 2:	**$3,563,264**	**$4,033,377**	**$3,401,823**	**$4,266,553**	$864,730	$233,176
Goal 3. Accessible to region and easy to get around						
3a. Effective transit access: more places, more hours	$179,766	$170,145	$19,972	$178,221	$158,249	$8,076
3b. Convenient circulation without a personal vehicle	$26,282	$0	$0	$0	$0	$0
3c. Easy to find way around	$140,344	$95,000	$92,683	$95,425	$2,742	$425
3d. Connect neighborhoods and districts inside/outside downtown	$31,538	$63,678	$63,900	$64,503	$603	$824
3e. Convenient, understandable and managed parking	$34,166	$12,780	$12,774	$14,740	$1,966	$1,959
Total Goal 3:	**$412,096**	**$341,604**	**$189,329**	**$352,888**	$163,559	$11,284
Goal 4. Vibrant, sustainable mixed use place						
4a. Best place to work in region	$370,893	$535,854	$345,541	$222,196	($123,345)	($313,659)
4b. Exciting neighborhoods to live in	$854,153	$1,087,732	$25,496	$1,156,553	$1,131,057	$68,820
4c. Competitive shopping place	$26,282	$19,202	$18,203	$57,695	$39,492	$38,493
4d. Remarkable destination for visitors	$65,178	$17,316	$17,132	$20,136	$3,004	$2,821
Total Goal 4:	**$1,316,506**	**$1,660,105**	**$406,372**	**$1,456,579**	$1,050,207	($203,525)
Goal 5. Downtown's vision and offerings are understood by all						
5a. Market to region	$1,181,727	$959,323	$676,824	$727,134	$50,310	($232,188)
5b. Promote downtown's ease of use	$52,563	$123,833	$98,931	$84,604	($14,327)	($39,229)
5c. Vision/ development framework understood by all	$1,085,432	$549,768	$503,557	$358,529	($145,028)	($191,239)
5d. Tools to assist continued redevelopment	$84,101	$28,456	$27,247	$46,291	$19,044	$17,835
5e. Information to support development, investment and marketing of downtown	$42,051	$23,438	$23,209	$80,870	$57,661	$57,433
Total Goal 5:	**$2,445,874**	**$1,684,817**	**$1,329,768**	**$1,297,428**	($32,340)	($387,389)
Goal 6. District governance and service known for excellence						
6a. Board and administration: engage stakeholders in decision making	$870,399	$1,143,735	$788,102	$1,001,756	$213,654	($141,980)
6b. Communications to owners, tenants and others	$39,659	$71,321	$63,863	$111,619	$47,756	$40,298
6c. Preservation of the District's capital assets	$126,257	$150,846	$93,532	$125,129	$31,597	($25,717)
Total Goal 6:	**$1,036,315**	**$1,365,903**	**$945,497**	**$1,238,504**	$293,007	($127,399)
Total Expense	$18,773,424	$20,132,219	$16,464,587	$20,765,950	$4,301,363	$633,731
Revenue in Excess (Deficit) Expense	**$0**	**$0**	**$1,235,982**	**$0**	($1,235,982)	$0

Houston Downtown Management District

DRAFT 2025 Operating Budget Summary

Analysis of functional expenses	Out of Pocket Expense	% of Bdgt	Admin Contractor Expense	% of Bdgt	Budget Total	Revenue Partner Funding	Net Expense
Goal 1. Downtown feels safe and comfortable at all times	**$11,406,615**	56.7%	**$747,383**	3.7%	**$12,153,998**	**$1,729,856**	**$10,424,142**
1a Collaboration to maintain low crime rate	4,388,985	21.8%	156,799	0.8%	4,545,784	704,000	3,841,784
Contract labor- public safety guides	2,521,485					117,200	
Off duty + private security	1,867,500					586,800	
1b Reduced presence of homeless & street persons	1,108,400	5.5%	69,017	0.3%	1,177,417	0	1,177,417
Homeless planning and services	1,052,500						
Downtown Safety Office	55,900						
1c Downtown's sidewalks are comfortably lighted	185,000	0.9%	67,526	0.3%	252,526	0	252,526
Street lighting operating charge	55,000						
Utility expense-special lighting/amenities	30,000						
Lighting repair & maintenance	100,000						
1d Downtown noted for cleanliness & well-kept appearance	5,679,230	28.2%	333,982	1.7%	6,013,212	805,540	5,207,672
Contract labor- cleaning	2,958,180						
Contract labor - special events	10,000						
Contract labor- flagging	35,000						
Contract labor- trash collection	460,000					225,300	
Bus stop/rail cleaning	260,000					576,040	
Recycling program	25,000						
Portable restroom servicing	20,000						
Trash bags/truck insurance	78,500						
Rat/bird abatement	76,000						
Landscape contractor	260,000						
Landscape water	280,000						
Tree maintenance contractor	150,000						
Irrigation maintenance & repair contractor	225,000					4,200	
Paver repair contractor	350,000						
Operations center expense	355,000						
Storage yard and warehouse	60,000						
Vehicle & cleaning equipment related expense	76,550						
1e Remove signs of disorder in downtown	35,000	0.2%	25,906	0.1%	60,906	0	60,906
Contract labor-graffiti abatement	35,000						
1f Prepare for emergencies	10,000	0.0%	94,153	0.5%	104,153	220,316	(116,163)
Expense of Emergency Operations Center	10,000					220,316	
Goal 2. Public realm is charming, inviting, beautiful and celebrates the life of the city	**$3,534,075**	17.6%	**$732,478**	3.6%	**$4,266,553**	**$762,000**	**$3,504,553**
2a Key pedestrian streets are inviting	540,000	2.7%	105,561	0.5%	645,561	0	645,561
Contractor floral accent planting and care	540,000						
Vacant space/window activation	0						
2b Public spaces: managed, programmed and delightful	1,869,075	9.3%	410,044	2.0%	2,279,119	612,000	1,667,119
Main Street Square fountain plantings	55,000						
Main Street fountain repairs	70,000						
Main Street Square fountain maintenance	112,000					70,000	
Main Street Square electricity	12,000						
Main Street Square attendant	156,025						
Main Street Square events & programming	0						
Cotswold Fountain Maintenance	112,000					187,000	
Cotswold Fountain Repairs	75,000						
Market Square Park landscaping	110,000						
Market Square Park operations	40,000						
Market Square Park attendant	156,025						
Market Square Park events & programming	125,000						
Market Square Park Farmer's Market	120,000						
Market Square Park kiosk utilities	15,000					65,000	
Trebly Park Accent Plants & Landscape Contractor	33,000						
Trebly Accent Plants - Contractor & Materials	40,000						
Trebly Park Attendant	156,025						
Trebly Park Repairs, Supplies & Misc.	40,000						
Trebly Park - Utilities	45,000					90,000	
Trebly Park Programming and Events	147,000						
Trebly Event Contractor	0						
Collaborate on nonpark based events	225,000						
Event Sponsorship	25,000					200,000	
2c Place of civic celebration	1,125,000	5.6%	216,872	1.1%	1,341,872	150,000	1,191,872
Street banners & pole repair contractor	120,000						
Allen Parkway maintenance	150,000					150,000	
Holiday logistics and installation	700,000						
Holiday season promotion expense	100,000						
Art Program artist fees and installation	40,000						
Art consultant	15,000						
Goal 3. Accessible to entire region all of the time and easy to get around	**$215,000**	1.1%	**$137,888**	0.7%	**$352,888**	**$0**	**$352,888**
3a Effective transit access: more places, more hours	150,000	0.7%	28,221	0.1%	178,221	0	178,221
Ft. Bend Park and Ride	150,000						
3b Convenient circulation without personal vehicle	0	0.0%	0	0.0%	0	0	0
Circulator operation	0						
Consulting to pursue additional transportation funding	0						
3c Easy to find way around	65,000	0.3%	30,425	0.2%	95,425	0	95,425
Wayfinding system maintenance contractor	65,000						

Create and update informational maps	0						
3d Connect neighborhoods and districts inside/ outside downtown	0	0.0%	64,503	0.3%	64,503	0	64,503
Streetscape project coordination	0						
3e Convenient, understandable and managed parking	0		14,740		14,740	0	14,740
Parking program updates	0						
Goal 4. Vibrant, sustainable mixed-use place	**$1,279,500**	6.4%	**$177,079**	0.9%	**$1,456,579**	**$0**	**$1,456,579**
4a Best place to work in region	160,000	0.8%	62,196	0.3%	222,196	0	222,196
Economic Development Reports	20,000						
Marketing	50,000						
Retail Recruitment Strategy	0						
Retention/Expansion	0						
Regional Collaboration	20,000						
Meetings	0						
Reference Material/Research	70,000						
CHCI sustainability program	0						
4b Exciting neighborhoods to live in	1,119,500	5.6%	37,053	0.2%	1,156,553	0	1,156,553
Downtown Living Initiative Grants	1,099,500						
Open space, park & recreational offerings	20,000						
School, educational options	0						
4c Competitive shopping place	0	0.0%	57,695	0.3%	57,695	0	57,695
Retail core planning consultants	0						
Signage and advertising	0						
Recruitment consultant	0						
4d Remarkable destination for visitors	0	0.0%	20,136	0.1%	20,136	0	20,136
	0						
Goal 5. Downtown's vision and offerings understood by all	**$690,250**	3.4%	**$607,178**	3.0%	**$1,297,428**	**$27,500**	**$1,269,928**
5a Market to region	440,250	2.2%	286,884	1.4%	727,134	27,500	699,634
Email blast	5,250						
Downtown web portal	45,000						
Social Media	11,000						
Field Guide	15,000					7,500	
Creative & Strategy	38,500						
Photography	40,000						
Promotions & Video	50,000						
Distribution	0						
Park Promotions	10,500					20,000	
Media & Advertising	125,000						
Promotional Items	10,000						
PR consultants	90,000						
5b Promote downtown's ease of use	0	0.0%	84,604	0.4%	84,604	0	84,604
	0						
5c Vision/ development framework understood by all	250,000	1.2%	108,529	0.5%	358,529	0	358,529
North Houston Highway Improvement Project - consultants	100,000						
Transportation infrastructure planning- consultants	0						
Reconnecting Communities - consultants	0						
Cooling structures and landscaping implementation - consultants	100,000						
Main Street Design Guidelines - consultants	50,000						
5d Tools to assist continued redevelopment	0	0.0%	46,291	0.2%	46,291	0	46,291
Help potential new redevelopment projects	0						
5e Develop/ maintain information to support development, investment and marketing of downtown	0	0.0%	80,870	0.4%	80,870	0	80,870
Goal 6. District governance and service known for excellence	**$625,880**	3.1%	**$612,624**	3.0%	**$1,238,504**	**$0**	**$1,238,504**
6a Board and administration: engage stakeholders in decision making	490,751	2.4%	511,005	2.5%	1,001,756		1,001,756
Legal Counsel	31,200						
Accountant and auditor	52,950						
Assessment collector	45,811						
Administration contractor fee	72,000						
Insurance	44,650						
General out-of-pocket expenses	169,140						
Service Plan Renewal	75,000						
6b Communications to owners, tenants and others	10,000	0.0%	101,619	0.5%	111,619	0	111,619
Downtown District Communication	10,000						
Downtown District website	0						
6c Preservation of District's capital assets	125,129	0.6%	0	0.0%	125,129	0	125,129
Depreciation expense	125,129						
Grand Totals	**$17,751,320**	85%	**$3,014,630**	15%	**$20,765,950**	**$2,519,356**	**$18,246,594**

Houston Downtown Management District

DRAFT 2025 Capital Budget Summary

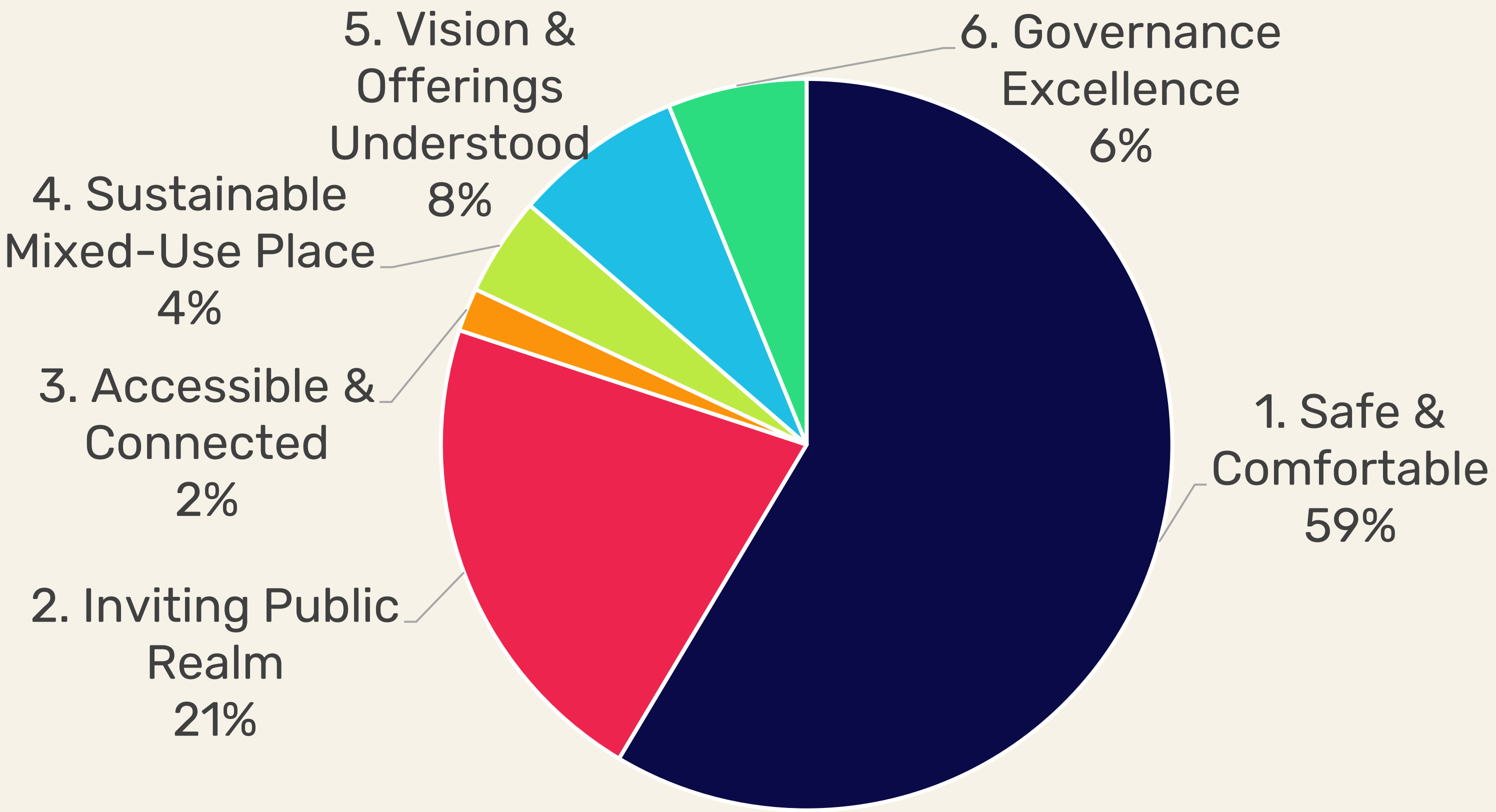
	2021-2025 Improvememt Plan (5 years)	2024 Budget	2024 Projected	2025 Budget	
Revenues					
Net Assessment revenue	$6,094,739	$1,276,270	$1,205,021	$1,204,781	
Project revenue	$0	$0	$0	$0	
Interest	$50,000	$230,000	$213,982	$198,575	
Utilization of Surplus Fund Balance	$333,333	$1,279,644	$0	$1,567,558	
Total Funds Available	**$6,478,072**	**$2,785,914**	**$1,419,003**	**$2,970,914**	
Expenses					
Goal 1 Downtown feel safe & comfortable					
Street lighting enhancements	$1,000,000	$0	$0	$0	
Flock Cameras	$0	$156,700	$155,700	$150,620	
Irrigation & Landscape Smart System Implementation	$0	$75,000	$32,168	$0	
Total Goal 1:	**$1,000,000**	**$231,700**	**$187,868**	**$150,620**	
Goal 2 Public realm is charming, inviting, beautiful & celebrates life of city					
Landscape Enhancements - Fence Replanting	$550,000	$150,000	$47,122	$58,369	
Paver Attic Stock	$0	$0	$0	$50,275	
Storefront/Streetscape Activation & Improved Pedestrian Connection	$0	$250,000	$0	$517,805	
Banners	$0	$335,000	$175,000	$168,369	
Trebly Park Improvements	$0	$175,000	$76,530	$63,775	
Market Square Park Improvements	$0	$50,000	$108,612	$98,775	
Lighting Plan Implementation - Mural & Building Façade Grants	$0	$250,000	$0	$512,935	
Total Goal 2:	**$550,000**	**$1,210,000**	**$407,264**	**$1,470,303**	
Goal 3 Accessible to region & easy to get around					
Lighted street/parking signs	$500,000	$0	$0	$0	
Improved pedestrian connections	$3,000,000	$750,000	$150,000	$206,620	
EcoCounters	$0	$0	$0	$0	
Wayfinding signage	$300,000	$0	$0	$18,369	
Total Goal 3:	**$3,800,000**	**$750,000**	**$150,000**	**$224,989**	
Goal 4 Vibrant, sustainable mxed use place					
Downtown Living Initiative Grants	$0	$88,214	$368,101	$97,651	
Thrive Challenge Grants	$0	$250,000	$0	$761,587	XX
Total Goal 4:	**$0**	**$338,214**	**$368,101**	**$859,237**	
Goal 5 Downtown's vision & offerings are understood by all					
Technical assistance grants	$0	$0	$0	$0	
Total Goal 5:	**$0**	**$0**	**$0**	**$0**	
Goal 6 District governance & excellence known for excellence					
Capital replacement	$1,125,000	$256,000	$143,371	$265,765	
Total Goal 6:	**$1,125,000**	**$256,000**	**$143,371**	**$265,765**	
Total Expenditures	**$6,475,000**	**$2,785,914**	**$1,256,604**	**$2,970,914**	
Revenue in Excess (Deficit) Expense	**$3,072**	**$0**	**$162,399**	**$0**	

PROPOSED BUDGET PRESENTATION HDMD 2025

12/12/2024

DOWNTOWN HOUSTON+

PROJECTED 2024 SPENDING



Total $17,721,191

Operating: $16,464,587 Capital: $1,256,604

2025 BUDGET CONSIDERATIONS

- In November, the board approved an assessment rate of 1.00 cent to 14.25 cents per $100 of assessed value, with the split of 13.25 cents to operating expenditures and 1.00 cent to capital improvements. The higher assessment helps offset the increase in reserves due to increasing property protests.
- Lower HCAD values due to valuation protests resulting in $2.4M increase reserves which assumes a 12.4% loss rate for those in dispute. Total protest reserves are $3.1M
- 2023 property tax values protested were settled at a value 15.8% less than the original certified roll.
- 2025 operating expense budget of $20.8 million is in line with the 5-year service plan however assessment revenues continue to be behind the service plan average by $1.1 million due to the assessment rate being lower than the 14.00 cents reflected in the service plan, lower HCAD values and increased reserves for properties in litigation.
- Operating Surplus Fund Balance at 10/31/2024 is $5.98M. Capital is $5.68M
- 2025 is the 5th year of the 5-year Service Plan

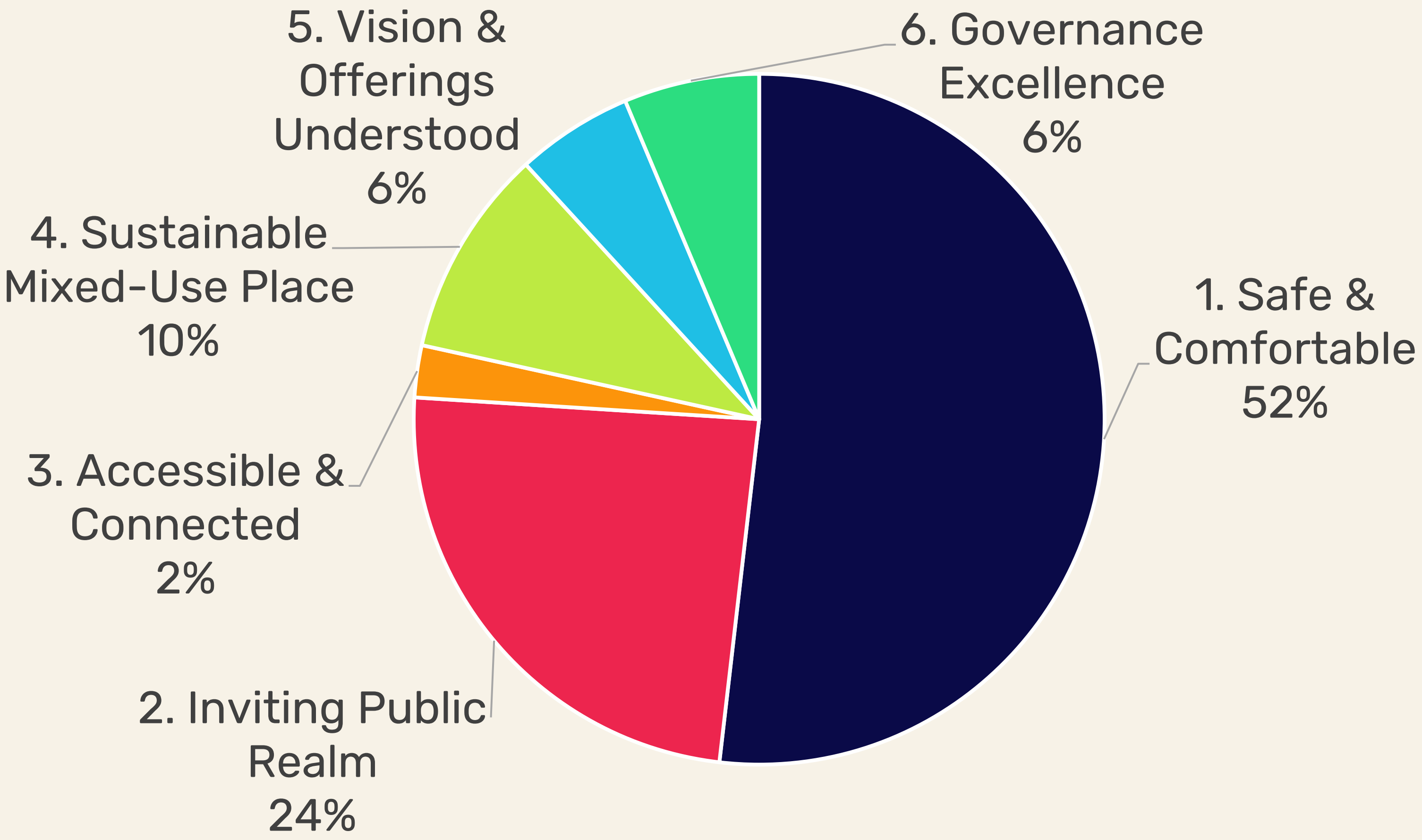
2025 BUDGET REVISIONS

- Operating
  - Goal 2b - Added $100K to Collaborative nonpark based events
  - Goal 2b – Added $150k to Admin Contract to expand events and programming
  - Goal 4a – Added $25K to Marketing
  - Goal 4a – Added $10K to Reference Material and Research
  - Goal 5a – lowered Media & Advertising by $75K
  - Goal 5a – lowered Distribution by 8K
  - Goal 5a – reclassed $15K to Downtown web portal
  - $182K increase to Fund Balance draw
- Capital
  - Goal 3 – Deleted $49K for EcoCounters purchased in 2024
  - Goal 4 – Carried over $250K from 2024 for Thrive Grants that are identified
  - $192K increase to Fund Balance draw. $162K projected surplus in 2024.

2024 TAX YEAR APPRAISED VALUE DOWNTOWN DISTRICT

- Total 2024 Certified Appraised Value:
  - $13.8 Billion, approximately $5M lower than 2023
  - Total assessments billed $19.6M
  - Less additional reserve for losses of $2.4M, using 5- year loss rate of 12.4%, total reserves $3.1M
- Total Lawsuit & Arbitration Summary
  - 2024 $11.1B Unsettled
  - 2023 – 2015 $3.7B Unsettled
- Change in Value
  - 2023 15.8%
  - 2022 13.6%
  - 2021 11.6%

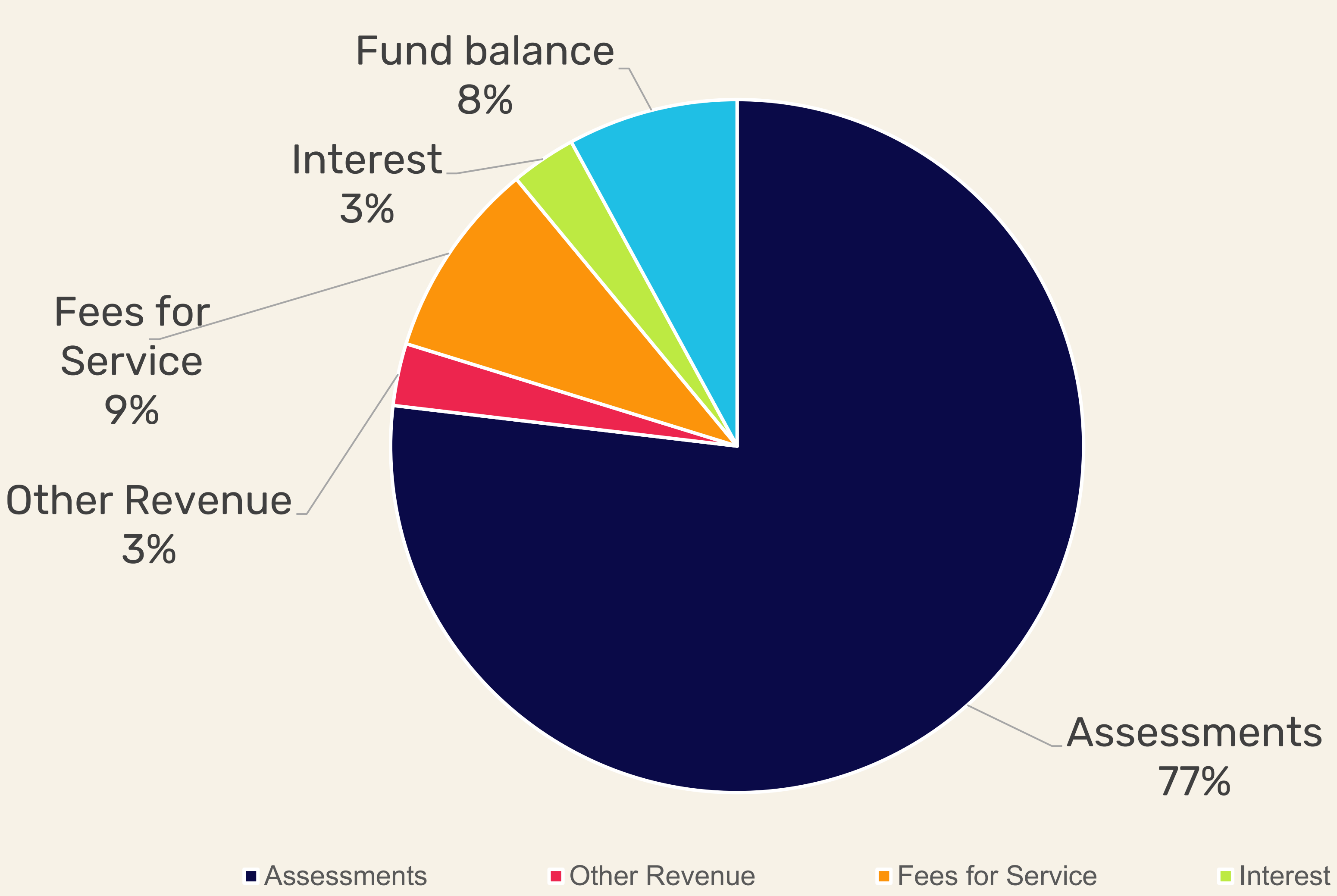
PROPOSED 2025 BUDGET



Total $23,736,864

Operating: $20,765,950 Capital: $2,970,914

2025 – OPERATING PROJECTED REVENUES $20.8M



DOWNTOWN
HOUSTON+

Fund Balance Policy and Reserve Fund

~~May 11, 2023~~ December 11, 2024

I. Purpose

The purpose of the Reserve Fund for The Houston Downtown Management District (HDMD) is to help ensure the long-term ability of the organization to meet its mission. In so doing, this objective bridges District Management Plans. The Reserve Fund will also establish the target fund balance to ensure that the HDMD is an appropriate steward of stakeholder assessments. The HDMD will maintain the reserve to achieve the following objectives:

- To manage cash flow, maintain financial flexibility, and sustain operations through delays in assessment collection;
- To provide an internal source of funds to respond before, during or after a natural disaster; and
- To ensure that the Board has the ability to access capital in the event of an unbudgeted Board-approved investment or other priority.

The Reserve Fund is not intended to replace a permanent loss of funds or address an ongoing budget deficit. It is the intention of the HDMD that any planned use of reserves be accompanied with a replenishment strategy to ensure that future HDMD Boards are provided comparable financial solidarity.

II. Definitions and Goals

The Reserve Fund is defined as a special reserve set aside by action of the HDMD Board of Directors, inclusive of both the operating and capital surplus fund balances as determined by the account balances on October 31 of each calendar year.~~.~~ Its ongoing operation and oversight are delegated to the HDMD Executive Committee, though any expenditure decisions must abide by financial authorization requirements established by the State of Texas, including requisite Board authorizations.

A. Target Minimum Amount

The minimum amount to be designated for the Fund Reserve will be established as an amount sufficient to maintain ongoing operations and programs for a set period of time, measured in months. The Reserve Fund serves a dynamic role and will be reviewed and adjusted in response to internal and external changes.

The target minimum and maximum Reserve Fund balances are calculated using the average total monthly operating expenses for the HDMD in the subject year. The minimum Reserve Fund balance is equal to ~~3~~ 2 months of operating expenses, and the maximum shall be 4 months of operating expenses.

The calculation of average monthly operating expenses includes all recurring, predictable expenses such as clean and safe services, maintenance, beautification, marketing, economic development, staff salaries and benefits, office expenses, and ongoing professional services. Depreciation, in-kind, and other non-cash expenses are not included in the calculation.

B. Funding Reserves

To establish the Reserve Fund, the HDMD Board of Directors has designated $~~4.8~~3.2 M of existing accumulated liquid net assets, a figure equivalent to ~~3~~ 2 months of ~~2022~~ 2024 average monthly operating expenses which is inclusive of the existing $800k storm damage reserve, as the beginning balance of the fund.

The amount of the Reserve Fund target will be considered each year as part of the annual budgeting process. This amount will be reported to the Board of Directors and included in the regular financial reports. The Board of Directors may from time to time direct that a specific source of revenue be set aside for its reserves. Should it be required, the Reserve Fund will be funded annually as an expense included in the organization's annual budget.

III. Investing Reserves

The Reserve Fund will be funded and available in cash or cash equivalent funds, in accordance with the risk preferences, liquidity needs and investment objectives of the HDMD Board. The reserves will be co-mingled with the general cash accounts of the organization but segregated in financial reporting.

IV. Shortfalls

If the Reserve Fund is and has been less than 25% of the target reserve amount for two consecutive years, the Board of Directors will adopt an operational budget with a projected surplus sufficient to rebuild the Reserve Fund to its targeted reserve level as expeditiously as possible.

V. Accounting for Reserves

The Reserve Fund will be listed separately in the unrestricted net assets section of the organization's statement of financial position as "Board-Designated Reserve" and the status of borrowings from the reserve will be reported in financial reports to the Board.

VI. Using Reserves

A. Management identifies appropriate use

The President & CEO will identify reasons for accessing the reserve funds and confirm that the use is consistent with the purpose of the reserves as described in this Policy. As a part of this process, the President & CEO will do the following:

- Analyze the reason for the needed funds;
- Assess the availability of any other sources of funds before using reserves (e.g. line of credit); and
- Evaluate the time period that the funds will be required, and then replenished.

B. Board authorizes use and monitors reserves

The President & CEO will submit a request to the HDMD Board Treasurer in writing, which will include the analysis and determination of the use funds and plans for replenishment (as outlined above). The Treasurer will review the request, and if supported by the HDMD Executive Committee, will recommend approval to the HDMD Board of Directors to authorize use from the fund.

With HDMD Board authorization, President & CEO may access the reserves for purposes as outlined in the Purpose section of this Policy so long as the Board also establishes a repayment schedule to replenish the funds as expeditiously as possible.

1. Borrowing from reserves

Any funds borrowed from the Reserve Fund to maintain organizational cash flow for longer than three months must be paid back through a prescribed repayment schedule. The President & CEO shall request approval of any such usage and the proposed repayment schedule from the HDMD Board of Directors. If approved, the amount of funds utilized to meet short-term cash flow needs shall be reported at the next full Board meeting. At any time that a borrowing from the Reserve is outstanding, the status of the borrowing and payments made will be reviewed at Board meetings.

2. Report and monitor use of funds

The President & CEO is responsible for ensuring that the Reserve Fund is maintained and used only as described in this Policy. Upon approval for the use of Reserve, the President and finance staff will maintain records of the use of funds, plus the plan for and progress of replenishment. The HDMD Board Treasurer will provide regular reports to the Board of Directors of progress to restore the fund to the target minimum amount.

VII. Review of Policy

This policy will be reviewed every other year at a minimum, by the Executive Committee, or sooner if warranted by internal or external events or changes. Changes to the Policy will be recommended by the Executive Committee to the Board of Directors.

DOWNTOWN HOUSTON+

DRAFT

2025 Strategic Retail Plan

December 10, 2024

Table of Contents

I. Executive Summary

Houston's Downtown has a rich cultural history, serves as a vibrant economic hub, and is home to many of the region's most-beloved institutions. Over the decades, retail and population dynamics have shifted, leading to an incomplete Downtown retail ecosystem and an opportunity for public intervention.

Downtown Houston+, an umbrella entity of Central Houston Inc. (CHI), the Houston Downtown Management District (HDMD), and the Downtown Development Authority (DRA/TIRZ #3), has undertaken the creation of a new Strategic Retail Plan for Downtown Houston. The goals of this Strategic Retail Plan are numerous, but the core prioritization is the attraction of new businesses that generate vibrancy and street-level activation. Contained in this document are an assessment of current retail realities, a prioritization of certain goals, and an identification of the tool available to Downtown Houston+.

Downtown Houston+ has identified four priority geographies to focus on in 2025:

- The Historic District and Post HTX
- Main Street Promenade
- County Civic Center and Ballpark
- South Downtown

To assist and accelerate implementation of this plan, Downtown Houston+ has allocated, for 2025, $2.25M of tax increment and special assessment funding in the form of:

- Historic Facade Grants ($1M from the DRA)
- Thrive Storefront Grants ($750K from the HDMD)
- Funds for special dealmaking inducements ($500K from the DRA)

Downtown Houston+ is launching this Strategic Retail Plan as a complementary tool to its ongoing public realm work, clean and safe initiatives, and operational role in Downtown. Together, these efforts are designed to aim to create a cohesive, walkable environment, enriching the downtown experience for residents, workers, and visitors alike.

II. Introduction to Downtown Houston

Downtown Houston is home to ten Fortune 500 headquarters, hundreds of historic buildings, world-class performing arts spaces, millions of square feet of occupied Class-A office, and championship-winning sports venues. Houston's Downtown serves as the cultural, economic, and civic anchor of the largest city in Texas and fourth largest in the United States. It serves as the urban core of America's most-diverse city and lies in the geographic center of a thriving 7.5-million-person region.

However, the economic success story of Downtown Houston runs at odds with a multi-decade observation: Downtown lacks the vibrant street life and vitality expected in the core of a major urban area. Street-level activity and public realm vibrancy are among the most visible indicators of the health of a Downtown

Why does the experience of visiting Downtown Houston fall a bit short of urban expectations?

From the time Central Houston, Inc. was established in 1983 through today, street-level retail in Downtown Houston lagged behind other real estate priorities. Since the early 1980s, Downtown has evolved into a modern business district with a theater district, a convention center, sports stadia, and over the last decade, experienced a significant increase in multifamily housing and new, amenitized green spaces. The sum of all these eras has created a Downtown that is on its way to becoming a livable and regularly sought out neighborhood. An essential missing piece: Street-level vibrancy.

Downtown Houston+ Goals for Street-Level Vibrancy

As Downtown Houston+ looks towards the next chapter of priorities for Houston's urban core, street-level vibrancy has emerged as a top initiative. This initiative will of course be aided by planned enhancements to the public realm, new clean & safe initiatives, and engaging programming and events. However, the scope of this document is to present a new Strategic Retail Plan that recommends a suite of specific strategies, including mobilizing incentive funding to create a critical mass of at-grade, or street-level, retail in Downtown Houston.

Though there are challenges to this work, they are far from insurmountable. Ambitiously, this plan aims to manifest Downtown Houston as a connected and thriving place for Houstonians and visitors alike, building on lessons learned from retail initiatives over the last several decades to ensure successful utilization of public dollars and other resources to catalyze new, thriving retail.

III. Downtown's Retail History & Dynamics Today

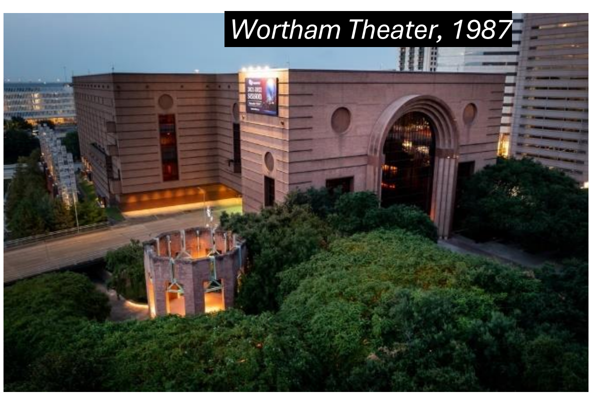
Downtown in the 19th & 20th Centuries

Founded at the confluence of White Oak and Buffalo Bayous, Downtown serves as the City of Houston's original neighborhood. Promoted as a natural commerce center from its earliest days, Houston has been consistently marketed as a place for business ventures, retail entrepreneurship, and land speculation. Main Street, anchored by Allen's landing and the original Port of Houston, quickly emerged as the primary commercial high street for the growing city. Stretching south from the bayou and establishing the vertical axis of Houston's street grid, Main Street formed a central spine for the city's business district which endures as the form of Downtown Houston today.

300 Block of Main St, 1866


Allens Landing looking south, 1912

By the early 20th century, downtown Houston emerged as a bustling economic hub with shopping and an abundance of businesses. The discovery of oil in Texas catalyzed the city's rapid industrial growth, and by the mid-20th century, downtown had transitioned into a dense office district dominated by the energy and finance sectors. Like many American cities, the midcentury Main Street was replete with department stores and other storefront attractions. And, like other American cities, those land uses would follow the trends of out-migration and sprawl, following residents out of the city proper and into the surrounding burgeoning suburbs.


Wortham Theater, 1987


George R. Brown Convention Ctr. 1987

Corresponding to a rise in prosperity and national relevance, Houston began to invest heavily in cultural infrastructure. The establishment of performing arts venues in the 1960s and 1970s transformed downtown into a major arts hub, adding venues like the Alley Theatre, the Wortham Theater Center, and the Hobby Center for the Performing Arts. The construction of the George R. Brown Convention Center in 1987 was a pivotal addition to downtown's infrastructure. GRB spurred the growth of surrounding hotels, restaurants, and additional office development. Renovations and expansions in the 2000s further modernized the facility, reinforcing Houston's position as a top-tier convention destination.

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Aside from lingering pandemic impacts, Downtown Houston was also not spared from the national mass culling of department stores, large bookstores, and apparel retailers that took place from the early 2000’s to present. While the legacy of commerce along Main St. still exists, Downtown has not served as the retail heart of Houston in decades. Notably missing are soft goods, grocery, and neighborhood-serving retailers that existed prominently in earlier eras of Downtown. If still in business, these retailers have relocated elsewhere in the City of Houston leaving Downtown visibly underserved.

Efforts to Support Downtown Retail

Many efforts have been made over the years to enhance the conditions for retail development in Downtown Houston. Numerous studies have been commissioned to unlock the right answer, including the Retail Component of the 1993 *Downtown Houston Development Plan*, the 2010 *Houston Downtown Retail Analysis*, the 2011 *Convention District / EaDo Livable Centers Study*, and the 2014 *Public Realm Plan for Southern Downtown*.

Each plan made meaningful recommendations, including:

- Mobility improvements;
- Enhanced lighting conditions;
- Pedestrian safety and new sidewalk standards;
- Implementing new consumer-friendly parking policies;

- Modifying the signage ordinance to increase storefront visibility;
- New design standards in downtown;
- Better policing of panhandling, loitering, and outdoor sleeping;
- And construction of additional green spaces.

While not unfounded nor ineffective, these recommendations have largely focused on physical investments in the controllable public realm. Strategies have advocated for too broad of initiatives, or hyper-focused, high-resource investments on a single corridor. In this current Strategic Retail Plan, Downtown Houston+ is recommending acute and measurable actions that focus specifically on the tenancy and dealmaking elements of the retail ecosystem.

Downtown Houston Today – And its Post-Pandemic Audience

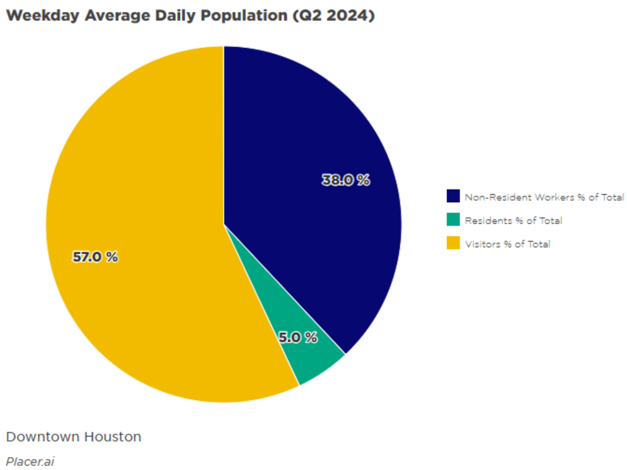
In the 2010s, Downtown Houston saw a surge in residential construction, driven by a City-led desire to create a more vibrant, mixed-use environment. The redevelopment of Market Square Park and Discovery Green, and programs like the Downtown Living Initiative led in tandem by the Downtown Redevelopment Authority, Downtown Management District, and City of Houston, added increased the number of residential units in Downtown by 3x, from around 2,000 units to over 8,000 as of Q4 2024. Multifamily growth also occurred in a similar stride in adjacent submarkets. Within the 2-mile radius surrounding Downtown, there has been a 90% increase in multifamily housing properties, which includes EaDo, Third Ward, Midtown, and Washington Avenue.

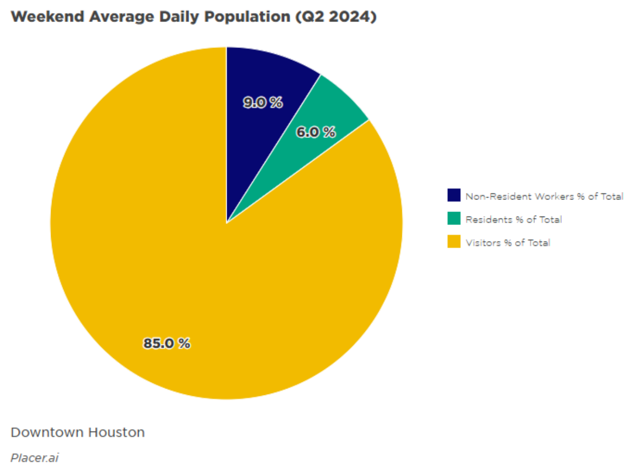
Between 2020 and 2022, the impact of COVID-19 pandemic on events, commutes, and public life significantly impacted placemaking efforts in Downtown Houston. Many street-level businesses, especially those along Main Street, are dependent on visitor foot traffic, including restaurants, bars, and other types of retailers. Consequently, Downtown Houston saw a rise in storefront vacancies.

As of 3Q 2024, 71% of Downtown Houston’s office worker population have returned to the office (over 90% of the workforce from 2019 is back in the office today), yet their commutes have changed. In 2019, office workers made 4.2 visits to the office per week; that number has dropped to 3.1 as of Q3 2024.

Nevertheless, far too much expectation is placed on office workers and their presence to support retail – especially street-level retail. On average, office workers and service workers only constitute 38% of the people spending time Downtown; 57% of people in Downtown are local, national, or international visitors. The variation is even greater on the weekends with 85% of people in Downtown consisting of visitors, compared to 9% of workers.

Compounding these datapoints are also statistics around record-setting hotel occupancy amongst the 8,700 keys across Downtown Houston hotels, or 40% of the Inner Loop hotel offerings. With these post-COVID trends coming into focus, combined with the growing residential population, the target audience for street-level vibrancy is the same audience that can enable street-level vibrancy so long as the right amenities are made available to them: Visitors and residents. Serving these audiences will only have a positive impact on office workers.





The Retail Realities of Our Era

1. **Office workers are not a reliable driver of future economic activity for retail.** While office workers drive meaningful customer traffic to fast casual dining, personal services, and early-evening drinking establishments, the broader retail ecosystem cannot solely rely on this customer base for stability. As example, the effects of the lessened office traffic following the COVID-19 pandemic have been far more impactful on retailers that have focused on the office worker than on retailers that target a wider range of customer types. As of Q3 2024, Downtown Houston has recovered 70.6% of 2019 employee visits. The reduction in office worker traffic aligns closely with the current 26.7% vacancy rate for tunnel retail businesses, which is double the 13.2% retail vacancy at-grade on Main Street.

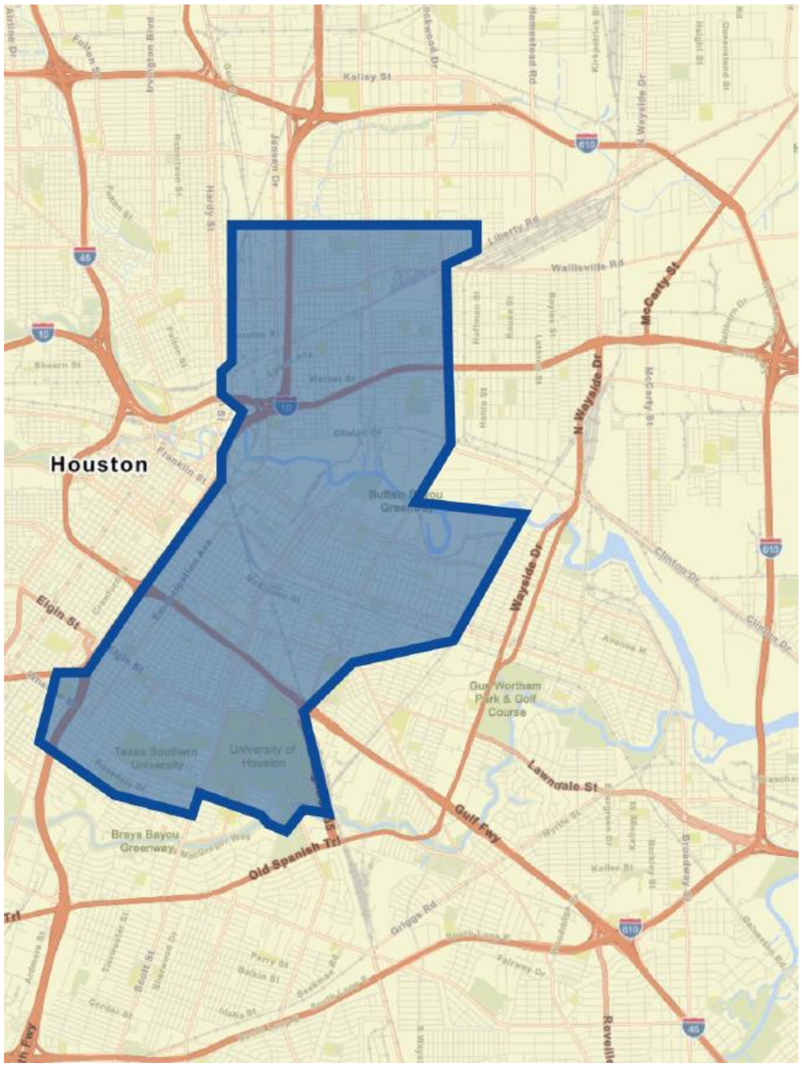
2. **Soft goods and department stores have entirely left Downtown.**

In urban Houston, as in many cities, soft goods and apparel stores have consolidated into a small number of luxury districts including Uptown, the Rice Village, and Highland Village. It would be a mistake to pursue a backfill strategy for these legacy spaces in Downtown targeting identical uses. The absence of this type of retail does not inherently imply an unhealthy Downtown, nor is it true that other types of retail can't drive similar foot traffic and create engagement. A new era of retail should focus on expanding the current strengths of Downtown Houston into these legacy soft goods spaces including experiential dining, interesting nightlife, and arts & cultural anchors. An opportunity does exist to bring back some soft good retail, but only if coupled with convenience or grocery sales.

3. **Residential construction/absorption has been impressive, more is needed.**
   Total residential inventory Downtown has now surpassed 8,000 units after a strong 9.1% YOY increase through 2024. Absorption of this new product has been impressive, implying that demand for downtown living endures and should be capitalized upon by the development community. The goal should be to create a critical mass of residents that in turn supports all other initiatives. The addition of more units and residents in Downtown will advance Downtown's activation and vibrancy better than any other single strategy.

4. **The largest number of people in Downtown at any time are visitors.**
   Excluding office workers and residents, Downtown Houston attracts over 40MM visits annually from about 9 million unique visitors. Increased investments in hotel stock, the convention center, stadiums, theaters, and green spaces have been very effective in attracting visitors to Downtown. Retailers must position themselves to capture this visitor traffic in addition to serving the residential and office communities.

5. **Downtown Houston's true Trade Area is larger than typically represented.**
   Downtown's true trade area geography and demography are not limited to the conventional Downtown boundaries. A more accurate trade area for downtown includes much of the inner loop neighborhoods including Fifth Ward, EaDo the East End, Third Ward, Midtown, and the Near North Side. The neighborhoods located east of Downtown are especially retail-deprived, which opens up opportunities for Downtown itself to fulfill a role of providing essential retail services to many residents.



IV. Retail Strategy Goals

Following an in-depth, two-year analysis of Downtown Houston and extensive interviews with key stakeholders, MJB Consulting and Downtown Houston+ have outlined a comprehensive set of strategic goals for this retail strategy The goals focus on a dual approach of immediate, impactful wins and long-term, sustainable growth.

1. INCENTIVE – FOOD, BEVERAGE AND ENTERTAINMENT

Downtown Houston+ should undertake a prospecting campaign to identify and pre-qualify new food, beverage and entertainment operators that, based on their expansion plans and existing locations, could realistically be expected to consider the opportunity. It should then relay such leads to landlords and brokers of suitable spaces, along with an offer, where economically essential, of matching "but-for" incentives to help fund permanent improvements that would endure beyond the life of the tenant (e.g. kitchen, hood, etc.).

Such efforts should target well-differentiated concepts capable of establishing destination (or "third place") appeal, from regional or national "chain-lets" – single- or multi-concept operators with two to nine established locations – that would not already have been known to or represented by Houston-area retail brokerages. If interested, they should be steered towards locations along Main St north of Texas Ave, fronting Market Square, "in North" Market Square or on adjoining side streets.

REASONING:
Certain kinds of food, beverage and entertainment concepts can act as critical catalysts in Downtown settings, generating buzz and destination appeal in ways that comparison goods shopping and basic conveniences cannot.

However, the business models of such concepts – even ones ostensibly focused on beverage or entertainment – rely on made-to-order food, which requires kitchen infrastructure that can be cost-prohibitive, especially for the kinds of smaller-scale operators more likely to resonate with the Downtown psychographic and most capable of pulling from farther afield.

As a result, opportunities are limited to vacant "second-generation" spaces which already have such infrastructure or projects by developers/landlords both able and willing to help with funding such investments.

2. INCENTIVE – GROCERY STORE(S)

Downtown Houston+ should recruit grocery chains to make the case for a pedestrian-oriented Downtown store, focusing its efforts on ones that, on the basis of their site requirements and preferences as well as the spacing of existing locations, could realistically be expected to consider the opportunity. As part of its pitch, DTH+ should be willing to extend "but-for" incentives. In the event of interest, operators should be put in touch with landlords and brokers of suitable spaces.

Ideally, such a store would assume a smaller urban format, possibly like the upmarket convenience stores that include hot and prepared food options. Downtown's southern or northeastern portions could potentially accommodate a more conventional layout with on-site parking. Potential operators within this category broadly include Aldi, Sprouts, H-Mart, or La Michoacana. This should be accompanied with a pursuit of upmarket small format stores like Royal Blue Grocery, Berkley's Market, Foxtrot, Henderson & Kane, and Little Red Box Grocery.

REASONING:
Building on the success of Downtown's existing grocer, Phoenicia Specialty Foods, the arrival of a more traditional supermarket would both provide for existing residents and help to attract new ones, while also driving tenant interest within other convenience-oriented categories.

Given the sprawl of Downtown's footprint and the presence of nearby competitors, residential densities might not reach the threshold necessary to lure such an amenity. The complications of developing and operating a Downtown supermarket are already greater, and the costs, higher, than those in more conventional suburban settings.

Developers of shopping centers often offer sweetheart deals to the anchor(s) -- amortized through the higher rents that in-line tenants are willing to pay for proximity to such a traffic generator(s). Due to the fragmented property ownership in Downtowns, few landlords have this incentive. Some sort of financial assistance can help to fill that gap -- indeed, a similar package was instrumental in luring Phoenicia in the early 2010's.

3. DEVELOPMENT OF A DOWNTOWN RETAIL LEASING BROCHURE

Downtown Houston+ should develop and produce retail leasing collateral, in both digital and print format, that landlords and brokers can draw on for ammunition in making the case to prospective tenants.

The case for Downtown Houston as a retail location should showcase the following:

- Arguably the region's strongest trade area demographics (see table below):

	Downtown Trade Area	**MSA**
Population	269,025	7,500,883
Population Growth (2020-2023)	+6.4%	+5.3%
Population Growth (2010-2020)	+15.8%	+20.3%
% B.A. Degree or Higher (2023)	60.8% (roughly 116K)	37.8%
% Post-Graduate Degree (2023)	28.2% (roughly 54K)	13.6%

% Management/Business/Financial or Professional Jobs (2023)	62.9% (roughly 95K)	42.8%
Median Household Income (2023)	$83,428	$74,548
$100K+ Median Household Income (2023)	43.5% (roughly 54K)	37.5%
Median Home Value (2023)	$423,916	$273,756
$500K+ Home Value (2023)	36.6% (roughly 18K)	13.9%
% Aged 18 to 34 (2023)	33.8%	24.2%
% With Kids (2020)	15.3%	33.5%

Source: ESRI, MJB Consulting

- Over-indexed (125+, versus index of 100): eats at fine dining restaurant; owns Apple/Mac computer; exercises at fitness club; takes foreign trips; does yoga, Pilates, backpacking, rock-climbing and downhill skiing; patronizes art galleries; watches movies (in the cinema)
- Source: ESRI

- Closest and most convenient option for the "Underserved Crescent", with its population of 103,209 including roughly 17,000 with B.A. degrees or more (7,300 with graduate or professional degrees), 15,000 working in management/business/professional or professional jobs and 7,600 households earning $100,000 or more

- Computations of "affluence adjusted for density", as (favorably) compared to other more established retail locations throughout metro Houston – using as a metric the absolute number of trade area households with median incomes of $100,000+

- Visitors as the primary submarket (not workers) and one likely to grow still further with the convention center's expansion as well as other Houston First investments

- New entertainment districts adjacent to Minute Mark Park and the Toyota Center

- Examples of full-service restaurants with very high grosses in storefront locations, along with references to celebrity chefs/restaurants like Hugo Ortega, Troy Guard, Marcus Davis and Benjamin Berg

- Committed, well-capitalized developers/landlords including Brookfield, Rebees/Blackstone and Hines

- Transformation of Main Street, with pedestrianization, placemaking and incentives – managed by Downtown Houston+, one of the nation's leading place-management organizations

Such a collateral piece would be designed, both in print and digital, to allow for the inclusion of or link to broker-provided flyers on individual sites or spaces.

REASONING:
Leasing professionals active in Downtown Houston report very little "organic" demand among prospective tenants. This is not unusual: most Downtowns in the U.S. do not usually sell themselves: they do not necessarily appeal because of conventional site-location criteria, and they must contend with negative perceptions that often still linger from the not-too-distant (1960's to 1990's) and very recent (pandemic-era) past.

Retail brokers generally focus their flyers and pitches on the attributes of a specific site or space, along with basic demographics within one, three and five-mile radii. But operators must often first be "sold" on Downtown as a district or brand, with available data sometimes having to be reframed within the context of a compelling narrative that also draws on other methodologies and variables, including an alluring depiction of a future not yet reached.

In Downtowns as varied as Raleigh (NC), Wichita (KS) and Berkeley (CA), such district-wide collateral has played an instrumental role in changing perceptions and driving interest within the broader leasing and tenant communities, helping, for example, to reframe demographics in a more positive light, discern theretofore latent submarkets in psychographic terms, vindicate the wisdom of a new vision through reference to analogous case studies from other regions, etc.

4. COMMUNICATIONS CAMPAIGN WITH THE LOCAL REAL ESTATE COMMUNITY

Downtown Houston+ should launch and sustain an intensive campaign to better engage with the local and regional retail leasing communities, consisting of the following elements:

- A biannual Broker Engagement Event for both the Office and Retail broker communities for a total of four events per year. At these events share market updates, introduce and disseminate the Downtown retail leasing brochure (see above) and present the selling points therein. DH+ will also highlight public realm work and give recognition to significant building acquisitions or leasing activity

- A quarterly addendum to the monthly "What's Next for Downtown Houston+" newsletter that focuses specifically on the latest in Downtown retail, including new tenants and inventory, related initiatives, relevant datasets, etc.

- Additions to the www.downtownhouston.org website to serve as an even more effective information clearinghouse, including a regularly-updated database of available retail spaces (along with use of "Virtual Tour" technology), a map detailing existing and future generators of retail demand, a more robust case for the "Why Open a Storefront Downtown?" with a link to the Downtown retail leasing brochure (above), link to the aforementioned quarterly addendum as the "Downtown Retail Story Report(s)", along with a more intuitive route to retail-specific tools and resources, like a separate tab

- Positioning Downtown Houston+ as a resource for dealmaking support for landlords and property owners. As part of that effort, the organization will make an inventory of high-priority retail properties that are vacant or underutilized. The economic development team will contact those property owners and connect them to the messaging and data to market their premises to tenants.

REASONING:
Interviews with real estate professionals suggest a general dismissiveness towards or a simplistic understanding of (street-level) Downtown Houston within the broader retail leasing community, with some tenant-rep brokers apparently even refusing to present or pitch such opportunities to their clients. Left alone, such perceptions and misapprehensions tend to ossify into received wisdom and become corrosive over time.

Prevailing assumptions seem to include the following, with possible rebuttals provided after the hyphen:

- Even when Downtown gains a semblance of momentum, something always intercedes to quash it, like the light-rail construction in the aughts or COVID's arrival in the early 2020's. Indeed, Downtown has been devastated by COVID and has yet to recover – but only if the district is primarily understood as one for office workers and affluent suburbanites.

- Retail cannot flourish in Downtown unless or until the streets feel safe to those who live beyond its immediate orbit – even though such perceptions vary widely and are, in any event, not a dealbreaker for a sizable number.

- Retail, especially shopping, cannot flourish in Downtown due to the lack of free and convenient parking – even though the intensity of one's insistence on convenience (e.g. distance from destination) varies widely, and consumer demand in a Downtown context is often generated by *other* uses that *do* provide parking.

- Retail (always) *follows* rooftops, and retail cannot flourish in Downtown until a critical mass of residents is reached – even though numerous case studies from across the country (e.g. The Pearl, in San Antonio) suggest otherwise, and certain concepts and operators, especially in food, beverage and entertainment, are capable of expanding the trade area well beyond Downtown proper, either due to destination appeal and/or as billboards for off-premise business.

- The pedestrianization of Main Street might be interesting, but for prospective food and beverage tenants, it is seen as complicating the logistics of pickup and third-party delivery, which have become more critical as sales channels since the pandemic – even though Main Street Promenade planners have accounted for that with provision on the east-west streets.

- Consumer demand for Downtown retail is primarily about daytime office workers, with the district only generating meaningful foot traffic from 9-to-5, five (now three) days per week – even though visitors outnumber employees even on the weekdays.

- The only source of consumer demand worth considering exists to the west – meanwhile, the "Crescent" starting from the North Side and clockwise to the Third Ward (see "Downtown Retail Leasing Brochure" above) is woefully underserved.

- Houstonians prefer to stay in their air-conditioned cars, undervalue architectural variety and gravitate to known brands – yet the market, particularly its urban core, is evolving psychographically to include growing numbers, many of them younger, who long for a more human scale, building textured and crafted mix.

- Retail leasing is nothing more than an exercise in dealmaking, that is, matching a tenant with an available space -- rather than, as is typically the case in a Downtown context, part of a broader multi-dimensional effort to create a "district" or "ecosystem."

While some of these assumptions will no doubt be harder to refute than others, it will ultimately fall to Downtown Houston+ to make the case. Property owners and their listing agents are focused primarily on selling their particular space (and staying away from the perceived negatives to the extent possible), whereas a district-wide, business-focused entity has less to lose in directly rebutting such claims as well as a longer-term mandate to reframe the narrative.

5. PROSPECTING AND VETTING OF CHAIN-LETS FROM OTHER MARKETS

Downtown Houston+ should canvas other analogous Downtowns and districts beyond Texas for smaller "chain-lets" (single- or multi-concept operators with two to nine locations) that might be lured to Downtown Houston, passing them through a number of "filters" (e.g. plans/capacity for expansion, interest in the Houston market, openness to Downtown settings, etc.) so as to arrive at a list of realistic possibilities that property owners and leasing professionals could pursue.

Pre-qualified leads, along with "detail sheets" on each, would be relayed to all the good-faith landlords offering (and brokers representing) available spaces – as per an existing and up-to-date property database (see "Communications Campaign" above) -- that fall within the priority area(s) designated in the retail strategy and that meet the stated site location criteria of the respective prospect. As is the best practice within the place management industry, DTH+ would not be involved in – nor participate in any upside of - deal negotiations and consummation.

Finally, while local brokers are presumably better-informed about the likelihood of attracting both large national brands or small Houston-area retailers, DTH+ should work closely with the East Downtown Management District to identify possible "refugee" spaces – in Downtown proper – for existing tenants in EaDo likely to be displaced or disrupted by NHHIP construction, as well as approach popular operators in the Tunnels network about street-level expansion or relocation.

REASONING:

Developers, landlords and brokers trying to fill available spaces are incentivized to take the bird in hand – or, pejoratively, the lowest-hanging fruit – which does not always support broader leasing imperatives (e.g. co-tenancy, critical mass, catalysts/pioneers, etc.) nor DTH's own goals.

Such private-sector actors, even when affiliated with a larger national brokerage house, often specialize in individual regions. They are not always aware of – nor are they necessarily inclined to learn about – expansion-minded operators from other markets.

To facilitate the kinds of deals that align with such broader imperatives and goals, it falls to a non-profit entity – like Downtown Houston+ – to assume the time, resources and risk to identify, research and vet opportunities from further afield.

Buy-in from the start is essential to ensure that property owners are genuinely willing to engage with relayed leads in a good-faith effort, that leasing professionals do not feel insulted about the implication that they are not doing an adequate job and/or territorial about the entry of a third-party player (especially a non-profit) into the process to which they owe their livelihoods, and that both trust DTH+'s impartiality and fair-dealing.

Lastly, the training regimen is recommended because sourcing realistic and viable prospects requires a more nuanced understanding of site location and a more sophisticated approach to vetting than might at first seem necessary. Different categories and operators, for instance, will vary widely in their spacing requirements for new units. More informal indicators or cues might need to be relied upon to ascertain the true viability of smaller chain-lets.

6. FILL OUT THE ENTREPRENEURIAL "ECOSYSTEM" IN DOWNTOWN

Downtown Houston+ should take the lead in the creation of physical platforms for talented entrepreneurs seeking low-cost, low-risk alternatives to permanent storefronts, partnering with property owners on one or more among a variety of possible formats that include pop-ups, container villages, fashion-truck pods, public markets, etc. Such efforts should focus on concepts that sell goods and services rather than food and beverage.

DTH+ should establish a separate "venture fund" from its existing incentive dollars, for the purposes of providing financial assistance with the requirement that applicants receive a passing grade from an approved business-planning course. In addition to managing and marketing the platforms, DTH+ should also offer placement services for individual proprietors experiencing initial success and looking to graduate to longer-term leases.

REASONING:

Large, creative and diverse cities are full of talented entrepreneurs with fresh ideas, abundant talent and steely determination… yet limited experience and little capital. Meanwhile, Downtowns are full of buildings owned by landlords looking to maximize rents and creditworthiness, rather than take risks on undercapitalized or unproven tenancies.

A place management organization like DTH+ can play a critical role in addressing this gap. Food and beverage entrepreneurs are already able to find such opportunities in Downtown's multiple food halls, but those peddling goods and services have far fewer options. Moreover, no one doubts that the former can thrive in today's Downtown, whereas the latter is a much harder sell given the lack of existing co-tenancy, with concepts first needing to show proof-of-concept.

New incubators or "platforms" for such businesses would serve several purposes in Downtown. Just like food halls (and, in other districts, food trucks), they would add a sense of novelty and discovery to the mix – critical with today's easily distracted shoppers with their short attention spans. The lower barriers-to-entry would also spark experimentation and innovation – even, in some cases, from more experienced, deeper-pocketed operators looking to try something new while mitigating risk.

Property owners, for their part, would be offered a possible solution for stubbornly vacant storefronts or development-sites-in-waiting, as well as a pipeline to possible longer-term tenants (see "Vacant to Vibrant" below). Finally, DTH+'s larger retail program would benefit from the optics of providing financial assistance to undercapitalized, early-stage entrepreneurs.

Models could include the following:

- Pop-up shops: With its "Vacant to Vibrant" initiative, the City of San Francisco, working with the Downtown SF Partnership and a local nonprofit, has been connecting entrepreneurs and landlords interested in short-term leases and providing financial support to such deals in the city's beleaguered Financial District. With seven of the 17 recipients in the first cohort having extended their leases beyond the initial three-month period, it is already generating possibilities for permanent tenancy.

- Container villages: With its "Small Box" project, Cleveland's Historic Warehouse District Development Corporation partnered with the owner of a surface-parking lot fronting on that Downtown's Public Square to repurpose a handful of spaces along the street frontage for shipping containers housing entrepreneurial businesses (see image below). The site has since been redeveloped as the corporate headquarters for Sherwin-Williams Paints.

- Fashion-truck pod: Mobile boutiques (see images below), typically incorporating a fitting room and equipped with air conditioning, can calibrate their opening hours to peak-traffic periods, like, for instance, weekday lunch hours, farmers markets and special events. Ideally, they co-locate with other such vendors, in a "pod", to maximize selection, synergies and cross-traffic. Possible sites would include the street frontages of surface-parking lots or building setbacks, the Main Street Promenade, etc.

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- Public market: The Downtown Norfolk Council (BID) recently celebrated the ninth anniversary of Seldon Market (see images below), a rotating collection of small local businesses in a 13,000 sq ft former shopping arcade which it initially co-developed along with its landlord, the City of Norfolk, and which it now manages as a hybrid-incubator format with six-month and longer-term leases as well as daily, weekly and monthly pop-ups.

While the primary purpose of these platforms is to seed new businesses selling goods and services, they would ideally be anchored, either on-site or in the vicinity, by food and beverage draws, with their ability to drive foot traffic and visibility. Even a popular coffee purveyor, promoted in the "front" but sited in the "back", could serve the purpose of pulling would-be customers past the "in-line" vendors of a public market, or a village/pod with narrow street frontage.

7. ADVOCATING FOR GROUND-FLOOR RETAIL USE IN PRIORITY AREAS

Downtown Houston+ should explore different approaches for privileging active retail uses at street level along Main St, from Polk to Commerce, and along the blocks fronting Market Square Park (including, most importantly, the parking lot across from its southern edge), with "active retail uses" defined as ones open to walk-in trade for at least two dayparts for five days per week.

Previous planning efforts (e.g. the Livable Centers Study for EaDo/Downtown) have proposed such a requirement. Technically, one could be instituted through a TIRZ, which is empowered to enact land use regulations (with the signatory acknowledgement of the City's Department of Economic Development and the affirmation of its Project Plan by the City Council). Indeed, TIRZ #1, covering the St. George Place neighborhood immediately west/southwest of the Galleria, has already asserted this prerogative.

Respecting the context of Houston history and politics, promoting retail use at street level would most likely require a lobbying and consensus-building process culminating in the voluntary commitment of property owners to such tenancy when leases expire or businesses shutter. Relatedly, DTH+ could offer development/retail incentives, recruitment support or other inducements to landlords in exchange for the insertion of a ground-floor requirement in the deed restriction(s).

REASONING
Continuous active retail use at street level -- where viable – is one of the well-established ingredients of walkable urbanity, as it encourages pedestrians to keep strolling, increases "eyes-

on-the-street" to deter antisocial behavior as well as maximizes cross-traffic and synergies between individual businesses.

Whereas most cities are permitted to require such uses along corridors via the zoning code, that option is unavailable in Houston's case, with property owners – even along Downtown's stretch of Main Street – free to tenant prime ground-floor space with, say, offices or lobbies, or, even worse, line their frontages with reflective glass, all of which greatly weakens retail potential and street-level vibrancy.

The proliferation of nightclubs – open only in the late evenings, often just two or three nights per week and without much (if any) street presence when closed – results in a deadened feel along certain blocks for most of the day and week.

8. DISCOURAGE ADDITIONAL CONNECTIONS TO UNDERGROUND TUNNELS

Downtown Houston+ should outwardly state its opposition to connecting newly developed or existing buildings to the Tunnel network as well as sitting additional entrances/exits and directional signage at street level. At the same time, it should lobby developers and landlords to commit voluntarily to the same. Finally, prospecting efforts might incorporate the identification and vetting of popular subterranean operators for possible street-level expansion or relocation.

REASONING:
The Tunnel network that connects many of Houston's office towers is a frequent scapegoat for the lack of street-level retail in Downtown. While capturing this retail activity at the street-level would be a boost to vibrancy, the Tunnel network is not without advantages. In Houston's hot, humid, and rainy climate, pedestrian movement via the Tunnel system is perceived by many as a preferred, if not essential, path of travel in the summer months. Tunnel connectivity remains a factor in the leasing decisions of major employers like NRG, which cited the Tunnels when recommitting to Downtown at 3 Houston Center. For some office tenants, the presence or lack of a tunnel connection is a significant factor in leasing decisions.

While acknowledging the usefulness of the path-of-travel benefits, Downtown Houston+ should adopt a position of discouraging retail businesses within the Tunnels system. The subterranean tenant mix, overwhelmingly concentrated in daytime quick-service food/beverage and personal services, contains very few destination businesses and provides little spin-off to the rest of Downtown. The underground retailing has created a kind of two-class society in Downtown, depriving street level of the pedestrian activity that can enhance the quality of urban life and creating an uncomfortable social stratification.

The focus of new Tunnel messaging should center on a measurable reality: the reduced office traffic following the COVID-19 pandemic has been more damaging to retail vacancy in the Tunnels than on street-level retail. The 26.7% vacancy in the Tunnels today is roughly *double* the 13.2% on Main Street, and well exceeds the 16.7% at street level overall. Downtown Houston+ should market the story of the large volume of visitors and new residents in Downtown, stating that retailing in the Tunnels will forever be tied to the fortune of uncertain office demand and work-from-home conditions. At-grade businesses near office towers can service the lunch needs of the office worker customer, while also potentially capturing the many millions of annual visitors and growing residents. In recent years, exciting "fast-casual" F&B concepts have indicated a clear preference for Main Street's ability to sell to these multiple customer segments, with Sweetgreen, Mendocino Farms, Chipotle and Shake Shack all choosing to locate at-grade.

As an aid in this messaging effort, it is broadly recognized that the Tunnels will never capture the activity or interest of a walkable urban street. On its own, a growing cadre of Downtown stakeholders, many of them younger, are looking to shift the retail to street level. Downtown Houston+ should view owners of office assets, the true controllers of the private Tunnel realm, as partners in this work and bring them into conversations on the future of the Tunnels. As an intermediate step, below-grade retail should be relegated to quick-serve food and personal services, while more experiential uses such as acclaimed dining, and evening concepts will find a natural home at street-level.

Downtown Houston+ should explore the launch of incentive programs for existing Tunnel businesses to relocate. At a minimum, the larger prospecting exercise for street-level tenancy should include the identification of popular subterranean operators that could be a good fit for street-level expansion or relocation.

9. INVEST IN WALKABLE CONNECTIONS

Drawing on the recommendations of the Public Realm Action Plan, Downtown Houston+ should explicitly advocate for, and partner with the Mayor's Office and the Department of Public Works on, a more appealing pedestrian experience and ultimately drives cross-traffic between otherwise disparate poles-of-gravity.

REASONING:
Except for Main Street, the street grid across Downtown Houston's roughly 1.8 square miles consists almost exclusively of wide, one-way arterial roads without the buffering provided by on-street parking.

This might be, at least to some degree, a reflection of broadly shared values and priorities. And yet, like the Tunnel network, it precludes the emergence of a more walkable and enticing Downtown that a growing number -- especially among younger, well-educated urbanites – would value if it existed. Such a transformation would certainly appeal to visitors and residents, Downtown's two most critical sub-markets going forward.

The proposed strategy in the Public Realm Action Plan about "cool, connected corridors" falls in alignment with this goal. As this strategy is developed, arrival points become critical – that is, where does the chosen connection "land" on each side, and how close is that to the respective anchors?

More southerly east-west streets, aligned with Discovery Green and the George R. Brown Convention Center, meet Main Street well south of the Historic District and Market Square, requiring one (to know) to walk a few inauspicious blocks north along Main Street to find a more interesting stretch.

Earlier aspirations for such a link centered on Dallas St, and more recently, McKinney St. Yet while an argument could be made for the latter, both are marred by too many buildings without any ground-floor presence or potential for such. And while they start in the east at the Toyota Center, George R. Brown Convention Center and Discovery Green, they arrive at less centrally located points along Main Street, well south of Texas Ave and Market Square.

10. STRATEGY ALIGNMENT WITH THE “INNOVATION ADOPTION LIFECYCLE”

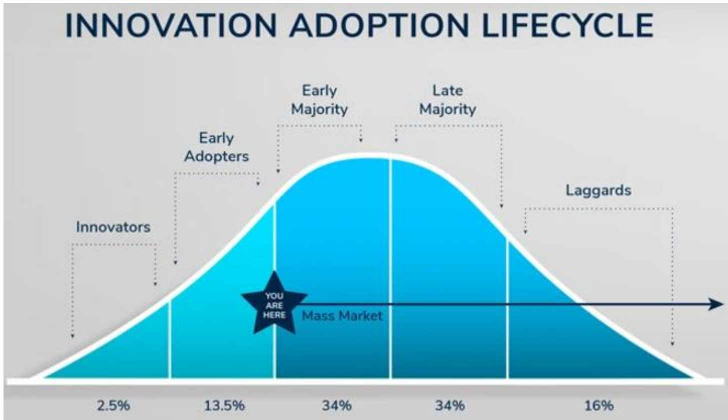
Downtown Houston+ should proceed with the understanding that different stakeholders – consumers, retailers, brokers, landlords and developers – will manifest varying levels of avoidance behavior in relation to perceived risk, discomfort and inconvenience. As a result, they will adopt new trends and reemergent destinations at different rates, some very readily and others much more slowly (if at all).

Efforts at messaging, marketing and events, then, should be strategically oriented towards those who are most likely to embrace Downtown *next*. This implies that, as politically complicated as it may be, certain audiences might need to be emphasized soon, as part of an evolutionary process in which intervening phases cannot be leapfrogged en route to a desired end-state.

REASONING:
The “innovation-adoption lifecycle” is a well-known framework within the tech industry, explaining how new products first sampled by a small number of initial pioneers eventually become must-haves in the broader mass market. It is also a useful tool, though, for understanding how struggling urban districts can return to broad-based popularity.

The initial pioneers, known as *innovators* or *hipsters*, are the first ones who gravitate to a maligned or forgotten part of town, able to detect the green shoots when so many other signals seemingly suggest otherwise. Their intuitions catch the eye of the *early adopters* or *yupsters*, who follow trends religiously, command more influence and help to spread the word about this cool new place.

In these two initial phases, the *mass market* – and most vocally, the *laggards* – cannot help but complain about what the district still lacks. They seem consumed by fears about public safety, irritation with visible homelessness, impatience about parking. Of course, no one particularly likes these aspects, but for the innovators and early adopters, they are *not* dealbreakers.



To proceed further along this trajectory, the district will at some point have to cross the "chasm" into the mass market. However, while perceived improvement in the conditions might be necessary, it is rarely sufficient. In fact, widespread adoption is more often an outgrowth of 1) the positives reaching a critical mass, thereby diluting or backgrounding the negatives; and/or 2) broader competitive realities and migration trends.

Once the chasm has been crossed, though, moneyed interests start to descend, adding new development and inventory in response to the rising values. This attracts the *early majority* in droves, leading to complaints – often from the early adopters who had arrived not so long ago – that the district is losing its "character" and "authenticity", coupled with growing calls for the process to be "stopped", for the proverbial genie to be returned to its bottle.

By then, however, the district has passed the point of no return, proceeding -- either rapidly or, in the event of such pushback, more slowly, yet inevitably to the *late majority*. In the final stage, the *laggards* start to daytrip in from the suburbs for the opportunity to feel urban and hip for an afternoon. Perhaps with out-of-town friends and family in tow, they are now proud to show off what they had at once only criticized.

Generally speaking, neighborhoods to the west and southwest of Downtown – Montrose, Houston Heights, the Washington Corridor and Midtown, for instance – have crossed the chasm (to greater or lesser degrees), while ones to the north and east -- the Warehouse District, the Near Northside, East River, East End and the Third Ward – range from the *innovator* to early *adopter* phase(s), still awaiting redevelopment activity or proof-of-concept.

Obviously Downtown is a more complicated animal. Even now, the most laggard of suburbanites regularly patronize its stadia, arenas, and theaters: where else can one watch the Astros or see a Broadway musical? But as a neighborhood or even as a dining destination, it seems poised at the edge of that chasm, ready to traverse it with a strategic boost of the kind that Downtown Houston+ is trying to catalyze and that this strategy is helping to guide.

The mistake made in many revitalization efforts is to pay too much attention to the laggards and, in so doing, start to see the challenge as insurmountable. The reality is that this very risk-averse group is unlikely to materialize anytime soon *in any event*, regardless of what is done to address their complaints. Meanwhile, more "persuadable" consumers – say, in the early majority – are far closer to jumping in, and represent a much better use of precious time, energy and resources.

It is difficult to leapfrog any one of the phases – indeed, such efforts (e.g. Houston Pavilions) often backfire. And while it can require some political will to deemphasize the laggards (who tend to occupy positions of influence in the local firmament), they can sometimes be mollified by the framing that the near future does not represent the desired "end-state", but rather, a necessary step along the route thereto. After all, Manhattan's SoHo and Miami's South Beach have traversed that very same path.

11. PROMOTE THE GROWTH OF DOWNTOWN'S RESIDENTIAL POPULATION

Downtown Houston+ should use all available tools, including some reincarnation of the first Downtown Living Initiative, to grow the residential base, with a focus on further densification of the sub-districts where the use is already established (e.g. South Downtown, Market Square). As part of this effort, it should provide retail incentives in categories that can help to reinforce the sense of Downtown as a *neighborhood*, retain existing inhabitants as well as entice new ones (see "Incentive – Grocery Store(s)" and "Incentive – Food, Beverage and Entertainment" above).

REASONING:
Downtown Houston's housing stock has increased more than threefold since the start of the first Downtown Living Initiative, from 2,625 units in 2012 to 8,031 in 2024. Yet the district was relatively late to the trend, which accelerated in many other big-city Downtowns much earlier. Even today, those 8,000+ apartments and condos sprawl across a rather large physical footprint of 1.84 square miles, diluting their presence and impact.

A more diversified retail mix will be needed not just to serve these existing residents, but also, to attract new ones. Those in the market for an apartment or condominium are more likely to give serious consideration to Downtown if they see that there are conveniences like grocery stores and fitness clubs as well as "Third Places", such as coffeehouses, bars and diners, where they might be able to find a sense of community and belonging.

This, however, presents a "chicken-or-the-egg" conundrum. That is, such businesses need to survive in order to exert such an impact (and conversely, their failure amounts to a "black eye"). And, especially with ones selling essentials and conveniences that consumers typically patronize in close proximity to home, like groceries, the demand that *existing* residents generate is decisive. After all, suburbanites are not usually driving to Downtown for a carton of eggs or a jug of orange juice.

Adding more housing will also be critical to retaining certain amenities valued by Downtown *workers*: the contemporary "fast-casual" brands that the district has welcomed in the last five or so years (e.g. Chipotle, Shake Shack, Sweetgreen, Mendocino Farms) might at first seem office-driven, but they, too, require *residents*, inasmuch as their business models assume both daytime *and* evening/weekend traffic (hence, their preference for Main Street locations, versus the Tunnels).

Speaking more generally, there is the widespread belief in the retail industry that "retail follows rooftops." While overly simplistic (and easily contradicted by numerous examples like, for instance, San Antonio's Pearl District), the axiom persists, such that the appearance of new residential development and growth – even if not approaching meaningful levels from the standpoint of consumer demand – can be enough to change perceptions and jumpstart leasing activity.

In order, however, to attract and sustain operators in categories heavily reliant on local patronage, the housing in Downtown needs to be clustered to the extent possible, so as to increase the likelihood that it is noticed as well as concentrate the demand. If scattered, the number of potential customers will likely fail to ever reach the threshold levels needed to sustain such business models, as there are relatively few opportunities to accommodate motorists from more than a few blocks away in such a setting.

The largest concentration of residential buildings (and development sites) in the district today exists in South Downtown, but there, foot traffic is still limited, synergies with other submarkets (e.g. workers, visitors) are weak, and visibility to would-be renters/buyers is low. At the same time, it could more easily meet the specifications of, say, a supermarket operator that insists on a large floorplate and surface parking.

12. CONVENE SUBCOMMITTEE TO IDENTIFY AND PURSUE "BIG-SPLASH" IDEAS FOR DOWNTOWN

Downtown Houston+ should assemble relevant stakeholders for quarterly meetings to brainstorm about possible new game-changing "tentpole" anchors that can catalyze the district's next phase of growth, then assign responsibilities for further exploration.

REASONING:
While DTH+ is consumed with the day-to-day grind of revitalizing Downtown one block and one property at a time, the organization must also play the long game, that is, spearheading the process of convening stakeholders to discuss the adding of attractions and undertaking of initiatives that, like Minute Maid Park/Toyota Center/George R. Brown Convention Center in the late 1990's/early 2000's and the Downtown Living Initiative in the 2010's, could fundamentally reshape consumer demand in the district and create new kinds of retail opportunities.

The Main Street Promenade and the Downtown Living Initiative 2.0 would fall into this category. The next one on the horizon will be the planning and design of the "EaDo Cap" as part of the North Houston Highway Improvement District (NHHIP), in coordination with TxDOT and the East Downtown Management District – where an active green space would greatly strengthen the pedestrian connectivity between the rapidly-growing East End and Downtown proper.

As called out in the Public Realm Action Plan strategies, DTH+ should also continue its efforts to work with the Buffalo Bayou Partnership as well as the University of Houston-Downtown on the reimagining of the Buffalo Bayou as it runs along Downtown's northern edge, so as to extend the vitality that exists along its route further west and to replicate the catalytic role that outdoor-recreational corridors like the Heights Hike and Bike Trail and San Antonio Riverwalk-Museum Reach increasingly play today as leisure destinations for locals and visitors.

But conversations about the next "big splash" project(s) should also incorporate ideas from those who are *less* entrenched in the local Houston milieu and mindset, who, perhaps, recently arrived from elsewhere and might thus be more attuned to what *outsiders* would see as distinctive and alluring about the city and its culture. Counterintuitively, it sometimes takes that sort of broader frame-of-reference to discern what truly differentiates a place and can draw others to it.

As just one example, surprisingly little is said about the potential for leveraging one of the city's most famous favorite sons (or, in this case, daughters): Beyonce. Could the cultural icon and global superstar, a native of the Third Ward, serve as the touchstone for a new attraction – perhaps a museum with an attached live music venue – in Downtown Houston, synergizing with other Black-owned businesses like Off The Record, Taste and Day Six Coffee in the Historic District?

Some of these ideas could elicit strong resistance from those who have come to understand Houston or its Downtown in certain ways. For example, residential growth should be a high priority (see above), but Downtown is not *just* a residential neighborhood, and narrowly conceiving of it as such might preempt the leveraging of other opportunities that could great benefit the district, the city and the region more broadly. This subcommittee would be a forum for discussing such tradeoffs openly and collegially.

V. Retail Strategy Tools & Method of Implementation

As part of this Strategic Retail Plan, Downtown Houston+ will launch several grant programs aimed at enhancing the above grade-built environment and the current retail ecosystem. For 2025, Downtown Houston+ has allocated $2.25M to spend on improvements to historic facades, street-level retail storefronts, and dealmaking inducements.

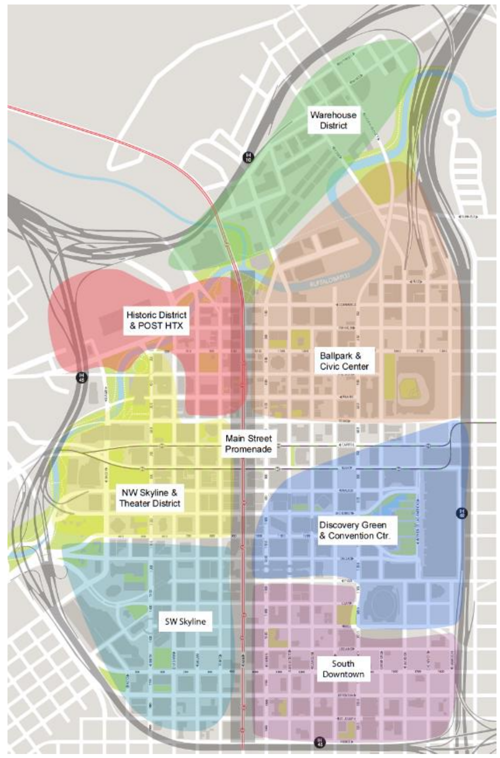
Historic Façade Grant Program (FY25: $1M - DRA)
The Historic Façade Grant Program is funded by the Downtown Redevelopment Authority TIRZ #3 ("DRA") and focuses on preserving and restoring the architectural and historical integrity of the historic buildings within the TIRZ #3 boundaries. Eligible improvements under this program include façade restoration, structural reinforcement, architectural detailing, window and door upgrades, and painting and surface treatments. The Historic Façade Improvement Program will require a matching fund ratio of 1:2, demonstrating the applicant's financial commitment to historic preservation. Evaluation criteria prioritize historical merit, aesthetic impact, and visible impact.

Thrive Retail Storefront Grant Program (FY25: $750k - HDMD)
Supported by the Houston Downtown Management District, the Thrive Retail Grant Program aims to enhance the visual appeal and functionality of street-level retail establishments across Downtown Houston. It is designed for building owners and operators of retail establishments, prioritizing those near recent DTH+ capital investments such as Trebly Park, Market Square, and the Main Street Promenade project. Eligible improvements include façade restoration and repair, structural reinforcement, window and door upgrades, appropriate painting and surface treatments, and enhanced signage and lighting. The Thrive Retail Storefront Grant Program will provide individual grants up to $50,000, with a matching fund ratio of 1:2. Evaluation criteria focus on the potential impact on the retail environment and pedestrian experience, contribution to economic activity, feasibility, and alignment with DTH+ goals, aiming to stimulate retail growth and create a vibrant streetscape.

Dealmaking Inducements (FY25: $500k - DRA)
Supported by the Downtown Redevelopment Authority TIRZ #3, this allocation of funds is for specific dealmaking support for high-priority opportunities that emerge during the calendar year.

Geographic Analysis

In numerous past Downtown planning efforts, attempts have been made to carve the large footprint of Downtown Houston into districts and character areas for ease of analysis. Nearly every brokerage, from CBRE to JLL, has made their own character maps and depictions of downtown nodes, stemming from attempts to organize a very large urban space. In this Strategic Retail Plan, Downtown Houston+ has done another such organizing exercise. The intent however is not to create a promulgated endorsement of Downtown neighborhoods, but simply to organize the hundreds of storefronts within Downtown into 5-minute retail clusters, a distance that complements walking sheds surrounding key destinations. Those clusters are shown here as eight geographies.



Complementing these clusters should be alignment with Downtown's successful public spaces and ongoing public realm work. The planned public realm improvements will be an enormous aid to retail activation. In particular, the Main Street Promenade and Public Realm Action Plan will assist a larger retail reposition. An analysis of our public spaces was undertaken to understand their potential impact upon downtown retail.

- *Main St Promenade (Has working public realm investments that boost retail)*
- *Market Square (Has working public realm investments that boost retail)*
- *Discovery Green (Has working public realm investments that boost retail)*
- *Trebly Park (Has working public realm investments that boost retail)*
- *Downtown Stadiums (Public realm investments would greatly catalyze retail)*
- *Allens Landing (Public realm investments would greatly catalyze retail)*
- *North Canal (Public realm investments would greatly catalyze retail)*
- *Remembrance Park (Public realm investments would greatly catalyze retail)*
- *Post HTX (Public realm investments would greatly catalyze retail)*
- *City Hall/Tranquility (Retail would be unchanged by new public realm work)*
- *Sam Houston Park (Retail would be unchanged with new public realm work)*
- *Theater District (Retail would be unchanged with new public realm work)*

2025 Priority Investment Clusters

Of the eight identified retail clusters, Downtown Houston+ has identified four as investment priorities in 2025. The initial priority clusters were determined as those where efforts and resources could be most initially effective. Attractive attributes of each cluster include a significant residential population, anchoring public realm investments, daytime and nighttime demand drivers, and the physical availability of future retail space.

Priority Cluster 1: Main Street Promenade

This corridor is a mix of historic buildings and modern developments. Activity varies greatly from block to block, as each block features different types of storefront operators—from night clubs to daytime food & beverage options. The area features a mix of low-rise and high-rise historic brick buildings and high-rise, modern buildings with glass-fronted storefronts, housing a variety of businesses from local businesses to chain retailers. There are several residential buildings on the corridor, and there is the potential for more as certain office towers have been identified for residential conversion. The Main Street Promenade project, which focuses on pedestrianizing Main Street's roadway between Commerce and Rusk, joining up with the existing investment at Main Street Square, will bring an enhanced level of maintenance and shade to the northern part of the corridor, and, moreover, will be heavily reliant on storefronts with a desire to have active storefront cafes throughout the day.

Retail Demand Drivers

- 13 multifamily properties totaling 2,338 units
- 12 hotel properties totaling 2,366 rooms
- 64 street-facing storefronts

Strengths:

- High foot traffic
- Diverse mix of businesses
- Unique historic atmosphere
- Strong connectivity to other districts

Challenges:

- Perceived lack of parking options
- Homogenous offering of night clubs and bars
- Negative perceptions associated with panhandling and other nuisance behaviors

Priority Cluster 2: Historic District & POST HTX

This historic district is anchored by the historic Market Square Park and is known for its beautiful architecture – many buildings are low-rise – and cultural attractions. Weekdays are primarily occupied by office workers and residents, while weekends see a surge in tourists and locals seeking cultural experiences and dining options. The area features historic buildings with unique architectural details as well as newer residential towers. Despite the legacy and attractive aesthetic of the historic buildings with storefronts, there are a high concentration of vacancies and few options for food & beverage.

Retail Demand Drivers

- 8 multifamily properties totaling 1,611 units
- 4 hotel properties totaling 425 rooms
- 57 street-facing storefronts

Strengths:

- Unique historic atmosphere
- Cultural attractions
- Opportunity for high-end retail

Challenges:

- Perceived parking challenges
- Limited foot traffic during off-peak hours
- Lack of connectivity between POST and Historic District
- Underground parking and retail zap street-level activity

Priority Cluster 3: Ballpark & County Civic Center

This area is centered around county buildings and Minute Maid (soon to be Daikin) Park. Weekdays are dominated by office workers and government employees, while Astros games and events at the ballpark bring a surge in sports fans and event attendees throughout the year. The area features a mix of office buildings, multifamily housing, historic buildings, and large parking lots. In terms of existing retail, there is a small but beloved mix of food & beverage options as well as one souvenir shop at Partnership Tower. The area is immediately adjacent to EaDo and Avenida Houston and stands to be a stronger thoroughfare for people moving between those nodes and Main Streets.

Retail Demand Drivers

- 8 multifamily properties totaling 1,116 units
- 1 hotel property with 100 rooms (a 275-room hotel is under-construction)
- 24 street-facing storefronts

Strengths:

- High event-driven foot traffic
- Proximity to hotels and convention centers
- Opportunity for unique retail concepts

Challenges

- Seasonal nature of business
- Predominance of public sector employees with limited discretionary spending potential
- Large parking lots exaggerate distances between buildings

Priority Cluster 4: South Downtown District

This district is a prominent business and financial hub, featuring desirable hotel options (e.g., C. Baldwin, Hyatt Regency Houston) and well-known towers, such as Chevron Tower. The area lacks a strong residential presence and can feel isolated at night. Sam Houston Park offers a green space and connectivity to Buffalo Bayou Park, a respite amidst the towering buildings, yet access to the park is not intuitive for office workers. Many towers, such as Allen Center, offer expansive privately managed green space, yet the tunnel network seizes the bulk of midday activity with the majority of retail options being below ground.

Retail Demand Drivers

- 8 multifamily properties totaling 2,194 units
- 2 hotel properties with 135 rooms
- 15 street-facing storefronts

Strengths:

- Significant volume of residents in the form of mid-market renters
- Available and well-priced developable parcels
- Green space: Trebly Park

Challenges:

- Evening isolation: Can feel deserted at night.
- Large parking lots exaggerate distances between buildings
- Transient population as most residents are renters

Future Priority Retail Investment Clusters

Aside from the four priority clusters, Downtown Houston+ also identified four future priority clusters that for a variety of reasons will be focused on in 2026 and beyond.

Future Priority Cluster 5: The Warehouse District
This historically arts-forward neighborhood is known for its unique shops, restaurants, and artist studios. The district is characterized by converted warehouse buildings with exposed brick walls and large windows, housing a small number of interesting restaurant, retail, and venue concepts, including Theodore Rex, the Last Concert Café, and Black's Bodega. The most defining characteristic of this area is the recent completion of the Warehouse District Apartments (~500 new units), complementing existing condos in the area.

Strengths:

- Unique atmosphere
- Growing popularity
- Proximity to activity nodes, including UH-D, Meow Wolf, and Saint Arnolds
- Pedestrian-scale streetscape

Challenges:

- Lower daytime population compared to other areas
- Less established retail infrastructure
- Infrastructure issues (e.g., flooding)

Future Priority Cluster 6: Discovery Green & Convention Center
This area is anchored by Discovery Green Park, the most visited green space in all of downtown, and has the most consistent level of activity throughout the day when compared with other Downtown nodes. Weekdays and weekends see a mix of families, tourists, and residents enjoying the park and nearby attractions. The area features a mix of high-rise office buildings, hotels, and retail complexes, offering a variety of shopping and dining options.

Strengths:

- Central location
- High foot traffic
- Opportunity for high-end retail
- Strong adjacency to office buildings and residences
- Located off the tunnel system

Challenges:

- Lack of connectivity to north and western Downtown areas
- Homogenous F&B offerings
- Western edge loses activity due to poor connectivity and tunnel retail
- “Feast or famine” levels of vibrancy due to Convention center booking patterns and sports schedules

Future Priority Cluster 7: NW Skyline District & Theater District

This area is a dynamic blend of historic theaters, underperforming public parks but well-designed yet inactive privately-owned public spaces, City buildings (including City Hall) and modern office towers. It boasts a high concentration of performance venues, including the Hobby Center, Alley Theatre, and Jones Hall. Recent developments like the renovation of Lynn Wyatt Square and the opening of the restaurant Sylvie in the new Texas Tower add to the district's appeal. However, the underperforming public parks (e.g., Tranquility) and the under-maintained AMC Theater present a challenge, as does the area's reliance on evening activity as theater-goers rarely venture to street level given the elaborate parking garage system beneath the theaters that connects attendees directly to performing arts buildings underground.

Strengths:

- Rich cultural heritage: A density of theaters and performance spaces
- Recent investment: Lynn Wyatt Square and new developments
- Strong connectivity: Well-connected to other Downtown districts
- Diverse offerings: A mix of entertainment, dining, and office space

Challenges:

- Underperforming Bayou Place retail center: Needs revitalization or repurposing.
- Evening-focused activity: Limited daytime activity and retail options.
- Parking challenges: Parking accessibility
- Limited ground floor active use

Future Priority Cluster 8: SW Skyline District

This district is a prominent business and financial hub, featuring desirable hotel options (e.g., C. Baldwin, Hyatt Regency Houston) and well-known towers, such as Chevron Tower. The area lacks a strong residential presence and can feel deserted at night. Sam Houston Park offers a green space and connectivity to Buffalo Bayou Park, a respite amidst the towering buildings, yet access to the park is not intuitive for office workers. Many towers, such as Allen Center, offer expansive privately managed green space, yet the tunnel network seizes the bulk of midday activity with the majority of retail options being below ground.

Strengths:

- Iconic skyline: Recognizable landmark buildings
- Prime office location: Major corporate headquarters
- Green space: Sam Houston Park provides a respite

Weaknesses:

- Limited residential presence: Lack of residential development
- Evening isolation: Can feel deserted at night
- Traffic congestion: Heavy traffic during peak commute hours

Recommendations for the 2025 Priority Clusters

Downtown Houston+ has proceeded with an analysis of each node with the goal of prescribing some initial recommendations for actions to be taken in upcoming years.

1. **Historic District & Post HTX**
   Of the 57 identified storefronts in this geography, 44 are currently tenanted and 13 are currently vacant. Downtown Houston+ will use a combination of Thrive Storefront Grants, DRA Historic Facade Grants and, Dealmaking Inducements to achieve the following strategies:

   a. **Incentivize Additional Elevated Dining**
      Elevated F&B options will enhance and lengthen the experience of visitors currently drawn to the pocket by the nightlife and entertainment options. A concentration of interesting, quality concepts will draw additional traffic.

      Broadly, Downtown Houston+ should market the Historic District as a culinary destination and place for exciting restaurant experiences. For the 13 vacant storefronts, Downtown Houston+ should offer either of the two grants to improve façades, add outdoor dining, and improve the viability for lease-up.

      In 2024, Downtown Houston+ selected a new operator to reopen the currently vacant food-service kiosk in Market Square Park. In addition to the thoughtful management and programing of the larger Park, Downtown Houston+ will work to support the messaging and business plan of the new operator as they launch their concept in Spring of 2025. The success of the new operator will be a strong, marketable story of elevated dining in the Historic Core.

   b. **Bring Live Music, Performing Arts, Cultural Institutions**
      The existing nightlife drivers in the Historic District and at POST HTX make it a natural place to explore the expansion of music venues and performing arts spaces. These businesses would improve the Historic District's cultural cache and attract new types of visitors.

      There are characteristics of the Historic District that support the idea of additional creative space use such as the presence of 713 Music Hall, the Emerald Theater, and the Majestic Metro. These entities help create a live arts identity that could be further explored, including the addition of art house cinema or additional live music venues. The right type of operator may feel potentially transformative enough to merit an inducement grant.

The adjacency to the established Theater District could be leveraged to attract additional established creative institutions to the Historic District. The Historic District would be a good host for an urban art campus, educational facility or experiential space.

c. **Add Sophisticated Nightlife**
With notable exceptions, the current offering of nightlife in the Historic District is somewhat homogenous and lacking in marketable creativity. Sophisticated operators would perform well with the demographics of residents and visitors to the adjacent Theater District. New concepts would add to the critical mass of attractive concepts and strengthen the neighborhood.

Many buildings in the Historic District that are suitable to nightlife would benefit from additional preservation and restoration work. Downtown Houston+ will work to place historic façade grants to preserve and protect structures, with the additional goal of increasing the ability to drive new elevated nightlife and other uses.

2. **Main Street Promenade**
Of the 64 identified storefronts in this geography, 52 are currently tenanted and 12 are currently vacant. Downtown Houston+ will use a combination of Thrive Storefront Grants, DRA Historic Facade Grants and, Dealmaking Inducements to achieve the following strategies:

a. **Add a Diversity of Dining Options**
In the coming era of the Main Street Promenade, additional restaurant options will be needed to service a large volume of different types of visitors. Fast casual restaurants exist, although their businesses would benefit from improvements to their street presences. Downtown Houston+ should market storefront grants to physically improve storefronts including signage measures, sidewalk patio conditions, and outdoor lighting conditions.

b. **Attract Live Music & Performing Arts**
Live music venues and cultural institutions will add important vibrancy and energy to the coming Main Street Promenade. Taking cues from cities like Austin and

Nashville, a prioritization of music and art in the nightlife scene attracts new visitors and encourages additional economic activity.

Downtown Houston+ may consider pursuing the launch of a Live Music Incentive Program. Approach operators directly with a program incentivizing live music in existing F&B and nightlife storefronts. Target area: the 100-500 blocks of Main St.

c. **Explore New Grocery Options (Small Format)**
Small, embedded grocery stores along Main St. would greatly address the retail needs of both Downtown residents and visitors to the Main Street Promenade. Such stores would serve as natural gathering points along Main, the central spine of Downtown and provide essential home products that are not readily available today. Downtown Houston+ will assist current owners of vacant prime property by marketing grants and potential dealmaking inducements that could yield this type of product type.

3. **Ballpark and County Civic Center**
Of the 24 identified storefronts in this geography, 20 are currently tenanted and 4 are currently vacant. Downtown Houston+ will use a combination of Thrive Storefront Grants, DRA Historic Facade Grants and, Dealmaking Inducements to achieve the following strategies:

a. **More Fast Casual Dining**
There are currently insufficient casual dining options in the Ballpark and County Civic Center node. Both the daytime civic workers and evening pre-game diners have limited places to dine and drink. Downtown Houston+ will market grants for storefront activation and signage, with the goal of re-tenanting street-level vacancies broadly within the node.

b. **New Grocery/Retail (Large Format)**
Of all the nodes in downtown, the Civic/Ballpark neighborhood has the characteristics most-conducive to the pursuit of a downtown large-format retail store. The adjacency to EaDo and the larger trade area of the East End, 5th Ward and 3rd Ward will need to be emphasized. There are a number of surface lots available in the submarket that present opportunities for ground-up large format retailing. Downtown Houston+ should engage in an effort to make large retailers aware of the merits of these sites, and market the availability of dealmaking inducements if the right deal emerges.

4. **South Downtown**
   Of the 15 identified storefronts in this geography, 11 are currently tenanted and 4 are currently vacant. Downtown Houston+ will use a combination of Thrive Storefront Grants, DRA Historic Facade Grants and, Dealmaking Inducements to achieve the following strategies:

   a. **More Fast Casual Dining**
      Fast Casual dining in the South Downtown node is greatly needed by the large volume of residents and law students. Downtown Houston+ should address the ground floor vacancies broadly within the node by offering grants for storefront activation and signage.

   b. **New Grocery and Retail (Large Format)**
      Like the Civic-Ballpark neighborhood, South Downtown has both the residential population and available parcels to potentially pursue the attraction of a large-format retail store. The adjacency to Midtown and the larger trade area of Neartown, Montrose, and 3rd Ward will need to be emphasized. There are many surface lots available in the submarket that present opportunities for ground-up large format retailing. Downtown Houston+ should engage in an effort to make large retailers aware of the merits of these sites, and market the availability of dealmaking inducements if the right deal emerges.

HDMD Consent Agenda

December 12, 2024

Directors: any authorization included in this consent agenda may be pulled for discussion and review. Otherwise, the Board will be asked to pass the consent agenda, as presented.

Operations & Maintenance

250101.01 Authorize expenditure for customized trash bags
250101.02 Authorize agreement and expenditure for trash collection management
250101.03 Authorize agreements and expenditures for deep cleaning pressure washing on sidewalks
250101.04 Authorize agreement and expenditures for bus stop pressure washing
250101.05 Authorize expenditure for Operations Center rent
250101.06 Authorize expenditure for Operations Center voice and data service
250101.07 Authorize expenditure for Operations Center parking spaces
250101.08 Authorize expenditure for transient and lawn meter water costs
250101.09 Authorize agreement and expenditures for irrigation repairs
250101.10 Authorize expenditures for tree maintenance
250101.11 Authorize expenditure for Allen Parkway maintenance and repairs
250101.12 Authorize expenditures for electrical costs for Op Center, warehouse and various streetscape amenities
250101.13 Authorize agreement and expenditures for electrical maintenance and repairs
250101.14 Authorize expenditure for Main Street Square electrical expenses
250101.15 Authorize expenditure for utility costs related to Market Square
250101.16 Authorize expenditure for utility costs related to Trebly Park
250101.17 Authorize agreement and expenditure for bird abatement
250101.18 Authorize agreement and expenditures for safety office rent
250101.19 Authorize agreement and expenditures for safety officer for outreach team
250101.20 Authorize expenditure for off-duty HPD police program coordinators
250101.21 Authorize expenditure for warehouse rent
250101.22 Authorize expenditure for public restrooms facilities
250101.23 Authorize agreement and expenditures for banner program
250101.24 Authorize agreement and related expenditure for recycling program
250101.25 Authorize agreement and expenditures for wayfinding maintenance
250101.26 Authorize agreement and expenditure for landscape services
250101.27 Authorize agreement and related expenditure for floral plantings and maintenance
250101.28 Authorize agreement and expenditure for paver repairs
250101.29 Authorize agreement and related expenditure for fountain maintenance and repairs
250101.30 Authorize agreements and expenditures for homeless outreach services
250101.31 Authorize expenditures for off-duty police officer program

Economic Development

250101.32 Authorize agreements and expenditures for fourth quarter 2024 broker events and printed collateral
250101.33 Authorize agreements and expenditures for 2025 downtown broker events and printed collateral
250101.34 Authorize agreements and expenditures for printing and mailing of 2025 quarterly market reports
250101.35 Authorize agreements and expenditures for 2025 economic development regional collaboration
250101.36 Authorize agreements and expenditures for 2025 reference materials and research

~~**Planning & Development**~~

~~250101.37 Authorize agreements and expenditures for consulting services related to the District Service Plan Renewal~~

HDMD Consent Agenda

December 12, 2024

Engagement

250101.38 Authorize the execution of agreements and expenditures pertaining to events and programming initiatives for Market Square Park

250101.39 Authorize the execution of agreements and expenditures pertaining to producing a Farmer's Market in Market Square Park

250101.40 Authorize the execution of agreements and expenditures for collaborative activations and initiatives around Downtown: Lunar New Year, Art Car After Party, Dia de Los Muertos, Make Music Day, etc

~~250101.41 Authorize the execution of agreements and expenditures pertaining to third-party activations in Market Square and Trebly Parks~~

250101.42 Authorize the execution of agreements and expenditures pertaining to events and programming initiatives for Event Sponsorships

250101.43 Authorize the execution of agreements and expenditures pertaining to events and programming initiatives for Trebly Park

250101.44 Authorize the execution of agreements and expenditures pertaining to events and programming initiatives for Holiday Promotions

250101.45 Authorize the execution of agreements and expenditures pertaining to the Downtown District Activations + Art Program

250101.46 Authorize the execution of agreements and expenditures pertaining to engaging an Art Consultant to assist with the 2025 Art Activation Program

250101.47 Authorize the execution of agreements and expenditures for residential programming

250101.48 Authorize the execution of agreements and related expenditures to maintain the Downtown web portal

250101.49 Authorize expenditures for *The List* and *Downtown Monthly Update*

250101.50 Authorize the execution of agreements by the President/CEO and related expenditures for social media presence and maintenance

250101.51 Authorize expenditures for *The Downtown Field Guide*

250101.52 Authorize the execution of agreements and expenditures for marketing creative and strategy

250101.53 Authorize the execution of agreements and expenditures for photography to support marketing programs

250101.54 Authorize the execution of agreements and expenditures for videography to support marketing programs

250101.55 Authorize the execution of agreements and expenditures for Promotional Items

~~250101.56 Authorize the execution of agreements and expenditures for Place Branding~~

250101.57 Authorize the execution of agreements and expenditures for Marketing / Park Promotions

250101.58 Authorize agreements and expenditures for paid Media and Advertising

~~250101.59 Authorize agreements and expenditures for Summer Intern Program~~

250101.60 Authorize the execution of an agreement and related expenditures for public relations services

250101.61 Authorize the execution of agreements and expenditures for Engaging Stakeholders in Decision Making – Main Street Promenade

250101.62 Authorize the execution of agreements and expenditures for District Collateral

Administration

250101.63 Authorize expenditure for administration contractor

250101.64 Authorize expenditure for compilation services

250101.65 Authorize expenditure for liability and property risk coverage

250101.66 Authorize expenditure for audited financial statements for FY24

250101.67 Authorize expenditure for legal counsel

ACTION ITEM	Authorize 2025 expenditure with All American Poly for customized trash bags.
SERVICE PLAN	2021-2025
Account Code	828.255
Budget & Year	$48,000 2025
REQUEST	Not to exceed $48,000
DESCRIPTION	This action allows the District to purchase customized blue trash bags and clear bags to be utilized for trash removal, tipping of trash receptacles and the curbside trash program.
DISCUSSION	The Clean Team associates use these trash bags to remove litter and debris from the sidewalks, encampments, bus stops, rail platforms as well as tip trash receptacles that are overflowing. The District also has a curbside trash program that services approximately 100 small businesses. The businesses place their trash in the blue bags and the garbage truck removes all the bags between the hours of 2pm -9pm and 4:30am – 7am.
M/WBE Participation	All American Poly is not a DBE. All American Poly was awarded the contract that included a DBE search and proposals.

ACTION ITEM	Authorize agreement and related 2025 expenditures to LJC Janitorial Service for trash collection management services.
SERVICE PLAN	2021-2025
Account Code	828.256
Budget & Year	$25,000 2025
REQUEST	Not to exceed $25,000
DESCRIPTION	LJC Janitorial Service is a liaison between the District and the City of Houston for the Curbside Trash Program and trash collection operations.
DISCUSSION	LJC Janitorial Service works with the City of Houston to coordinate issues associated with the garbage truck and the process of disposing of the trash collected downtown. LJC also monitors the Block By Block personnel and assists with safety training. Mr. Caldwell has his hours verified by HDMD staff and submits them in writing on a monthly basis.
DBE Participation	LJC Janitorial Service is a self certified MWBE contractor.

ACTION ITEM	Authorize agreements and 2025 expenditures for deep cleaning pressure washing of sidewalks.
SERVICE PLAN	2021-2025
Account Code	821.203
Budget & Year	$ 260,000 2025
REQUEST	Not to exceed $82,000
DESCRIPTION	This action allows the District to contract with companies to provide deep cleaning pressure washing for sidewalks needing special attention.
DISCUSSION	Block By Block has a crew to perform cold water pressure washing. The District wants to continue to improve the level of cleanliness of the sidewalks by hiring a company to concentrate on problem areas to remove stains utilizing hot water with a chemical application.
M/WBE Participation	District currently utilizes DBE contractors.

ACTION ITEM	Authorize agreements and 2025 expenditures for METRO bus stop and METRO Rail platform pressure washing.
SERVICE PLAN	2021-2025
Account Code	821.203
Budget & Year	$ 260,000 2025
REQUEST	Not to exceed $ 178,000
DESCRIPTION	Touch & Agree will continue to be the District's sub-contractor for the METRO bus stop cleaning contract. The District will enter into an agreement with another company to perform the rail platform pressure washing.
DISCUSSION	Touch & Agree will pressure wash 128 stops once a week on Sunday, Monday and Tuesday nights between 6:00pm – 3:00am. The rail pressure washing will also be performed at night while the trains are not operating.
M/WBE Participation	The plan is to utilize certified DBEs with both of these contracts.

ACTION ITEM	Authorize 2025 expenditure to BIII GStreet L.L.C. for rent for the Operations Center.
SERVICE PLAN	2021-2025
Account Code	822.250
Budget & Year	257,000 2025
REQUEST	Not to exceed $257,000
DESCRIPTION	The District's Operations Center relocated to 1313 Main in April 2019. The District will pay approximately $257,000 for the 12,500 sq. ft. space in 2025.
DISCUSSION	The Operations Center houses the Operations staff and all the employees of Block By Block, the contractor that manages the Clean Team and Downtown Public Safety Guide Programs. It also provides a street level space for anyone to walk in and receive information about downtown. All the equipment and vehicles needed for daily Street Team activities are stored in the annex space that opens from the garage.
M/WBE Participation	BIII GStreet is not a DBE.

ACTION ITEM	Authorize 2025 expenditures with AT&T for voice and data service.
SERVICE PLAN	2021-2025
Account Code	822.255
Budget	$21,000 2025
REQUEST	Not to exceed $ 21,000
DESCRIPTION	This action allows payment for the internet and data service for the Operations Center. With the availability of fiber, the District now has a faster internet service to Operations and voice and data sharing services between its offices at 1221 McKinney and 1313 Main.
DISCUSSION	Since inception of the Operations Center, staff and management have desired unified day-to-day voice & data sharing systems. With the introduction of fiber, the District now has unified the voice and data sharing services between its offices at 1221 McKinney and 1313 Main.
DBE Participation	AT&T is not a DBE vendor.

ACTION ITEM	Authorize 2025 expenditures with Raffle Parking for the Operations Center parking spaces
SERVICE PLAN	2021-2025
Account Code	822.254
Budget & Year	$12,000 2025
REQUEST	Not to exceed $12,000
DESCRIPTION	Expenditure covers the costs associated with the four parking spaces in the garage at 1313 Main.
DISCUSSION	In the Operations Center lease, there is a clause that the garage provides the District four parking spaces for District vehicles and equipment to park throughout the day and overnight.
M/WBE Participation	Raffle Parking does not qualify as a DBE.

ACTION ITEM	Authorize 2025 expenditures with the City of Houston for transient and lawn meter water costs.
SERVICE PLAN	2021-2025
Account Code	831.258
Budget & Year	$280,000 2025
REQUEST	Not to exceed $280,000
DESCRIPTION	The District maintains all the trees and landscaping installed within the Cotswold Projects, Transit Streets Projects, Main Street METRO Rail Project, South East Sidewalks Project, Dallas Street, and Bagby Street. The water utilized to irrigate the landscaping and trees is metered and the District pays the City of Houston monthly for each meter.
DISCUSSION	The District has 23 lawn meters and 3 transient meters that are utilized to water the landscaping materials that were installed under the above-mentioned projects. To achieve a high standard of landscaping, the trees and groundcover need water to thrive in an urban environment.
M/WBE Participation	City of Houston is not a DBE.

ACTION ITEM	Authorize agreement and 2025 related expenditure with Today's Landscape for irrigation system repairs and maintenance.
SERVICE PLAN	2021-2025
Account Code	833.201
Budget & Year	$225,000 2025
REQUEST	Not to exceed $225,000
DESCRIPTION	This expenditure allows for the continued maintenance and repair of the vast irrigation systems throughout the District.
DISCUSSION	The District routinely performs needed repairs and maintenance of the irrigation systems that supply water to all the trees, planter beds and planter pots. As per the Maintenance Agreement with the City of Houston, the District is obligated to maintain the irrigation systems that were installed as part of the Metro's Transit Street Projects, District's Cotswold Projects, and other projects implemented by the Downtown Redevelopment Authority such as the Bagby Street Improvements Project.
DBE Participation	Today's Landscape is a certified DBE company.

ACTION ITEM	Authorize 2025 expenditures for tree trimming and maintenance throughout the downtown area.
SERVICE PLAN	2021-2025
Account Code	831.259
Budget & Year	$150,000 2025
REQUEST	Not to exceed $150,000
DESCRIPTION	These expenditures are for the contractors to perform tree trimming and maintenance throughout downtown.
DISCUSSION	The District has a maintenance obligation to trim trees for their general health and for clearance of street light poles. Our landscape contractors will be trimming branches within 4 feet of light poles. The District will also add or replace trees, ground cover and gravel as needed under this authorization.
M/WBE Participation	Plan to utilize DBE contractor(s).

ACTION ITEM	Authorize 2025 agreements and expenditures for the maintenance of Allen Parkway.

SERVICE PLAN	2021-2025	
Account Code	834.202	
Budget & Year	$150,000	2025

REQUEST	Not to exceed $150,000
DESCRIPTION	This action enables the District to contract with vendors to perform annual maintenance for the eastern segment of Allen Parkway.
DISCUSSION	Several vendor work tasks are related to this authorization including, but not limited to, the following maintenance items along the eastern segment of Allen Parkway: street light replacement and repairs including attic stock for future replacement; irrigation and landscaping maintenance and repairs; tree replacements, median bollards, pavement markings, traffic signage and solar-powered speed feedback signs. All maintenance cost for Allen Parkway are fully reimbursed by the Downtown Redevelopment Authority.
DBE Participation	Today's Landscape, the District's current irrigation contractor, is a City-certified DBE vendor.

ACTION ITEM	Authorize 2025 expenditure to TXU Energy for electricity costs at the Operations Center, warehouse and for the various amenities throughout the District.
SERVICE PLAN	2021-2025
Account Code	812.201, 822.252, 822.253
Budget & Year	$145,000 2025
REQUEST	Not to exceed $90,000
DESCRIPTION	TXU Energy is the electricity provider for the Operations Center, warehouse and the meters installed throughout downtown for the street amenities. We signed an agreement with TXU Energy to lock in pricing starting in 2023.
DISCUSSION	The Operations Center is utilized by the District staff, Street Teams, Downtown Public Safety Guides and the security officers. The warehouse is located at 3711 Polk and stores wayfinding, trash bags, holiday decorations, electrical fixtures, etc. The District has 37 electrical meters to power the irrigation systems, wayfinding signage, pedestrian and festoon lighting, electrical receptacles, holiday décor, and illuminated banner poles.
M/WBE Participation	TXU Energy is not a DBE.

ACTION ITEM	Authorize agreement and 2025 related expenditure with Pfeiffer & Son for electrical repairs and maintenance.
SERVICE PLAN	2021-2025
Account Code	812.202
Budget & Year	$100,000 2025
REQUEST	Not to exceed $100,000
DESCRIPTION	This expenditure allows for the continued maintenance and repair of the vast electrical components throughout the District.
DISCUSSION	The District routinely performs needed repairs and maintenance of the electrical components that power the parks, irrigation systems, wayfinding system, fountains, and various architectural lighting elements. The District is obligated to maintain these components per the Maintenance Agreement with the City of Houston.
DBE Participation	Pfeiffer & Son does not qualify as a DBE company.

ACTION ITEM	Authorize 2025 expenditure to City of Houston for Main Street Square electrical expenses.
SERVICE PLAN	2021-2025
Account Code	835.203
Budget & Year	$12,000 2025
REQUEST	Not to exceed $12,000
DESCRIPTION	The District is responsible for annual energy costs related to the operations of Main Street Square. The electrical costs are primarily related to the operation of the fountain and the street lights.
DISCUSSION	These electrical costs for Main Street Square include power for the pump motors, the computer systems, air supply, the air conditioner for the vault, and lighting at the square. The District and the adjacent property owners share the electrical costs. The District pays fifty percent (50%), and our two partners pay twenty-five percent (25%) each. The amount budgeted is calculated using the City of Houston's rate per kilowatt-hour.
DBE Participation	City of Houston is not a DBE.

ACTION ITEM	Authorize 2025 expenditure to City of Houston for utility costs related to Market Square Park.
SERVICE PLAN	2021-2025
Account Code	837.203
Budget & Year	$15,000 2025
REQUEST	Not to exceed $15,000
DESCRIPTION	The expenditure is for electricity utility bills associated with the operation of the food kiosk at Market Square Park.
DISCUSSION	Under the District's operating agreement with the City for Market Square Park, the District is responsible for the electricity for the food kiosk. The City reads the meter and then bills the District. The District invoices the kiosk operator for reimbursement of the bill.
M/WBE Participation	City of Houston is not a DBE.

ACTION ITEM	Authorize 2025 expenditures for utility costs related to Trebly Park.
SERVICE PLAN	2021-2025
Account Code	839.203
Budget & Year	$45,000 2025
REQUEST	Not to exceed $45,000
DESCRIPTION	The expenditure will include the gas, electric and water utility bills associated with the operation of Trebly Park.
DISCUSSION	The District will pay all the costs of the gas, electricity and water usage for the operation of the park's amenities. The District will bill back the utility costs associated with the operation of the restaurant to the tenant, Tout Suite, on a monthly basis.
M/WBE Participation	N/A

ACTION ITEM	Authorize agreement and related 2025 expenditure to Urban Bird Services for bird abatement services.
SERVICE PLAN	2021-2025
Account Code	825.200
Budget & Year	$75,000 2025
REQUEST	Not to exceed $75,000
DESCRIPTION	This expenditure is paying the costs for Urban Bird Services to perform bird monitoring, dispersal and abatement throughout downtown.
DISCUSSION	This service helps alleviate the problem of large migratory bird population which causes bird dropping issues on the streets and sidewalks. Property managers and the District pressure wash and scrub the stains off the sidewalks but the birds come right back the next night. Urban Bird Services will work at night and use high powered, long-range avian lasers to disperse roosting in the trees. Urban Bird Services is the largest provider of Bird & Bat services in Texas. The service is set up on a month-to-month basis.
M/WBE Participation	Urban Bird Services is not a DBE.

ACTION ITEM	Authorize 2025 agreement and expenditure for rent for the Downtown Safety Office.
SERVICE PLAN	2021-2025
Account Code	851.201
Budget & Year	$38,900 2025
REQUEST	Not to exceed $38,900
DESCRIPTION	The Safety Office is located at 421 San Jacinto. The District will pay approximately $3,200 per month for the space in 2025.
DISCUSSION	The Downtown Safety Office houses the homeless outreach staff and also provides an office for the off-duty officers, SEAL Security and DRT of HPD to have breaks 7 days a week. A BBB employee also mans the front desk and performs dispatch operations Monday through Friday. It provides a street level space for the outreach team to work with the unhoused individuals in a safe environment. The original term of the lease expired on May 14, 2024 but there are 2 additional one-year extensions if both parties agree to extend.
M/WBE Participation	TBD

ACTION ITEM	Authorize 2025 expenditures with Harris County for support services for outreach teams.
SERVICE PLAN	2021-2025
Account Code	851.200
Budget & Year	$1,052,500 2025
REQUEST	Not to exceed $94,000
DESCRIPTION	The Harris County Sheriff's Office will continue to provide support services in partnership with the Harris Center's Care Coordinator. Partnering together they will provide support services and long-term housing to homeless individuals suffering with mental illness or intellectual disability within our district. The contract term is from October 1, 2024 to September 30, 2025.
DISCUSSION	The Harris County Sheriff's Office will continue to work in partnership with the District's program with the Harris Center for Mental Health & IDD to further the Chronic Consumer Assistance Program (CCAP) that engages individuals identified by the District as being chronically homeless and suffering from serious mental illness. The Sheriff's Office will provide a full-time Deputy to partner with the Harris Center Care Coordinator to act as a liaison between the homeless population and area housing, medical, and mental health providers. The Deputy will provide a law enforcement presence and offer more options in dealing with a very tough population, such as being able to issue emergency detention orders (EDO) for individuals that pose a danger to themselves and others. The amount requested is for January 2025 – September 2025.
DBE Participation	Harris Center for Mental Health and IDD is the state designated local Mental Health Authority for Harris County. The Sheriff is an employee of Harris County.

ACTION ITEM	Authorize 2025 expenditure to Jennifer Kennedy to be the Off Duty Police Program Coordinator.
SERVICE PLAN	2021-2025
Account Code	816.200
Budget & Year	$38,000 2025
REQUEST	Not to exceed $38,000
DESCRIPTION	The expenditure pays Commander Kennedy to be the coordinator for the Off Duty Police Program.
DISCUSSION	The Off Duty Police Program was created to add uniformed police presence to the streets. The District manages the program to assist the Downtown Public Safety Guides with monitoring and responding to negative public behaviors that add to the perception of crime and the environment in the public streets. The coordinators schedule the officers to fulfill the shifts the District has created. The amount paid to the coordinators is 10% of the total labor hours the officers in the program work.
M/WBE Participation	N/A

ACTION ITEM	Authorize agreement and 2025 expenditure with WE 68 for leasing warehouse space.
SERVICE PLAN	2021-2025
Account Code	822.252
Budget & Year	$60,000 2025
REQUEST	Not to exceed $60,000
DESCRIPTION	This action provides the monthly rent for the warehouse lease at 3711 Polk for 2025.
DISCUSSION	The District receives large deliveries and stores holiday decorations, banners, brackets, trash bags, wayfinding signage and electrical materials in the 4,750 square foot facility. The term of the current lease is July 1, 2024 – June 30, 2029.
M/WBE Participation	WE 68 is not a DBE.

ACTION ITEM	Authorize 2025 expenditures for servicing public restrooms.
SERVICE PLAN	2021-2025
Account Code	821.205
Budget & Year	$20,000 2025
REQUEST	Not to exceed $20,000
DESCRIPTION	Expenditure covers the costs associated with installation and service of port-a-cans placed within the Downtown District to provide public restrooms.
DISCUSSION	Currently, the District has one port-a-can providing a public restroom to users and visitors downtown. The District pays for 7 day a week service and the locations are monitored by the Clean Teams. The port-a-can is located at: 800 Smith (Tranquility Park) Other viable locations are being pursued to provide public restroom options in other areas of downtown due to the reports and complaints of urination in certain locations.
M/WBE Participation	TBD

ACTION ITEM	Authorize agreement and related 2025 expenditures with Lone Star Flags & Flagpoles for the 2025 Banner Program.
SERVICE PLAN	2021-2025
Account Code	834.200
Budget & Year	$90,000 2025
REQUEST	Not to exceed $90,000
DESCRIPTION	Expenditures cover the costs associated with installation, maintenance and takedown of District banners that are displayed through the end of 2025 including the holiday banners.
DISCUSSION	The costs associated with this action will allow Lone Star Flags to maintain the banners including removals and re-installations due to damage or weather-related events, as necessary.
M/WBE Participation	Lone Star Flags & Flagpoles is a self-certified MWBE contractor.

ACTION ITEM	Authorize agreement and 2025 expenditures for providing recycling services to participants in the Curbside Trash Program.
SERVICE PLAN	2021-2025
Account Code	828.257
Budget & Year	$25,000 2025
REQUEST	Not to exceed $25,000
DESCRIPTION	The contractor will provide recycling at least 2 days a week for the participants in the Downtown District's curbside trash program.
DISCUSSION	The Downtown District has been responsible for the trash collection in downtown since 1993. One portion of our trash collection operation is a curbside trash program that serves approximately one hundred (100) small to mid-sized businesses downtown, predominately in the Historic District. Subscribers pay for this service, and we offer recycling to all participants. The recycled materials include paper, cardboard, plastic and aluminum materials.
DBE Participation	Texas Pride does not qualify as a DBE.

ACTION ITEM	Authorize agreement and related 2025 expenditures with NEC Signage and Architectural Products for pedestrian and vehicular wayfinding maintenance.
SERVICE PLAN	2021-2025
Account Code	841.200
Budget & Year	$65,000 2025
REQUEST	Not to exceed $65,000
DESCRIPTION	Expenditures will cover costs associated with dispatching contractor to assess and provide maintenance for wayfinding systems.
DISCUSSION	Routine and as-needed maintenance activities are planned to continue through 2025. Scope of work will cover the 66 large vehicular signs which were refurbished in 2015 and the 105 smaller pedestrian signs installed in 2016. Maintenance activities include polishing and cleaning of various sign components, a light check for electrified signs as well as a system wide comprehensive report which will be used to determine if further repairs are required.
DBE Participation	NEC Signage and Architectural Products does not qualify as a DBE.

ACTION ITEM	Authorize a one-year agreement extension and related 2025 expenditures with Associated Landscape Services LC to perform landscape services and maintenance.
SERVICE PLAN	2021-2025
Account Code	831.257, 837.205, 839.205
Budget & Year	Total of $355,000 2025
REQUEST	Not to exceed $355,000
DESCRIPTION	These expenditures are for the contractor to perform maintenance on the landscaping that the District is responsible for maintaining under the maintenance agreements with the City of Houston, METRO and TXDOT. The scope also includes enhanced maintenance at Market Square Park, Main Street, and Trebly Park. The major duties performed include tree trimming for clearance, mowing grass, trimming ground cover, removing weeds and trash and reporting any issues related to irrigation or problems with the landscaping.
DISCUSSION	The District completed a Landscape Maintenance RFP in 2020. The initial term was for one year with up to four 1-year extensions. 2025 would be the fourth one-year extension.
M/WBE Participation	Associated Landscape Services is not a DBE.

ACTION ITEM	Authorize a one-year agreement extension and related 2025 expenditures with Color Specialists Landscaping, Inc. for floral plantings and maintenance.			
SERVICE PLAN	2021-2025			
Account Code	832.200,	837.200	835.205	839.200
Budget	$540,000	$55,000	$55,000	$33,000
REQUEST	Not to exceed $683,000			

DESCRIPTION

Color Specialists Landscaping Inc. will provide seasonal color and maintenance for Market Square Park, Trebly Park, Main Street, Dallas Street, Bagby Street, Crawford Island and McKinney/ Lamar/ Prairie planter pots.

DISCUSSION

Color Specialists will provide weekly maintenance at all the seasonal color locations as well as labor and materials necessary to install new seasonal color three times a year. Services also include fertilizing, mulching, and disease control, including insecticides, fungicides, and herbicide treatments.

The District completed a Landscape Maintenance RFP in 2020. The initial term was for one year with up to four 1-year extensions. 2025 would be the fourth one-year extension.

DBE Participation

Color Specialists Landscaping, Inc. is a certified MWBE contractor.

ACTION ITEM	Authorize a one-year agreement extension and related 2025 expenditures with Gulf Coast Pavers, Inc. for paver repair work.
SERVICE PLAN	2021-2025
Account Code	833.200
Budget & Year	$350,000 2025
REQUEST	Not to exceed $350,000
DESCRIPTION	Expenditures will cover costs to repair paver crosswalks and sidewalks at various locations within the District.
DISCUSSION	The District is obligated by the maintenance agreement with the City of Houston to maintain and repair pavers in the crosswalks and sidewalks that were installed as part of the Transit Street, Cotswold, and Bagby Street Projects. The District is also required to re-installs pavers where the City makes utility repairs. The District completed a Paver Maintenance RFP in 2020. The initial term was for one year with up to four 1-year extensions. 2025 would be the fourth one-year extension.
DBE Participation	Gulf Coast Pavers is not a DBE.

ACTION ITEM	Authorize execution of agreement and related expenditures with inCon-Trol Water Systems for the maintenance of the Main Street Square Fountain and the Cotswold fountains.

SERVICE PLAN	2021-2025			
Account Code	835.202	835.200	443.210	443.220
Budget	$112,000	$70,000	$112,000	$75,000
Budget Year	2025			

REQUEST Not to exceed $369,000

DESCRIPTION Expenditures will cover cost for inCon-Trol Water Systems to perform daily maintenance on the Main Street Square Fountain and the Cotswold fountains. The scope of work will include: five days a week cleaning, chemical treatments, equipment inspections, daily inspection logs, water screen cleaning, and jump/pop jet adjustment and timing.

DISCUSSION This action allows the MSSQ fountain to continue to be inspected and be maintained by qualified technicians that specialize in fountain maintenance. The District shares the fountain maintenance expenses with the adjacent properties, 1000 Main and 1021 Main, where a portion of the yearly expenditures are billed back to the properties on a quarterly basis.

InCon-Trol will also maintain and repair the eleven (11) Cotswold fountains located on Prairie, Preston and Congress. The maintenance and repair costs for the Cotswold fountains will be fully reimbursed by Houston First.

This will be the second renewal year after the initial agreement with both parties agreeing to continue the agreement.

DBE Participation inCon-Trol Water Systems does not qualify as a DBE but plans to utilize DBE suppliers and potential sub-contractors when needed.

ACTION ITEM	Authorize agreements and 2025 expenditures with SEARCH & Harris Center for Mental Health and IDD to provide outreach services and assistance.
SERVICE PLAN	2021-2025
Account Code	851.200
Budget & Year	$1,052,500 2025
REQUEST	Not to exceed $445,500
DESCRIPTION	SEARCH provides support services and Rapid Re-Housing for Downtown's homeless population. The Harris Center provides support services and long-term housing to homeless individuals with mental illness and intellectual disability.
DISCUSSION	SEARCH is a provider of services to the homeless community including outreach, needs assessment, case management and housing assessment. In performing their mission, Downtown Public Safety Guides (DPSGs) will encounter homeless who need these services and are willing to accept assistance. SEARCH staff works to build rapport and provide ongoing case management services with Downtown individuals jointly identified by the DPSGs and SEARCH outreach staff as being homeless. Case Management services focus on individual needs that may be a barrier to one's transition off the street including addressing ongoing health, identification, income, or other factors. The District and The Harris Center will collaborate in a process to identify and engage adults with mental illness who are homeless in the downtown area by providing ongoing mental health treatment through intensive crisis intervention and wraparound care coordination services. This partnership includes the implementation and management of a Licensed Care Clinician who will provide intensive home and community-based crisis services and Care Coordination services to adults with mental illness. A Peer Specialist position has been added to the program to assist with follow up appointments so the clinician can spend more time for on-street outreach.
DBE Participation	S.E.A.R.C.H., is a non -profit service provider. Harris Center is the state designated local Mental Health Authority for Harris County.

ACTION ITEM	Authorize 2025 expenditure to the Off Duty Police Program officers.
SERVICE PLAN	2021-2025
Account Code	818.305
Budget & Year	$379,000 2025
REQUEST	Not to exceed $379,000
DESCRIPTION	This expenditure pays law enforcement officers to provide a presence downtown and assist our Public Safety Guides as necessary.
DISCUSSION	The Off Duty Police Program was created to add uniformed police presence to the streets. These officers will provide security and presence on foot and with golf carts for 16 hours per day seven days a week. The District manages the program to assist the Downtown Public Safety Guides with monitoring and responding to negative public behaviors that add to the perception of crime and the environment in the public streets.
M/WBE Participation	N/A

ACTION ITEM	Authorization of $15,000 for Economic Development Marketing.
SERVICE PLAN	2021-2025
Account Code	621-501
Budget & Year	$15,000 2024
REQUEST	Not to exceed $15,000
DESCRIPTION	In alignment with Goals 4.1, 4.3, 4.8, 4.11, and 4.15, this authorization requests funds for biannual or quarterly events and collateral for office brokers, retail brokers, and residential brokers that provides them with key market information about Downtown.
DISCUSSION	The authorization request to fund biannual or quarterly events and collateral for brokers is crucial to ensuring the effective presentation of Downtown's retail and office assets. By providing brokers with up-to-date market information, these initiatives empower them to accurately represent and promote Downtown's offerings to potential clients. This, in turn, attracts new businesses, investors, and residents, stimulating economic activity and revitalizing the area. Additionally, these events offer opportunities for networking, collaboration, and knowledge sharing among industry professionals, further contributing to the overall success of Downtown.
DBE Participation	TBD

ACTION ITEM	Authorization of $50,000 for Economic Development Marketing.
SERVICE PLAN	2021-2025
Account Code	621-501
Budget & Year	$50,000 2025
REQUEST	Not to exceed $50,000
DESCRIPTION	In alignment with Goals 4.1, 4.3, 4.8, 4.11, and 4.15, this authorization requests funds for biannual or quarterly events and collateral for office brokers, retail brokers, and residential brokers that provides them with key market information about Downtown.
DISCUSSION	The authorization request to fund biannual or quarterly events and collateral for brokers is crucial to ensuring the effective presentation of Downtown's retail and office assets. By providing brokers with up-to-date market information, these initiatives empower them to accurately represent and promote Downtown's offerings to potential clients. This, in turn, attracts new businesses, investors, and residents, stimulating economic activity and revitalizing the area. Additionally, these events offer opportunities for networking, collaboration, and knowledge sharing among industry professionals, further contributing to the overall success of Downtown.
DBE Participation	TBD

ACTION ITEM	Authorization of $20,000 for Economic Development Reports.
SERVICE PLAN	2021-2025
Account Code	621-500
Budget & Year	$20,000 2025
REQUEST	Not to exceed $20,000
DESCRIPTION	In alignment with Goals 4.15 and 4.16, this authorization requests funds to enable the printing, mailing, and other tools necessary to distribute our Quarterly Market Reports and other economic development reports.
DISCUSSION	The authorization request to fund the printing, mailing, and distribution of Quarterly Market Reports and other economic development reports is crucial to maintaining effective communication and fostering economic growth. By providing timely and accessible information about market trends, economic indicators, and development opportunities, these reports empower businesses, investors, and community members to make informed decisions.
DBE Participation	TBD

ACTION ITEM	Authorization of $20,000 for Economic Development Regional Collaboration.
SERVICE PLAN	2021-2025
Account Code	621-504
Budget & Year	$20,000 2025
REQUEST	Not to exceed $20,000
DESCRIPTION	In alignment with Goals 4.1 and 4.2, this authorization requests funds that will allow DTH+ to participate in Greater Houston Partnership events as well as attend site selection and other recruiting or retention efforts in alignment with the regional economic development organization and affiliates.
DISCUSSION	The authorization request to fund DTH+'s participation in Greater Houston Partnership events and site selection efforts is essential to strengthening the region's economic competitiveness. By actively engaging with key stakeholders and potential businesses, DTH+ can effectively promote Downtown Houston as a premier destination for investment, business growth, and talent retention.
DBE Participation	No – GHP is not a registered DBE.

ACTION ITEM	Authorization of $70,000 for Economic Development Reference Material/Research
SERVICE PLAN	2021-2025
Account Code	621-506
Budget & Year	$70,000 2025
REQUEST	Not to exceed $70,000
DESCRIPTION	In alignment with Goals 4.15 and 4.16, this authorization requests funds to continue our subscriptions to Texas Bar Tab, CoStar, Placer, EcoCounter, MySidewalk, and other research tools.
DISCUSSION	The authorization request to fund subscriptions to research tools is crucial for maintaining a data-driven approach to economic development. By leveraging these tools, DTH+ can access valuable insights into market trends, consumer behavior, and real-time foot traffic data. This information empowers DTH+ to make informed decisions, identify opportunities for growth, and effectively allocate resources. Additionally, these tools enable DTH+ to provide accurate and up-to-date information to stakeholders, fostering trust and collaboration.
DBE Participation	No – the ongoing vendors are not registered as DBE businesses.

Authorization pulled from consent agenda prior to meeting

ACTION ITEM	Authorize the execution of agreements and expenditures pertaining to events and programming initiatives for Market Square Park
SERVICE PLAN	2021-2025
Account Code	837-300
Budget & Year	$125,000 2025
REQUEST	$125,000
DESCRIPTION	This expenditure is intended to support programming initiatives aimed at enhancing and complementing the ongoing activity of Downtown, with the goal of attracting neighborhood residents and visitors to Market Square Park and support the launch of the new Market Square Park kiosk, Petit Lucie.
DISCUSSION	The programming elements encompass recurring events like movie nights, health and wellness programs, live music, as well as special events such as street fairs and open-air markets.
DBE PROGRAM	Vendors will vary depending on the event(s), including some that are DBE certified or self-certified.

ACTION ITEM	Authorize the execution of agreements and expenditures pertaining to producing a Farmers Market in Market Square Park.
SERVICE PLAN	2021-2025
Account Code	837-305
Budget & Year	$120,000 2025
REQUEST	$120,000
DESCRIPTION	This expenditure is intended to support the seasonal Spring and Fall Market Square Park Farmers Market.
DISCUSSION	The Market Square Park Farmers Market will continue for 2025 as a regular feature of the programming calendar, while accommodating third-party activations and a wider variety of programming in that signature greenspace. As the new restaurant kiosk, Petit Lucie opens and HDMD introduces third-party event booking opportunities for the park, supporting vibrancy while allowing more flexibility in the Spring and Fall seasons is beneficial.
DBE PROGRAM	Vendors will vary depending on the event(s), including some that are DBE certified or self-certified.

ACTION ITEM	Authorize the execution of agreements and expenditures for collaborative activations and initiatives around Downtown: Lunar New Year, Art Car After Party, Dia de Los Muertos, Make Music Day, etc.
SERVICE PLAN	2021-2025
Account Code	838-300
Budget & Year	$225,000 2025
REQUEST	$135,000
DESCRIPTION	This expenditure is intended to support activations around downtown and strengthen alignment + collaboration among other key destinations and event producers, such as: Discovery Green Conservancy/Discovery Green Park + Avenida; Houston First/Lynn Wyatt Square; MOSE/Sam Houston Park; Buffalo Bayou Partnership/Allen's Landing; Orange Show Foundation; Mayor's Office of Cultural Affairs; etc.
DISCUSSION	The Downtown District aims to enhance Downtown public spaces by creating thoughtful and innovative programming that enlivens unique areas throughout Downtown Houston.
DBE PROGRAM	Vendors will vary depending on the event(s), including some that are DBE certified or self-certified.

Authorization pulled from consent agenda prior to meeting

ACTION ITEM	Authorize the execution of agreements and expenditures pertaining to events and programming initiatives for Event Sponsorships
SERVICE PLAN	2021-2025
Account Code	838-305
Budget & Year	$25,000 2025
REQUEST	$25,000
DESCRIPTION	This expenditure is intended to support sponsorship of events produced by other entities than HDMD.
DISCUSSION	Events typically sponsored by HDMD include the Mayor's Annual Tree-lighting Spectacular every December, and table sponsorships to enable key stakeholders to attend CHI's annual meeting.
DBE PROGRAM	Vendors are not DBE certified or self-certified.

ACTION ITEM	Authorize the execution of agreements and expenditures pertaining to events and programming initiatives for Trebly Park.
SERVICE PLAN	2021-2025
Account Code	839-300
Budget & Year	$147,000 2025
REQUEST	$147,000
DESCRIPTION	This expenditure is intended to support programming initiatives aimed at enhancing and complementing the ongoing activity of Downtown, with the goal of attracting neighborhood residents and visitors to Trebly Park and Downtown businesses.
DISCUSSION	The programming elements encompass recurring events like movie nights, health and wellness programs, live music, as well as special events such as street fairs and open-air markets. Larger events, such as a reoccurring Bell Street artisans market are intended to strengthen a sense of place for the heavily residential area of southeastern downtown.
DBE PROGRAM	Vendors will vary depending on the event(s), including some that are DBE certified or self-certified.

ACTION ITEM	Authorize the execution of agreements and expenditures pertaining to events and programming initiatives for Holiday Promotions.
SERVICE PLAN	2021-2025
Account Code	633-360
Budget & Year	$100,000 2025
REQUEST	$100,000
DESCRIPTION	This expenditure is intended to support programming initiatives aimed at enhancing the winter holiday activation of Downtown, with the goal of attracting Houston residents and regional visitors to explore Downtown, increase vibrancy / extend visitor dwell time.
DISCUSSION	The programming elements encompass seasonal holiday markets, the Holiday Trolley double decker bus, entertainers and live music, and other holiday-themed vendors.
DBE PROGRAM	Vendors will vary depending on the event(s), including some that are DBE certified or self-certified.

ACTION ITEM	Authorize the execution of agreements and expenditures pertaining to the Downtown District Activations + Art Program
SERVICE PLAN	2021-2025
Account Code	633-390
Budget & Year	$40,000 2025
REQUEST	$40,000
DESCRIPTION	This expenditure is intended to support vibrancy around Downtown through semi-permanent installations and engagement with local artists. This will include call for artist(s) to decorate and operate a mobile art car(t) that hosts community art classes in Trebly and Market Square Park, and travels to events in other locations in Downtown, Houston.
DISCUSSION	The programming elements include call for artists, art classes, and activations. A mobile Art Car(t) "Van-Go"—a mural on wheels that offers traveling art interactions around Downtown, Houston. All artists will be local to Houston.
DBE PROGRAM	Vendors will vary, including some that are DBE certified or self-certified.

ACTION ITEM	Authorize the execution of agreements and expenditures pertaining to engaging an Art Consultant to assist with the 2025 Art Activation Program
SERVICE PLAN	2021-2025
Account Code	633-391
Budget & Year	$15,000 2025
REQUEST	$15,000
DESCRIPTION	Retain an Art Consultant .
DISCUSSION	The Art Consultant will assist HDMD in engagement with local artists. The consultant will coordinate a call for artist(s) to decorate and operate a mobile art car(t), and will identify artists to conduct public engagement / art classes in Trebly and Market Square Park, and who may travel to events in other locations around Downtown.
DBE PROGRAM	Vendor may be DBE certified or self-certified.

ACTION ITEM	Authorize the execution of agreements and expenditures for residential programming
SERVICE PLAN	2021-2025
Account Code	661-400
Budget & Year	$20,000 2025
REQUEST	$35,000
DESCRIPTION	This expenditure is for residential programming aimed at enhancing perceptions of Downtown as an exciting place to live.
DISCUSSION	The residential marketing program first directs outreach to residential property managers to engage them in promoting events in Trebly and Market Square Park that are tailored to residents—pet costume contest for Halloween, ugly sweater competition for winter holidays, Pup-sicles + Poptails in the summer, as well as resident bike and run clubs. Incorporating resident-only prizes in regular events, and resident group outings can also help foster a stronger sense of Downtown as a neighborhood of choice.
DBE PROGRAM	Vendors will vary depending on the event(s), including some that are DBE certified or self-certified.

ACTION ITEM	Authorize the execution of agreements and related expenditures to maintain the Downtown web portal.
SERVICE PLAN	2021-2025
Account Code	642.330
Budget Amount	$45,000 2025
REQUEST	$45,000
DESCRIPTION	The DowntownHouston.org website is maintained by in-house staff and external consultants who also use subscription-based tools.

DISCUSSION

Since launching a consolidated website for Downtown Houston+, HDMD's stakeholders can now access up-to-date news and information about businesses and events, an upgraded parking experience that empowers users to select and reserve parking spaces in advance, a timely alert system for street closures, and options to subscribe to updates on I-45 highway rebuilding, as well as text notifications relating to marketing programming and special events.

To keep the website refreshed and relevant, HDMD staff uses a combination of the *City Lights Cloud*-based Content Management System, and *Engage by Cell, a* Web-Based Application, both of which require annual subscriptions. Additional expenditures on the web portal will support ongoing improvements in analytics reporting and search engine optimization as well as expanding selected sections of the website.

DBE PROGRAM Vendors Geocentric and Engage by Cell are not DBEs.

ACTION ITEM	Authorize expenditures for *The List* and *Downtown Monthly Update*
SERVICE PLAN	2021-2025
Account Code	643.332
Budget Amount	$5,250 2025
REQUEST	$5,250
DESCRIPTION	Monthly subscription for eBlast marketing as well as a 1-time template redesign
DISCUSSION	Downtown's eBlast marketing continues to grow its subscriber base and has proven to be an effective tool to reach both consumers and businesses with updates on a weekly and monthly basis (The List weekly eBlast; Downtown Monthly Update). In addition to paying for the annual subscription to create and distribute this eBlast, these funds will pay for HTML coding for a new template designed to better align with the DTH+ brand.
DBE PROGRAM	Subscription Vendor is not DBE certified ; Coding Vendor may be

ACTION ITEM	Authorize the execution of agreements by the President/CEO and related expenditures for social media presence and maintenance.

SERVICE PLAN 2021-2025
Account Code 643.358
Budget Amount $11,000 2025

REQUEST $11,000

DESCRIPTION These funds will be used to support Social Media across all platforms.

DISCUSSION

In 2024, HDMD crossed the half-million mark (combined total) for followers across all of our platforms. District platforms continue to grow in both following and engagement. A renewed emphasis on LinkedIn is growing the B2B audience.

Social media is a critical tool to market Downtown as a vibrant and attractive area to live, work and enjoy. This expenditure will be used for:

- Renewal of User Generated Content (UGC) platform, Crowdriff, that allows Marketing to locate and curate unique imagery and content.
- Bitly and Sprout—platforms that enable Marketing to generate QR codes, track clicks, and to schedule social media campaigns.
- Costs associated with unique content creation that supports the SAP.

DBE PROGRAM Vendor is not DBE certified

ACTION ITEM	Authorize expenditures for *The Downtown Field Guide*

SERVICE PLAN	2021-2025	
Account Code	643.359	
Budget Amount	$15,000	2025

REQUEST	$15,000
DESCRIPTION	Printing costs for Downtown Field Guide 2x/year—the most popular printed piece produced by HDMD.
DISCUSSION	As part of the organizations' rebranding, the former *Downtown* Magazine and the Above + Below Map of Downtown were redesigned as the Downtown Houston+ Field Guild. Providing a map of the streets as well as Downtown tunnels, plus descriptions of things to do around Downtown and highlights of new food & beverage offerings makes this a popular and useful collateral piece. Distributed by hotel concierges and at office building front desks, the Field Guide also is used multiple times daily by friendly Downtown Public Safety Guides to help visitors find their way. In 2024, The Woodlands Express Park & Ride placed the first paid advertisement in the Field Guide. Additional advertising may help offset the cost of Field Guide production.
DBE PROGRAM	The vendor is not DBE certified.

ACTION ITEM	Authorize the execution of agreements and expenditures for marketing creative and strategy.
SERVICE PLAN	2021-2025
Account Code	643.362
Budget & Year	$38,500 2025
REQUEST	$35,000
DESCRIPTION	Subscription costs and additional freelance creative outsourcing for specialized skills such as illustration.
DISCUSSION	This expenditure would fund subscriptions that support District graphic design workflow and creative design, as well as additional freelance creative outsourcing to complement in-house design capabilities.
DBE PROGRAM	Multiple vendors; some may be DBE

ACTION ITEM	Authorize the execution of agreements and expenditures for photography to support marketing programs.
SERVICE PLAN	2021-2025
Account Code	643.365
Budget & Year	$ 40,000 2025
REQUEST	$40,000
DESCRIPTION	This expenditure would fund photoshoots conducted throughout 2025 to update the District photo library with contemporary images of vibrancy in public spaces, new investments in Downtown, and the beauty of Downtown's greenspaces and skyline. This photography will support economic development marketing programs, quarterly market reports, social media, website updates, and much more.
DISCUSSION	Photography brings the vision of Downtown as Houston's heart of opportunity, excitement, and joy to life with reality and authenticity.
DBE PROGRAM	One of the photography vendors on record is a DBE.

ACTION ITEM	Authorize the execution of agreements and expenditures for videography to support marketing programs.
SERVICE PLAN	2021-2025
Account Code	643.368
Budget & Year	$50,000 2025
REQUEST	$50,000
DESCRIPTION	This expenditure would support video campaigns conducted throughout 2025 to enhance marketing Downtown as a top destination in Houston. The assets would be used to support our social media and advertising efforts, as well as adding unique content to support economic development outreach.
DISCUSSION	Sound and motion, coupled with compelling visuals, compels attention, interest and engagement on digital platforms. Video assets draw attention to Downtown and assist with the District's storytelling ambitions.
DBE PROGRAM	Some vendors are DBE certified/self-certified.

ACTION ITEM	Authorize the execution of agreements and expenditures for Promotional Items
SERVICE PLAN	2021-2025
Account Code	643.369
Budget & Year	$10,000 2025
REQUEST	$10,000
DESCRIPTION	This expenditure would pay for branded marketing promotional items.
DISCUSSION	Marketing promotional items put the Downtown brand at the fingertips of residents and event-goers and help anchor their positive experiences in Downtown. The popular insulated grocery bags became a staple of Market Square Park Farmers Markets and were a useful incentive to encourage participants to complete market perception surveys. Resident welcome bags and branded items can help Downtowners express pride in their hometown.
DBE PROGRAM	Some vendors are DBE certified/self-certified.

Authorization pulled from consent agenda prior to meeting

ACTION ITEM	Authorize the execution of agreements and expenditures for Marketing / Park Promotions
SERVICE PLAN	2021-2025
Account Code	643.379
Budget & Year	$10,500 2025
REQUEST	$10,500
DESCRIPTION	This expenditure would pay for items that build awareness of programming and special events in the parks the Downtown District activates.
DISCUSSION	These funds would be used to print promotional posters, fliers, and A-Frame signs to enhance awareness of programming and events.
DBE PROGRAM	Several vendors. Some may be DBE certified/self-certified.

ACTION ITEM	Authorize agreements and expenditures for paid Media and Advertising

SERVICE PLAN	2021-2025	
Account Code	643.366	
Budget Amount	$125,000	2025

REQUEST $200,000

DESCRIPTION

Goal 5.6: Improve and expand external communications to increase awareness of Downtown happenings.
Goal 5.8: Spotlight initiatives, moments, and entities advancing Downtown as an inclusive community.

DISCUSSION

Paid media and impactful creative empowers the District to

- control messages and frequency of exposure,
- capture greater mindshare of desired audiences, and
- build preference for Downtown as a place for everyone and Houston's heart of excitement, opportunity, and joy.

DBE PROGRAM Some vendors are DBE and others are certified/self-certified

Authorization pulled from consent agenda prior to meeting

ACTION ITEM	Authorize the execution of an agreement and related expenditures for public relations services.
SERVICE PLAN	2021-2025
Account Code	641.358
Budget Amount	$ 90,000 2025
REQUEST	$ 90,000
DESCRIPTION	Earned media is a powerful tool in the communications arsenal that provides strong third-party endorsement. A proactive, consistent PR campaign builds "buzz" for Downtown, informs the public of events, activities and developments, supports Downtown's strengths and dispels misperceptions of the area. PR strategy is designed to complement the Downtown District's overall communications plan, which includes strong owned communications platforms (social media, website, and e-newsletters) as well as paid marketing campaigns.

DISCUSSION

PR Plan includes:

- Develop a cache of story ideas—conceive and execute strong, practical and timely storytelling through targeted pitches and press releases:
  - Downtown's evolution and vision for the future.
  - Downtown's central role in the region's culture: food & beverage, visual and performing arts, entertainment, and overall fun.
  - Trebly Park press and activities.
  - Market Square Park press and activities.
  - Main Street Promenade groundbreaking.

- Media and influencer relations—develop strong, authentic and timely news and calendar opportunities.
- Partner marketing—Identify potential marketing, business and media partners, ie: Houston First is a partner in Holiday public relations. The District has also partnered successfully with new owners to announce the acquisition of Jones on Main and the repositioning of GreenStreet.

DBE PROGRAM

CKP is vendor on record and is DBE certified

ACTION ITEM	Authorize the execution of agreements and expenditures for Engaging Stakeholders in Decision Making – Main Street Promenade
SERVICE PLAN	2021-2025
Account Code	916-300
Budget & Year	$25,000 2025
REQUEST	$25,000
DESCRIPTION	Ceremonial groundbreaking and launch of the Main Street Promenade
DISCUSSION	These funds would be used for Marketing & Communications outreach and special event planning and execution for a ceremonial groundbreaking to celebrate the commencement of construction for the Main Street Promenade.
DBE PROGRAM	Several vendors. Some may be DBE certified/self-certified.

ACTION ITEM	Authorize the execution of agreements and expenditures for District Collateral
SERVICE PLAN	2021-2025
Account Code	918-331
Budget & Year	$10,000 2025
REQUEST	$10,000
DESCRIPTION	Printing collateral materials: rack cards, fliers and brochures
DISCUSSION	These funds would be used to print collateral materials that build awareness of Downtown District services, such as Downtown Public Safety Guides and Cleaning Ambassadors.
DBE PROGRAM	
	Several vendors. Some may be DBE certified/self-certified.

ACTION ITEM	Authorization of schedule of Maximum/Minimum Annual Charges and Rates for Central Houston, Inc. as administration contractor and expenditure with Central Houston, Inc. for same.
SERVICE PLAN	2021-2025
Account Code	All personnel account codes.
Budget & Year	$3,116,209 2025
REQUEST	Not to exceed $3,272,019
DESCRIPTION	On August 29, 1995, HDMD directors approved an agreement with Central Houston, Inc. to serve as administration contractor for the District and providing the District's staff. The agreement provides for annual approval by the District board of a Schedule of Maximum/Minimum Annual Charges and Rates. Following is Exhibit D, the schedule for the year 2025. Billings monthly will be at the rates and within the limits set forth. A detailed reconciliation is made at the end of the actual expense versus provisional rates in the attached schedule. The rates in the attached schedule are based on the 2025 Central Houston operating budget presented to the Central Houston board on December 4.
DISCUSSION	In place since operations inception in 1992, this method of staffing provides HDMD with flexibility and economies over time and between service plans.
DBE Participation	N/A, Central Houston is a 501(c)(6) non-profit corporation.

HDMD Reimbursement for Year 2025
(Exhibit D of CHI/HDMD Admin. Agreement)

Expense Item	Budget Total	Minimum	Maximum
		-5.00%	5.00%
Salaries	$2,083,258	$1,979,095	$2,187,421
Less: Part-time & contract	$55,985	$102,885	$113,715
Indirect Rate	26.31%		
Indirect Personnel Expense	$519,561	$493,583	$545,539
Overhead Rate	21.97%		
Less: Off-Duty Officers	$62,400	$59,280	$65,520
Overhead Expense	$444,006	$421,806	$466,206
Direct Expenses	$0	$0	$0
Fee Rate	2.00%		
Fee	$69,384	$65,915	$72,853
Total	$3,116,209	$2,960,399	$3,272,019

ACTION ITEM	Authorize 2025 expenditure with NCTP-CPAs accounting firm for monthly review of financial statements and quarterly sales tax returns.
SERVICE PLAN	2021-2025
Account Code	913.600
Budget & Year	$52,950 2025
REQUEST	$21,600
DESCRIPTION	Outside CPAs have provided monthly balance sheet and statement of activities financial statement reviews for the District, as well as providing supplemental accounting assistance as required.
DISCUSSION	NCTP-CPAs have been the District's CPA for the past several years. Ms. Minnie Carriaga has prior experience working with the District during their tenure at McConnell & Jones on the audit team and they have an exceptional understanding and depth of knowledge regarding the operations and capital improvement programs of the District.
DBE Participation	Certified DBE vendor.

ACTION ITEM	Authorize 2025 expenditure with Texas Municipal League Intergovernmental Risk Pool for renewal of liability and property risk coverage.
SERVICE PLAN	2021-2025
Account Code	920.601, 920.602, 920.604, 920.605 and 920.607
Budget & Year	$51,700 2025
REQUEST	Not to exceed $54,285
DESCRIPTION	Risk coverage as detailed below for the policy year 1/1/2025 – 12/31/2025. These are preliminary numbers and reflect last year's premiums.

DISCUSSION

Elected Coverage	Limit	Deductible	Premium
General Liability includes Cyber Liability & Data Breach Response	10,000,000 (10M Annual Aggregate) 1,000,000	0 0	10,400
Errors & Omissions	1,000,000 (2M Annual Aggregate)	1,000	16,500
Automobile Liability including Automobile Medical Payments	1,000,000 25,000	0	5,500
Real & Personal Property includes Fine Arts Schedule and Boiler & Machinery	2,213,810 181,500 100,000	250 25,000 (Fire & Flood)	17,750
Mobile Equipment	129,572	250	1,550

DBE Participation TMLIRP is a governmental risk pool.

ACTION ITEM	Authorize President/CEO to execute an agreement for engagement of Carr, Riggs & Ingram, CPAs and Advisors and to authorize expenditure for the 2024 year-end audit.
SERVICE PLAN	2021-2025
Account Code	913.600 Accounting/ audit expense
Budget & Year	$52,950 2025
REQUEST	Not to exceed $31,350
DESCRIPTION	The request for the 2025 audit expenditure authorization includes both professional fees and an allowance for expenses.
DISCUSSION	The District went through an RFQ process in December of 2020 and received proposals from four CPA firms. The proposals were reviewed by the Audit Committee and the decision was made to award the engagement to Carr, Riggs & Ingram, CPAs and Advisors for a three year period covering audits for 2020, 2021 and 2022. This will be the fifth year for Carr, Riggs as the District's independent auditor. Carr, Riggs has extensive experience in governmental accounting and has been the auditor for the Downtown Redevelopment Authority for many years.
DBE Participation	CRI CPA's and Advisors is not a certified DBE.

ACTION ITEM	Authorize 2025 expenditure with Bracewell for general counsel services.
SERVICE PLAN	2021-2025
Account Code	912.600
Budget & Year	$31,200 2025
REQUEST	$31,200
DESCRIPTION	General counsel services provided include Meeting Services (Board of Directors) and General Counsel Representation, primarily consisting of advice on procurement, contract, statute compliance matters and levying assessments. During years when the Legislature is in session (as will be the case this year) additional legal services may be required.
DISCUSSION	Bracewell launched their public finance practice group in 2012 with the addition of 24 attorneys, including Barron Wallace and Clark Lord, both having deep public finance experience and providing continuity to the transition from V&E for their clients. The group has extensive experience in the legislative and regulatory process as it impacts public finance issues and provides excellent support to in-house counsel and administration. Currently, the District is paying $1,563 per month for board meeting services, which includes the presence of one attorney and one legal assistant, agenda review and posting, and meeting minutes plus incidental direct reimbursements. For General Counsel Representation, fees range from $250 to $750 per hour for counsel and $150 to $525 for paralegal and administrative assistant personnel.
DBE Participation	No

ACTION ITEM	Authorize agreement and 2025 expenditures to Block By Block to manage the Clean Team and Downtown Public Safety Guide Programs.
SERVICE PLAN	2021-2025
Account Code	821.800, 822.800, 823.800, 824.800, 828.800, 859.800, 836.800 837.800, 818.800, 817.800, 839.800, 851.200, 818.900
Budget & Year	Total of $6,899,166 2025
REQUEST	Not to exceed $6,899,166
DESCRIPTION	This item covers the expenses for the Clean Team Program and Public Safety Guide Program. These associates are employed, managed and trained by Block By Block.

DISCUSSION

The Clean Team Program has helped enhance the image of the downtown area through litter removal, graffiti removal, mowing grass, weed removal and power washing of the sidewalks. The Trash Collection personnel remove and dispose of the trash collected throughout the District. The park attendants at Market Square Park, Main Street Square & Trebly Park are responsible for cleaning and maintaining the parks at an elevated standard. The Guides provide information and assistance to all users of downtown and proactively assess, monitor and report situations or issues that need to be addressed to make downtown an enjoyable experience.

Changes for 2025 include a full year of deploying a dedicated Public Safety Guides at Discovery Green and providing METRO RAIL platform cleaning and pressure washing.

The District completed a RFP for the Street Teams and Public Safety Guide Programs in November 2020. 2025 is the second of two possible annual renewals.

DBE Participation	Block By Block is not a DBE, however they are the District's labor contractor and have committed to achieve a 20% DBE goal through sub-contractors and vendors.

ACTION ITEM	Authorize agreements and related 2025 expenditures with S.E.A.L. Security Services, Inc for private security and cameras.

SERVICE PLAN	2021 - 2025		
Account Code	816.222	816.900	
Budget & Year	$965,000	$470,000	2025

REQUEST Not to exceed $1,435,000

DESCRIPTION

S.E.A.L. Security Services will provide four teams of two officers to patrol and walk downtown 7 days a week, 24hrs per day and dedicated officers at Discovery Green 7 days a week.

S.E.A.L. Security Services also provides 2 mobile cameras and monitoring that provides a crime deterrent tool to be utilized in hot spot areas.

DISCUSSION

The private security teams provide additional support to the complex issues of civility ordinance violations and support our Downtown stakeholders with 24/7 safety presence. After early success with the initial SEAL pilot program, we continued to experience public safety issues and stakeholder concerns surrounding vagrants and illegal activity within Downtown during all hours of the day. An additional SEAL team was added in 2021 to perform foot patrols in their assigned areas during the late afternoon and evening hours.

2025 will be the first full year deploying SEAL officers at Discovery Green. The District will be reimbursed 100% for the team that is deployed at the park.

This program and the personnel deployments are constantly monitored to adapt and respond to ever changing conditions of the environment. Continuing these efforts will provide a uniformed security presence that will address the concerns regarding public safety throughout the District.

The cameras will continue to be a crime deterrent and a tool that can be utilized by the police when events are captured on video. The cameras can be moved to different locations as areas of concerns change.

DBE Participation S.E.A.L. Security Services is not a DBE.

ACTION ITEM	Authorize an agreement with Houston First to continue to maintain and make necessary repairs to the Cotswold fountains in 2025.
SERVICE PLAN	2021-2025
Account Code	4258.00
Budget Year	2025
Budget Amount	$ 187,000 (Revenue)
REQUEST	N/A
DESCRIPTION	Houston First will fully reimburse the District for maintenance and repair costs of the eleven (11) Cotswold fountains if Houston First and the District both agree to continue the partnership in 2025.
DISCUSSION	Houston First has agreed for the District to take over the maintenance responsibility to perform daily tasks to keep the Cotswold fountains operational and properly maintained. The District will utilize inCon-trol Water Systems to perform the work and will invoice Houston First on a monthly basis for all associated costs pertaining to the Cotswold fountains.
DBE Participation	N/A

ACTION ITEM	Authorize an agreement with Discovery Green Conservancy to provide security personnel at Discovery Green for 2025.

SERVICE PLAN	2021-2025	
Account Codes	506.001 (DPSG)	506.002 (SEAL)
Budget Year	2025	
Budget Amount	$ 588,188 (Revenue)	

REQUEST N/A

DESCRIPTION The Discovery Green Conservancy has asked the District to provide Seal Security and Downtown Public Safety Guides to add a different type of security personnel inside the parameters of the park. The Discovery Green Conservancy will fully reimburse the District for personnel costs for SEAL Security and Downton Public Safety Guide coverage.

DISCUSSION The Discovery Green Conservancy is hoping for a more effective way to enforce certain park rules including but not limited to scooters, bikes and illegal vendors. The District will provide the personnel 7 days a week to enhance the security measures in the park. The District will invoice Discovery Green on a monthly basis.

DBE Participation N/A

ACTION ITEM	Authorize execution of the interlocal agreement with METRO for the District to provide cleaning services on the METRO Rail platforms in downtown.
SERVICE PLAN	2021-2025
Account Code	506.015
Budget Year	2025
Budget Amount	$278,890 (Revenue)
REQUEST	N/A
DESCRIPTION	This action allows the District to become METRO's contractor for rail platform cleaning at the 15 platforms within downtown.
DISCUSSION	METRO has received authorization from their board to approve the interlocal agreement. We are waiting on the contract to be sent over for review and signature. This agreement sets the scope and pricing for cleaning the downtown rail platforms for the next three years. The District will utilize BBB personnel to perform the daily task of removing trash and graffiti at the stops and a pressure washing DBE sub-contractor to pressure wash all 15 of the platforms once a week. The District will continue to invoice METRO quarterly and the amount is recorded under revenues to the District. The District will receive approximately $865,000 over the three years of the agreement.
M/WBE Participation	The District plans to utilize a DBE for the pressure washing portion of the scope.

ACTION ITEM	Authorization of $750,000 for Thrive Storefront Grants.
SERVICE PLAN	2021-2025
Account Code	579-800
Budget & Year	$750,000 2025
REQUEST	Not to exceed $750,000
DESCRIPTION	In alignment with Goals 4.1, 4.11, and 4.13, this authorization requests funds to support Thrive Storefront Grants, Downtown Houston+'s legacy grant program for storefront businesses.
DISCUSSION	Building on the multi-decade success of Downtown Houston+'s retail incentives, this program is critically important for catalyzing new tenancies of street-level retail spaces on key corridors and adjacent to successful destinations and green spaces. In 2024, four grants were committed to four properties in Downtown. This amount requested includes the $250,000 from the 2024 budget as grants were awarded but reimbursements were not yet requested. The program's goals are defined by the Downtown Houston Retail Strategy as well as relevant economic development data. The process for approving grant awards rests with the HDMD Board Members that serve on the Thrive Committee, a process approved by the HDMD Board in 2024. Metrics of success fit into two broad categories: Physical realm improvements and street-level activity. HDMD supports individual grants of up to $50,000 for projects. The Thrive Storefront Grants are distributed as post-completion reimbursements for eligible work. Individual grant amounts are capped at a 2:1 ratio of award-to-privately funded scope.
DBE Participation	TBD

ACTION ITEM	Authorize agreement and 2025 expenditure for Main Street Design Guidelines.
SERVICE PLAN	2021-2025
Account Code	774-400
Budget & Year	$50,000 2025
REQUEST	**Not to exceed $50,000**
DESCRIPTION	In alignment with Goals 3.1 and 3.5, this expenditure will fund expert consulting services in support of developing design guidelines for fronting properties and storefronts along the new Main Street Promenade to guide their installation and maintenance of outdoor cafes and related amenities; this document will be a part of the City Ordinance for the new Main Street Promenade.
DISCUSSION	A goal of the Main Street Promenade is to create an inviting, functional, and safe public space that enhances the pedestrian experience while maintaining a cohesive aesthetic that also serves fronting properties and storefronts. These guidelines will establish standards for the layout, style, and materials of outdoor seating areas, ensuring they complement the surrounding environment and support accessibility, comfort, and safety. They may address factors such as furniture durability, seating capacity, spacing for pedestrians, TABC guidelines, and the integration of landscaping elements to create a pleasant atmosphere. Additionally, guidelines help manage the placement of outdoor furniture to avoid obstructing walkways or creating hazards while maintaining a balance between private business interests and public space. By providing clear standards for outdoor activation of the public realm, these guidelines will encourage a vibrant streetscape, support local businesses, and contribute to Main Street's overall appeal and functionality.
M/WBE Participation	TBD

DOWNTOWN HOUSTON+

STRATEGIC ALIGNMENT PLAN UPDATES

December 2024

GOAL 1

Champion major projects, initiatives and investments that improve Downtown.

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

Highlight: On November 21, DTH+ leadership took the stage alongside the Mayor, the Coalition for the Homeless, and countless City departmental leaders to reveal the new strategy to end street homelessness in Houston. DTH+ has served as a co-creator and funder for the new strategy, as homelessness remains the top contributor to negative perceptions of safety, cleanliness, and community vitality among Downtown stakeholders. At the press conference, detail was provided the media and other attendees about how the enhanced, strategic approach will provide safety and support for our most vulnerable while restoring public spaces for comfortable enjoyment. Additional details included: maintaining a "Housing First" approach while fixing a systemic flaw which forced people to live on the streets while navigating the re-housing process, making greater use of shelter and care facilities to allow people to wait in safer environments before being placed in housing, outreach providers and law enforcement playing a proactive role in transitioning people from the streets and into appropriate facilities, and following an encampment decommissioning, a blend of patrols, cleaning, and activation strategies being used to maintain and restore public access and comfort.

Participating Agencies:

Central Houston | downtown district | Downtown Redevelopment Authority

1.7 Collaborate with partners such as the City of Houston, Harris County, Greater Houston Partnership and Houston First to leverage opportunities for shared strategies to improve Downtown.

Highlight: HDMD joins Houston First, the Mayor's Office of Special Events, Discovery Green, POST Houston, and others to present Downtown City Lights, winter holiday festivities from November 22 – December 29. Iconic Downtown destinations are transformed into 12 holiday villages brimming with seasonal cheer. Highlights: Tinsel Town at Market Square Park offers a 40-foot animated tree with lights that dance to music and Silent Night Disco parties every Friday. Twinkle Town at Trebly Park: The largest mistletoe ball in Texas, free hot cocoa, and pet-friendly Santa Paws pet photos on Saturday afternoons. Holiday Trolley: HDMD subsidizes a holiday-themed double-decker to keep tickets affordable, with hop-on/hop-off service. Mayor's Tree Lighting Spectacular: HDMD returns as a partner with the City's official tree-lighting celebration on December 7.

Participating Agencies:

Central Houston | downtown district | Downtown Redevelopment Authority

GOAL 2

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

2.3 Partner with local agencies to provide an exceptional network of parks and greenspaces in Downtown.

Highlight: In November, the Downtown Redevelopment Authority Board approved expenditures for improvements in both Downtown District managed parks, Market Square Park and Trebly Park. Market Square Park will undergo renovations to the existing kiosk plus a new café building to house the Park's new tenant, Petite Lucie, a charming French-inspired bakery and café with a bistro-style outdoor bar that will serve breakfast, lunch, and dinner. In Trebly Park, new permanent shade structures will be constructed that will enable more comfortable use of the park's social areas, including the dog park and play areas, and will enhance park-going experiences. Construction of both projects will occur in the 1st Quarter of 2025 with completions scheduled for Spring 2025.

Participating Agency:

downtown district

2.9 Pro-actively address perceptions and reporting that affect the image and reputation of Downtown.

Highlight: Through the HDMD's $1M in financial support of the Mayor's new strategy to end homelessness, Downtown will be the first area in Houston where efforts will be focused. The first phase of the operation commenced in November, as areas beneath overpasses along Buffalo Bayou were of particular concern to DTH+ considering the HDMD's upcoming investments in holiday programming on the north side of Downtown. The Allen's Landing intervention will begin on 11/18 with outreach & housing offered from Nov 18-21, followed by park rules enforcement & closure maintenance beginning the evening of Nov 21. Of the approximately 25 individuals residing under the Main Street bridge, 20 have already been housed. As of 12/5, the encampment is now completely decommissioned and closure maintenance is underway. That high intensity of maintenance and law enforcement activity currently includes regular power washing, multiple patrols daily by law enforcement agencies, plus, through the end of 2024, activation and programming strategies to help reintroduce the area for comfortable public enjoyment. Over time, partners such as UHD and BBP must become partners in activating the space.

Participating Agency:

downtown district

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

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

Highlight: For the first time, Downtown Houston+ brings holiday magic to Houston's most historic waterway, in a digital, immersive light and sound spectacular at Allen's Landing, December 20 – 29 from 6 to 10 p.m. Reflecting on the water from a four-story tall, six-story wide water screen, Snow Glow can be experienced from multiple vantage points. The hill by the Sunset Coffee Building is the ideal spot to spread a picnic blanket and bring a thermos of hot cocoa for the free, all-ages programming. Interactive elements encourage children to create their digital artworks that are displayed on the giant water screen. A tunnel of lights and massive oak trees on the bayou's banks shimmer with holiday lights. Buffalo Bayou Partnership's independently operated Snow Glow holiday cruises have booked up quickly.

Participating Agency:

downtown district

Downtown Redevelopment Authority

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

Highlight: Formation of an events and programming strategy kicked off in April with a facilitated conversation directed by DTH+ leadership at the HDMD April Board Meeting and with the ENGAGE Collaborative Committee. Additional input was gathered from the ENGAGE Committee at its September and November meetings. In September, a Downtown stakeholders survey was completed by more than 750 respondents. These have been synthesized into a document shared with the ENGAGE Committee. Finally, the Public Realm Action Plan from Gehl Consulting team member Agora Partners also will layer in strategies to raise the baseline of daily park activation, enhance collaboration among event producers activating Downtown, and capture event revenue-generating opportunities.

Participating Agency:

downtown district

GOAL 4

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

4.14 Encourage, support and promote new attractions that promote what Downtown offers.

Highlight: At the 2024 Downtown City Lights Holiday Magic media launch, DTH+ leadership unveiled a new, simple mobile technology putting event descriptions and maps, boat cruise and holiday trolley tickets, parking, and more at peoples' fingertips. Simply text Downtown Holidays to 56512. This web-based app doesn't require a download, while it welcomes new audiences to a seamless experience of seasonal festivities—even join an "Elf on the Shelf" scavenger hunt to explore six Downtown holiday destinations and enter to win the ultimate Downtown staycation. The marketing team will be able to engage first-time users in future attractions, like self-guided public art tours.

Participating Agencies:

Central Houston | downtown district | Downtown Redevelopment Authority

4.15 Be the go-to organization for Downtown market research and intelligence.

Highlight: The Downtown Houston+ Economic Development team published their Q3 2024 Quarterly Market Report, providing a comprehensive Downtown market analysis for our real estate stakeholders. Key findings include a 15% quarter-over-quarter increase in employee visits, demonstrating a strong return-to-office trend. The hotel sector also thrived, with a 5.5% year-over-year increase in occupancy and an 8.9% rise in RevPAR. The residential market showed promise, with a decreasing vacancy rate. These positive indicators, coupled with ongoing development of 413 units, underscore Downtown Houston's resilience and potential for future growth.

Participating Agency:

downtown district

GOAL 5

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

5.2 Expand CHI-produced events and engagement opportunities to offer broader opportunities for stakeholders to engage with and participate in the Downtown community.

Highlight: The November CHI Member Breakfast focused on Q3 Downtown market trends and updates on the Main Street Promenade, pedestrian overpass lighting, and the highway project. Members had the chance to connect and network with each other, creating new opportunities for collaboration. A prospective member joined the event as well, getting a firsthand look at the value and benefits of CHI membership. The session offered insights into the projects shaping Downtown's future while reinforcing the importance of building strong connections within our community.

Participating Agency:

Central Houston

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

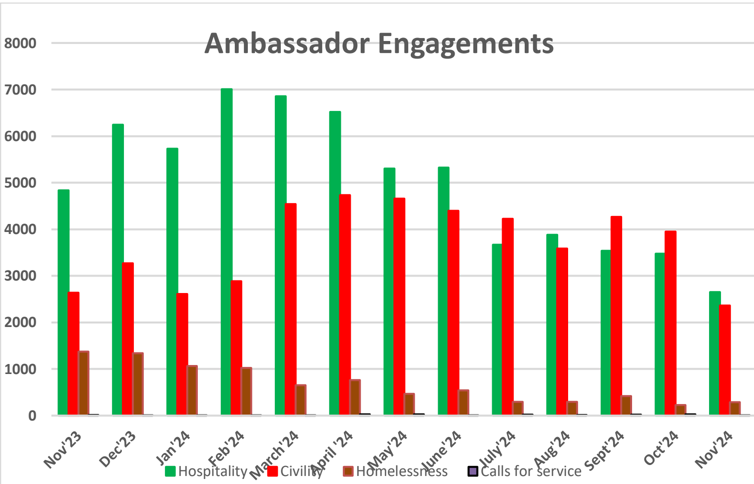
Highlight: The CHI Value Proposition Book is now published, the result of collaborative efforts by staff, the CHI Development Committee, and Board. This publication highlights key historical successes and showcases impactful current initiatives. It reinforces the value of CHI membership by celebrating the achievements of current members and the initiatives they continue to advance. Additionally, it serves as a compelling resource for prospective members, providing an inspiring glimpse into the work being driven by CHI's network of professionals and inviting them to join in shaping Downtown's future.

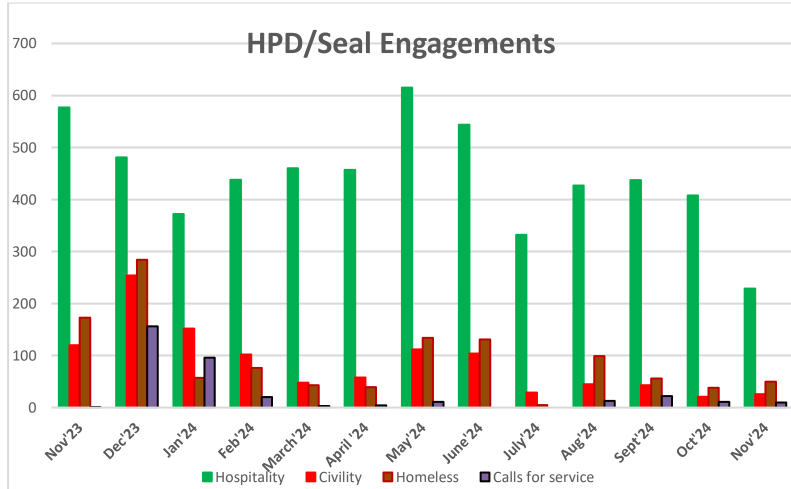
Participating Agency:

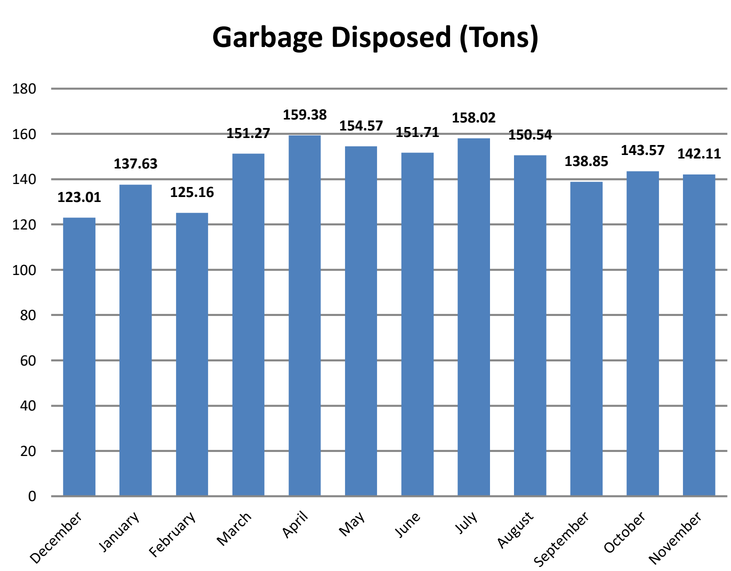
Central Houston | downtown district

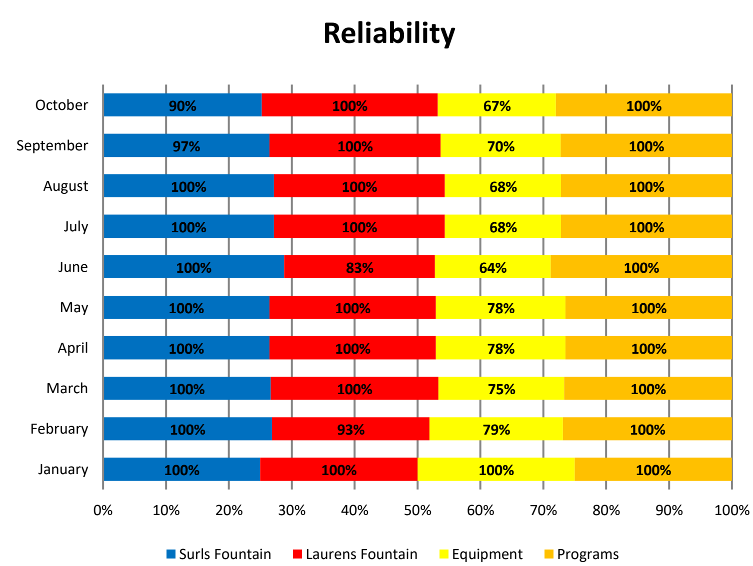
Engagements	Homeless Count	Sidewalk Cleaning	Garbage Disposed (Tons)	Reliability
108,748	223	4.13	1613	86%
Total	Average	Average	Total	Average

Safety & Quality Control







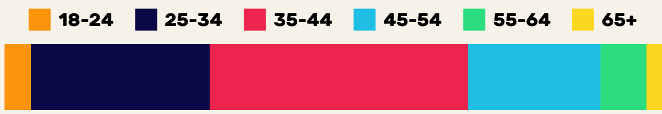


Engagement Metrics

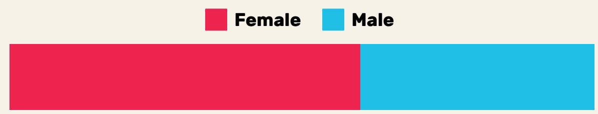
November 2024

SOCIAL

FOLLOWERS BY AGE



FOLLOWERS BY GENDER



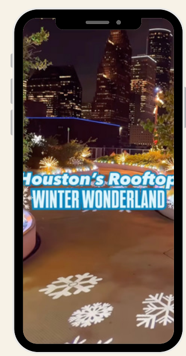
SOCIAL METRICS

	Instagram	Facebook	X
Total Reach	621,011	424K	26K
Total Impressions	124,470	190K	7.7K
Total Followers	186,152 (+2.6%=5,248 New Followers)	141K	172.4K

TOP CONTENT OF THE MONTH

Houston's Rooftop Winter Wonderland

Plays	2.1M
Likes	106K
Comments	455
Shares	74K
Saves	28K
Total Reach	**1.6M**



WEBSITE

TOP 3 VIEWED PAGES

1 Tunnels — 8,961 Views

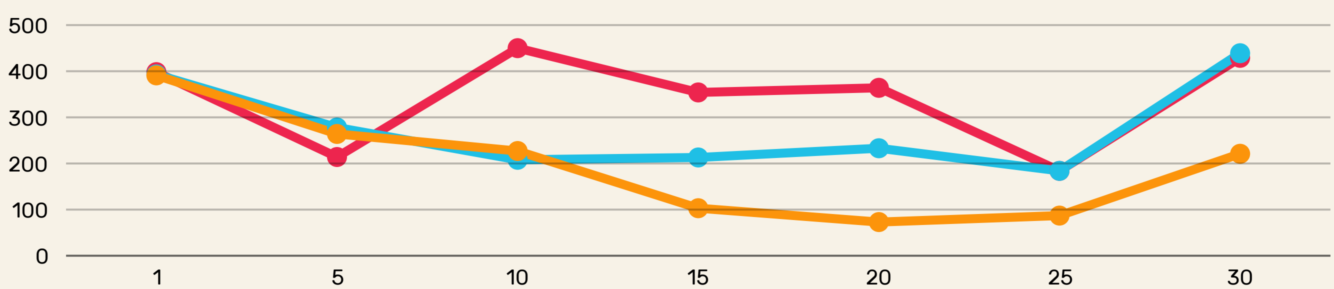
Unique Visitors	Views/User	Avg. Time
5,627	1.51	45s

2 Calendar — 8,268 Views

Unique Visitors	Views/User	Avg. Time
4,420	1.87	57s

3 Parking — 5,782 Views

Unique Visitors	Views/User	Avg. Time
3,263	1.77	36s



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