



Board of Directors Meeting

August 14, 2025

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

June 12, 2025

THE STATE OF TEXAS §
 §
COUNTY OF HARRIS §

The Board of Directors of the Houston Downtown Management District (the “District”) convened in person on June 12, 2025, for a regular meeting session, open to the public, in the H-Town Conference Room located inside the District’s office at 1221 McKinney Street, Suite 4250, Houston, TX 77010, and the roll was called of the duly appointed members of the Board, to-wit:

BOARD MEMBERS

Sean Alley	Spencer Lightsy
Leslie Ashby	Tyler Merritt
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	Brandon Oliver
Marian Harper	Edna Ramos
C.C. Huang	Frem Reggie
Angus Hughes	John Schafer
Antoinette “Toni” Jackson	Richard Torres
Robbi Jones	Reggie Wilson

and all of the above were present, with the exception of Chair Ashby and Directors Baumgardner, D’Rovencourt, Hughes, Jackson, Liu, Massad, Merritt, Meyer, Oliver, and Wilson.

Also present were Kris Larson, President/CEO of the District; Allen Douglas, General Counsel; Jana Gunter, Director of Finance; staff members Brett DeBord, Jacque Gonzalez-Garcia, Cassie Hoeprich, Andres Laucirica, Jamie Perkins, Albert Sanchez, Ann Taylor and Candace Williams; all with the District; Algenita Davis, consultant to the District; summer interns Madison DeBord and Baily Flowers; and outside counsel Clark Lord, with Bracewell.

Additionally, guests and presenters attending included Brad Segal and Chloe Shipp with PUMA Consulting; President Shih-Tsung Wu with Opic Oil; Linda Trevino with METRO; Rupesh Koshy and Robert Williamson, both with the City of Houston Planning Department. Attendees from the public included reporter Cassie Jenkins with Community Impact, and resident Chris Prusiecki.

WELCOME

Vice Chair Jones presided over the meeting and welcomed all directors and attendees. Marian Harper served as Secretary. A quorum was established, and the meeting was called to order at 12:13 PM.

PUBLIC COMMENT

Vice Chair Jones asked if there were any comments from the public. There were no comments from the public.

APPROVAL OF MINUTES

The Board considered approving the minutes of the May 8, 2025, meeting of the Board of Directors. Vice Chair Jones called for comments or corrections. Hearing none, she then called for a motion, moved by Director Reggie, and seconded by Director Kennedy, and the May 8th minutes were approved as presented.

FINANCE AND ADMINISTRATIVE MATTERS

Approval of Financial Statements and Ratification of Expenditures

Vice Chair Jones called on Treasurer Torres to present the interim financial statements for April and May 2025, and check registers for the period ending May 31, 2025. Treasurer Torres shared highlights from the April and May financial statements and the May check registers. Questions were asked and answered, and discussion took place.

Vice Chair Jones called for a motion; moved by Director Ramos, and seconded by Director Kennedy, and the Board accepted the April and May financial statements and May check registers as presented.

Report of Audit Committee and acceptance of Audited Financial Statements for Year Ending December 31, 2024

On behalf of Audit Committee Chair Jackson, Vice Chair Jones shared updates from the Audit Committee meeting held on June 6, 2025. She reported the Committee met to review and discuss the draft 2024 Audited Financial Statements, and noted a copy of the draft was included in the materials previously provided.

Next, she shared highlights from the Committee's review and called for questions. Hearing none, Vice Chair Jones concluded by stating it was the Committee's recommendation for the Board to consider accepting the draft 2024 Audited Financial Statements.

A motion was made; moved by Director Foreman and seconded by Director Ramos; and the Board accepted the draft 2024 Audit Financial Statements, as presented.

2025 BUDGET AMENDMENT REVIEW AND PRESENTATION

Vice Chair Jones asked President Larson to share a presentation on the 2025 Budget Amendment Review. He shared highlights, then called for questions and discussion. Hearing none, he encouraged the Board to reach out if any questions arose in the future. Questions were asked and answered, and discussion ensued.

A motion was made; moved by Director Ramos and seconded by Director Crawford; and the Board accepted amendments to the 2025 Budget, as presented.

ITEMS PERTAINING TO THE SERVICE PLAN RENEWAL

President Larson was invited to open discussion. He introduced Brad Segal and Chloe Shipp, both with PUMA Consulting, and together the three shared a presentation covering the draft Service Plan. President Larson then reviewed with the Board a draft of the required Petition, which is needed to petition the property owners in support of the Service Plan. Discussion ensued and questions were asked and answered.

Vice Chair Jones called for a motion to approve the property owners Petition form and to authorize the District to send the Petition to property owners on the Harris County Tax Roll. Director Crawford moved, and Director Ramos seconded the motion, and the Board approved this request as presented.

AUTHORIZATIONS AND EXPENDITURES

Planning & Economic Development

Vice Chair Jones invited David Cisneros share a presentation on the proposed Al Fresco Grant Program. Mr. Cisneros shared information about the proposed grant program and fielded questions.

Vice Chair Jones called for a motion, moved by Director Ramos, seconded by Director Foreman, and the Board approved the request authorizing implementation of the Al Fresco Grant Program and expenditures not to exceed \$100,000 for the grant program, as presented.

Strategic Initiatives

Next, Vice Chair Jones called on Alyssa Mason to present and open discussion about downtown holiday décor. Ms. Mason shared a presentation and outlined DTH+ vision for holiday décor. Questions were asked and answered, and discussion ensued.

Vice Chair Jones called for a motion to authorize staff & leadership to issue an RFP to procure a vendor(s) and execute agreements for holiday décor in downtown for an amount not to exceed \$700,000. This motion was moved by Treasurer Torres, seconded by Director Boykins, and the Board approved the request, as presented.

Engagement

Ann Taylor was invited to share an authorization to enter into an agreement with a videographer. Ms. Taylor shared information, noting expenditures for this line item were previously approved on the consent agenda at the December 12, 2024 board meeting. Questions were asked and answered, and discussion ensued.

A motion was called to authorize the President/CEO to enter into an agreement with recommended vendor for videography services to support marketing programs. This motion was moved by Director Crawford, seconded by Director Kennedy, and the Board approved the request, as presented.

Capital Projects

Mr. DeBord continued by presenting the next authorization request. He explained this request is for additional expenditures for continued support of the banner program. No questions were asked and discussion did not occur.

Vice Chair Jones called for a motion to authorize additional 2025 expenditures with Lone Star Flags & Flagpoles for fabrication and installation of the newly designed banners in an amount not to exceed \$235,000 (a \$75,000 increase from a previous authorization). The motion was moved by Director Ramos, seconded by Director Alley, and the Board approved the request, as presented.

Operations & Maintenance

Mr. DeBord concluded with an authorization for an agreement and remaining expenditures for continued support to Harris County for support services for the outreach teams. Questions were asked and answered, and discussion ensued.

A motion was called to authorize entering into an agreement and remaining 2025 expenditures with Harris County for support services for outreach teams, in an amount not to exceed \$32,000. The motion was moved by Director Kennedy, seconded by Director Lightsey, and the Board approved the request, as presented.

STRATEGIC ALIGNMENT UPDATES

President Larson referred to the Strategic Alignment report in the materials previously provided. He encouraged Board members to review the information and reach out if anyone had questions. No action was needed.

OTHER BUSINESS & ADJOURNMENT

Vice Chair Jones reminded the Board of the upcoming meetings:

- Thrive Committee - Wednesday, June 18th from 12:00-1:30 PM
- No Board or Committee meetings in July
- Board meeting – Thursday, August 14th from 12:00-1:30 PM

Hearing no further business coming forth to the Board, the meeting was adjourned at 1:33 PM.

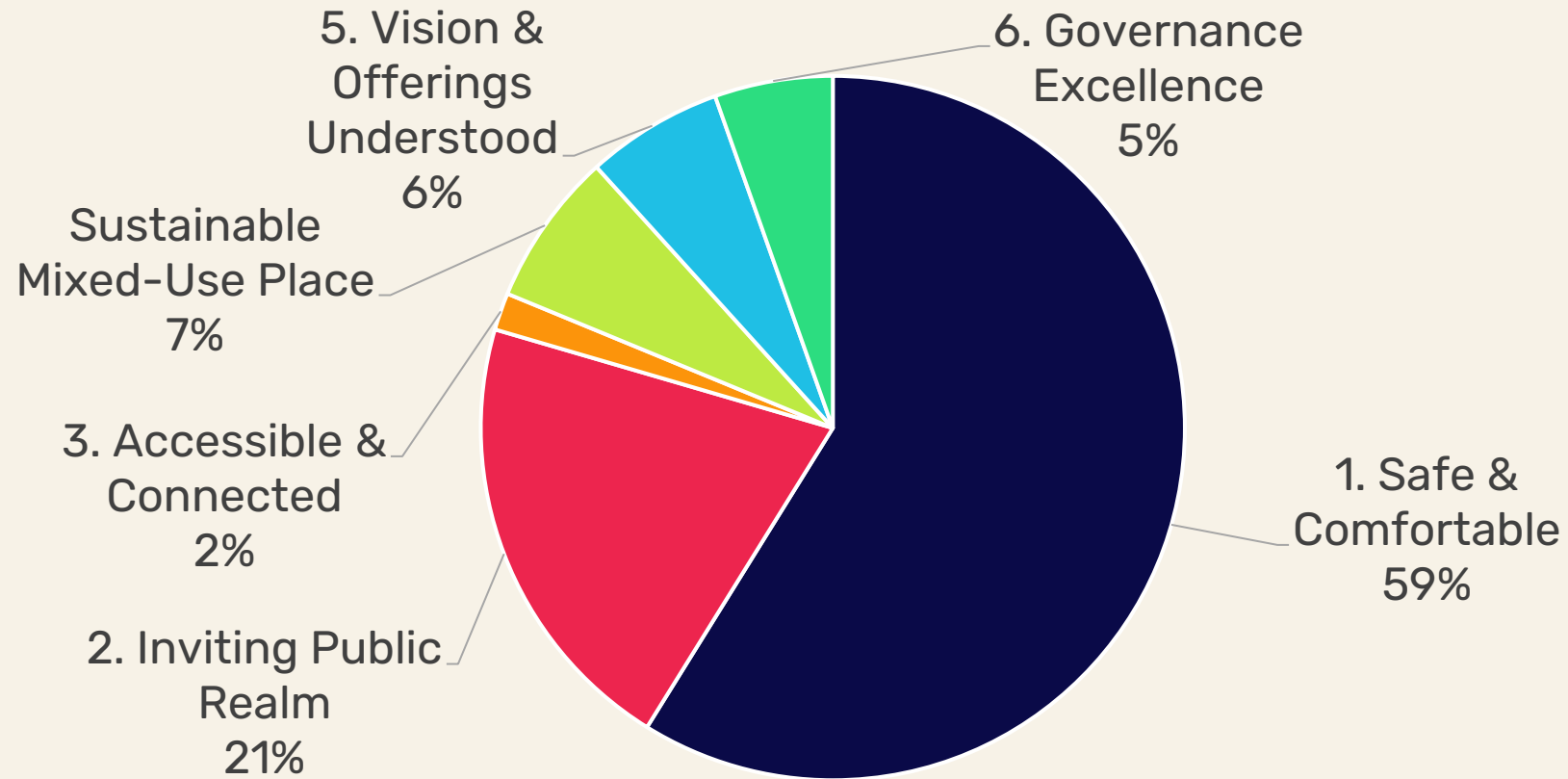
Marian Harper, Secretary
Houston Downtown Management District

HDMD FINANCIAL SUMMARY - JULY 2025

AUGUST 14, 2025

DOWNTOWN
HOUSTON+

2025 AMENDED ANNUAL BUDGET



Total \$35,679,771

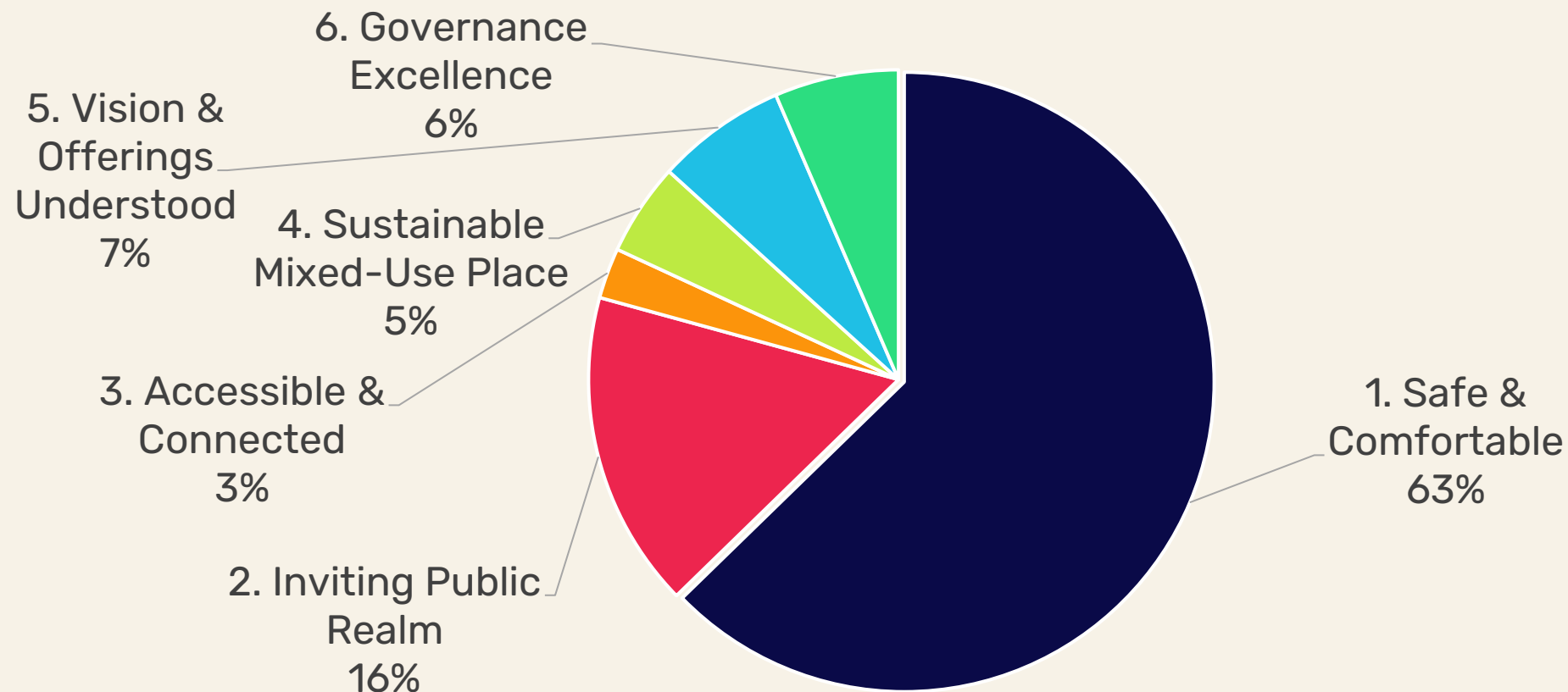
Operating: \$20,640,821 Amended Capital: \$15,038,950

YTD BALANCE SHEET

July 2025

- Assets
 - Cash Balance is \$354K
 - TexPool Investments \$17.8M
 - 2024 Assessments Due: \$68K or 99% have been collected.
- Liabilities
 - Reserves for Property Value Protests are \$1.5M
- Fund Balance
 - Unrestricted Operating Fund Balance is \$9.7M
 - Capital Restricted Fund Balance is \$5.0M

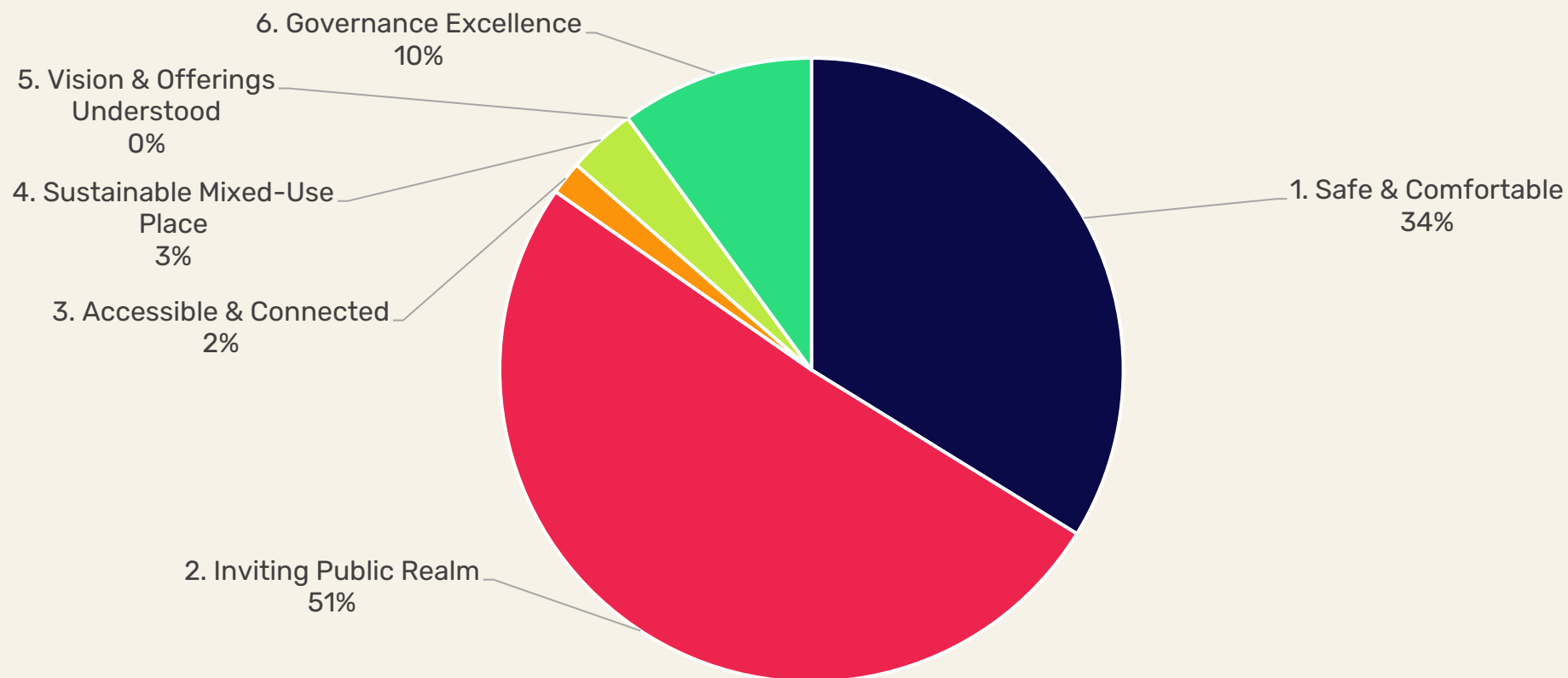
JULY 2025 OPERATING SPENDING



Total \$8,868,863

Budget Expended 43% at July 31, 2025

JULY 2025 CAPITAL SPENDING



Total \$1,758,561

Budget Expended 12% at July 31, 2025

JULY 2025 BUDGET NOTES

Amended Revenues are \$2.6M under budget

- **\$2M or 79% attributed to Capital reimbursements from FTA/TxDot**
- **Project Revenue**
 - \$32K under budget – MSP Kiosk Petite Lucie opening delayed to mid-October.
 - \$97K under budget – Sponsorships ramping up with a new team member dedicated to this effort.
 - Amended budget-Capital reimbursements: \$7M (FTA), \$4.83M (TxDot), \$400K (Metro Rail Line).
 - Main Street construction began in June: Mill & Overlay starts late fall.
 - Capital Project Revenue \$2M under budget – FTA grant reimbursement paperwork is under review.
- **Other Income**
 - \$164K under budget – FEMA funds for 2025 received early in 2024

JULY 2025 BUDGET NOTES

Operating Expenses are \$2.1M under budget

- **Downtown Feels Safe & Comfortable**

- Accounts for 48% of the variance, primarily due to delayed invoicing from Block by Block and Seal Security

- **Public Realm is Charming**

- Represents 36% of the variance, driven by:
 - Delayed summer planting invoices
 - Lower-than-expected fountain repair and maintenance costs
 - Adjusted event schedules
 - Unspent art programming and consulting funds

JULY 2025 BUDGET NOTES

Operating Expenses, continued,

- **Vibrant Sustainable Mixed-Use Place**

- Contributes 7% of the variance, due to the timing of the Downtown Living Initiative (DLI) payments. Rebates are pending resolution of property protests and court documentation.

- **Downtown's Vision and Offering Understood by All**

- Makes up the remaining 8%, with savings from Marketing contract revisions and complimentary work provided by vendors.

JULY 2025 BUDGET NOTES

Amended Capital Expenses are \$2.3M under budget

- **Public Realm is Charming**

- Represents 79% of the variance, driven by:
 - Timing of project invoices for Main Street Promenade and Improved Pedestrian Connection

- **Vibrant Sustainable Mixed-Use Place**

- Contributes 18% of the variance, due to the timing of the funding of the Retail Challenge Grants and the Downtown Living Initiative (DLI) rebates. Rebates are pending resolution of property protests and court documentation.

CHECK REGISTER

June 2025

- Total checks issued were \$1.4 million
 - Block by Block - \$348K – contract services
 - Central Houston, Inc. - \$228 – admin contract services (May 2025)
 - Bill Gstreet LLC - \$124K – replace chiller at Operations (50%)
 - Seal Security Solutions - \$119K – contract services
 - Central Houston Civic Improvement - \$100K – NHHIP
 - Gulf Coast Pavers, Inc - \$46K – Paver install
 - Color Specialist Landscaping, Inc. - \$39K – landscaping services
 - Today's Landscape – \$34K – landscaping services

CHECK REGISTER

July 2025

- Total checks issued were \$2.4 million
 - Jerdon Enterprise, LP - \$581K - Main Street Promenade (to be reimbursed by FTA)
 - Block by Block - \$493K - contract services
 - Coalition for the Homeless - \$250K - 2nd pymt of \$1M pledge for housing
 - Bel Air Multi 1711 LLC - \$216K - DLI 2024
 - HT Houston Portfolio LP - \$118K - assessment refund
 - Seal Security Solutions - \$113K - contract services
 - Main Street Market Square (DRA) - \$79K - DLI 2024 reimbursement
 - Today's Landscape - \$57K - landscaping services
 - Gulf Coast Pavers, Inc. - \$36K - paver install
 - Associated Landscape Services LLC - \$32K - landscaping services

2025 INVESTMENT REPORT

2Q – 4/1/2025 thru 6/30/2025

	4/1/2025			Net Changes	6/30/2025		
	Oper	Capt	Total		Oper	Capt	Total
JP Morgan Chase	\$13,365K	\$1,044K	\$14,409K	(\$14,055K)	\$61K	\$293K	\$354K
TexPool Prime*	\$3,127K	\$4,219K	\$7,346K	\$10,089K	\$12,665K	\$4,770K	\$17,435K
Total Cash	\$16,492K	\$5,262K	\$21,755K	(\$3,966K)	\$12,726K	\$5,063K	\$17,789K

*Avg. Daily Yield: 4.44%

2025 Disadvantaged Business Enterprise Program (DBE) Activity Report (1/1 – 6/30)

	2025			2024		
	Operating	Capital	Total	Operating	Capital	Total
Total Certified MWBE	\$1,191K	\$201K	\$1,392K	\$1,200K	\$95K	\$1,295K
Adj. Total Spending	\$7,841K	\$801K	\$8,642K	\$7,374K	\$706K	\$8,423K
Less: Qualified Exclusions	(\$2,970K)	\$-	(\$2,970K)	(\$2,720K)	\$-	(\$2,720K)
Qualifying Total Spending	\$4,871K	\$801K	\$5,672K	\$4,654K	\$393K	\$5,047K
% MWBE Certified	24.4%	25.1%	24.5%	25.8%	24.3%	25.7%
Total Self-Certified MWBE	\$56K	\$-	\$56K	\$130K	\$3K	\$133K
% Cert. + Self Cert.	25.6%	25.1%	25.5%	28.6%	25.2%	28.3%
OBJECTIVE			25.0%			25.0%

**DOWNTOWN
HOUSTON+**



To Management
Houston Downtown Management District

Management is responsible for the accompanying financial statements of the Houston Downtown Management District (the District), which comprise the governmental fund balance sheets and statements of net position as of June 30, 2025 and 2024, 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
July 16, 2025

Houston Downtown Management District
Governmental Fund Balance Sheets and
Statement of Net Position
For the period ended June 2025, and June 2024

	2025			2024		
	Operating Year to Date	HDMD Capital Year to Date	Total (Memo Only)	HDMD Operating Year to Date	HDMD Capital Year to Date	Total (Memo Only)
Assets						
Cash	12,725,779	5,063,306	17,789,085	13,842,788	4,703,597	18,546,386
Assessments Due	84,532	6,311	90,843	272,516	22,252	294,768
Accounts Receivable	564,224	-	564,224	221,319	-	221,319
Prepaid Expense	168,076	-	168,076	26,235	-	26,235
Property & Equipment, Net	492,108	110,558	602,666	566,031	-	566,031
Right of Use Lease Assets, Net	2,265,322	-	2,265,322	2,355,881	-	2,355,881
Intercompany Rec/Pay	(870,707)	870,707	-	(1,268,579)	1,268,579	-
Total Assets	15,429,334	6,050,883	21,480,217	16,016,191	5,994,428	22,010,619
Liabilities						
Accounts Payable & Accrued Expenses	548,061	5,509	553,570	401,921	40,345	442,266
Lease Liabilities	2,495,894	-	2,495,894	2,545,264	-	2,545,264
Deferred Revenue	-	-	-	-	-	-
Reserve for Refunds due to Property Protests	1,544,802	86,688	1,631,490	1,484,586	101,228	1,585,814
Total Liabilities & Deferred Revenue	4,588,756	92,196	4,680,953	4,431,770	141,573	4,573,343
Fund Balances						
Unreserved, Undesignated	10,445,922	-	10,445,922	10,784,421	-	10,784,421
Unreserved, Designated for Catastrophy	394,656	-	394,656	800,000	-	800,000
Reserved for Capital Projects	-	5,958,686	5,958,686	-	5,852,855	5,852,855
	10,840,578	5,958,686	16,799,264	11,584,421	5,852,855	34,874,552
Total Liabilities, Deferred Revenue & Fund Balances	15,429,334	6,050,883	21,480,217	16,016,191	5,994,428	22,010,619

Houston Downtown Management District
Statement of Activities
For the period ended June 2025, and June 2024

	Operating YTD Actual	Capital YTD Actual	Total YTD Actual	Amended 2025 Budget	% Budget Received	% Year Elapsed	Notes
Revenue							
Assessment Revenue	-	-	-	17,168,132	0%	50%	
Operations Revenue	791,191	-	791,191	1,766,540	45%	50%	
Project Revenue	151,625	-	151,625	11,762,500	1%	50%	1
Other Income	55,977	-	55,977	220,316	25%	50%	2
Interest Income	306,687	81,107	387,794	832,025	47%	50%	
Total Revenues	\$ 1,305,481	\$ 81,107	\$ 1,386,588	\$ 31,749,513	4%	50%	
Expenses					% Budget Expended		
Downtown Feels Safe & Comfortable at All Times							
Collaboration to Maintain Low Crime Rate	1,823,847	-	1,823,847	4,545,784	40%	50%	3
Reduced Presence of Homeless & Street Persons	525,438	-	525,438	1,177,417	45%	50%	
Downtown Sidewalks are Comfortably Lighted	90,016	-	90,016	252,526	36%	50%	
Downtown Clean & Well-Kept Appearance	2,136,087	-	2,136,087	6,006,162	36%	50%	3
Remove Signs of Disorder in Downtown	28,767	-	28,767	60,906	47%	50%	
Prepare for Emergencies	47,664	-	47,664	104,153	46%	50%	
	4,651,819	-	4,651,819	12,146,948	38%	50%	
Public Realm is Charming, Inviting, Beautiful & Celebrates the Life of the City							
Key Pedestrian Streets are Inviting	278,602	-	278,602	645,561	43%	50%	
Public Spaces Managed, Programmed, & Delightful	793,601	-	793,601	2,279,119	35%	50%	4
Place of Civic Celebration	212,784	-	212,784	1,341,872	16%	50%	5
	1,284,987	-	1,284,987	4,266,553	30%	50%	
Accessible to Region & Easy to Get Around							
Effective Transit Access More Places, More Hours	163,559	-	163,559	178,221	92%	50%	6
Convenient Circulation Without Personal Vehicle	-	-	-	-	N/A	50%	
Easy to Find Way Around	19,704	-	19,704	95,425	21%	50%	7
Connect Neighborhoods & Districts Inside/Outside Downtown	31,726	-	31,726	64,503	49%	50%	
Convenient, Understandable & Managed Parking	7,345	-	7,345	14,740	50%	50%	
	222,335	-	222,335	352,888	63%	50%	
Vibrant, Sustainable Mixed-Use Place							
Best Place to Work in Region	81,723	-	81,723	222,196	37%	50%	8
Exciting Neighborhoods to Live In	217,022	-	217,022	1,156,553	19%	50%	9
Competitive Shopping Place	25,085	-	25,085	57,695	43%	50%	
Remarkable Destination for Visitors	9,792	-	9,792	20,136	49%	50%	
	333,623	-	333,623	1,456,579	23%	50%	
Downtown's Vision & Offering Understood By All							
Market to Region	240,619	-	240,619	727,134	33%	50%	10
Promote Downtown's Ease of Use	41,924	-	41,924	84,604	50%	50%	
Vision/Development Framework Understood By All	177,706	-	177,706	358,529	50%	50%	
Tools to Assist Continued Redevelopment	22,041	-	22,041	46,291	48%	50%	
Develop & Main Information to Support Downtown	37,464	-	37,464	80,870	46%	50%	
	519,755	-	519,755	1,297,428	40%	50%	
District Governance & Service Known for Excellence							
Engage Stakeholders in Decision Making	366,168	-	366,168	957,106	38%	50%	
Communications to Owners, Tenants & Others	50,889	-	50,889	111,619	46%	50%	
Preservation of District's Capital Assets	51,769	-	51,769	51,700	100%	50%	11
	468,825	-	468,825	1,120,425	42%	50%	
Capital Improvement & Expenditures							
Downtown Feels Safe & Comfortable	-	252,989	252,989	1,150,620	22%	50%	12
Public Realm is Charming, Inviting & Beautiful	-	306,331	306,331	12,440,304	2%	50%	13
Accessible to Region & Easy to Get Around	-	29,185	29,185	169,989	17%	50%	14
Vibrant, Sustainable Mixed-Use Place	-	46,728	46,728	887,272	5%	50%	15
Downtown's Vision & Offering Understood By All	-	-	-	-	N/A	50%	
Capital Replacement Expenditure	-	165,393	165,393	390,765	42%	50%	16
	-	800,627	800,627	15,038,950	5%	50%	
Total Expenses	7,481,343.69	800,626.60	8,281,970.29	35,679,771	23%	50%	
Depreciation Expense	56,925	12,516	69,441	125,129	55%	50%	
Fund Balance Allocation				4,055,387			
Excess of Revenue Over Expenses GAAP Basis	(6,232,789)	(732,035)	(6,964,824)	-			

Houston Downtown Management District
Statement of Activities
For the period ended June 2025, and June 2024

	Operating YTD Actual	Capital YTD Actual	2025 Total YTD Actual	2024 Total YTD Actual	Fav (Unfav) Variance	% Var
Revenue						
Assessment Revenue	-	-	-	-	-	N/A
Operations Revenue	791,191	-	791,191	313,314	477,877	153%
Project Revenue	151,625	-	151,625	25,067	126,558	505%
Other Income	55,977	-	55,977	8,379	47,597	568%
Interest Income	306,687	81,107	387,794	501,719	(113,925)	-23%
Total Revenues	\$ 1,305,481	\$ 81,107	\$ 1,386,588	\$ 848,480	\$ 538,108	63%
Expenses						
Downtown Feels Safe & Comfortable at All Times						
Collaboration to Maintain Low Crime Rate	1,823,847	-	1,823,847	1,493,125	(199,177)	-13%
Reduced Presence of Homeless & Street Persons	525,438	-	525,438	440,524	(84,914)	-19%
Downtown Sidewalks are Comfortably Lighted	90,016	-	90,016	88,167	(1,849)	-2%
Downtown Clean & Well-Kept Appearance	2,136,087	-	2,136,087	2,331,677	195,591	8%
Remove Signs of Disorder in Downtown	28,767	-	28,767	33,947	5,180	15%
Prepare for Emergencies	47,664	-	47,664	221,670	174,006	78%
	4,651,819	-	4,651,819	4,609,109	(42,709)	-1%
Public Realm is Charming, Inviting, Beautiful & Celebrates the Life of the City						
Key Pedestrian Streets are Inviting	278,602	-	278,602	226,648	(51,954)	-23%
Public Spaces Managed, Programmed, & Delightful	793,601	-	793,601	977,354	183,753	19%
Place of Civic Celebration	212,784	-	212,784	201,234	(11,550)	-6%
	1,284,987	-	1,284,987	1,405,236	120,249	9%
Accessible to Region & Easy to Get Around						
Effective Transit Access More Places, More Hours	163,559	-	163,559	9,928	(153,631)	-1547%
Convenient Circulation Without Personal Vehicle	-	-	-	-	-	N/A
Easy to Find Way Around	19,704	-	19,704	22,837	3,133	14%
Connect Neighborhoods & Districts Inside/Outside Downtown	31,726	-	31,726	31,777	51	0%
Convenient, Understandable & Managed Parking	7,345	-	7,345	6,305	(1,040)	-17%
	222,335	-	222,335	70,847	(151,488)	-214%
Vibrant, Sustainable Mixed-Use Place						
Best Place to Work in Region	81,723	-	81,723	223,052	141,328	63%
Exciting Neighborhoods to Live In	217,022	-	217,022	220,477	3,455	2%
Competitive Shopping Place	25,085	-	25,085	9,461	(15,625)	-165%
Remarkable Destination for Visitors	9,792	-	9,792	8,526	(1,267)	-15%
	333,623	-	333,623	461,515	127,892	28%
Downtown's Vision & Offering Understood By All						
Market to Region	240,619	-	240,619	300,004	59,385	20%
Promote Downtown's Ease of Use	41,924	-	41,924	50,169	8,245	16%
Vision/Development Framework Understood By All	177,706	-	177,706	50,869	(126,838)	-249%
Tools to Assist Continued Redevelopment	22,041	-	22,041	13,175	(8,866)	-67%
Develop & Main Information to Support Downtown	37,464	-	37,464	11,446	(26,019)	-227%
	519,755	-	519,755	425,663	(94,092)	-22%
District Governance & Service Known for Excellence						
Engage Stakeholders in Decision Making	366,168	-	366,168	374,988	8,820	2%
Communications to Owners, Tenants & Others	50,889	-	50,889	30,937	(19,952)	-64%
Preservation of District's Capital Assets	51,769	-	51,769	46,972	(4,796)	-10%
	468,825	-	468,825	452,897	(15,927)	-4%
Capital Improvement & Expenditures						
Downtown Feels Safe & Comfortable	-	252,989	252,989	176,047	(76,943)	-44%
Public Realm is Charming, Inviting & Beautiful	-	306,331	306,331	93,747	(212,584)	-227%
Accessible to Region & Easy to Get Around	-	29,185	29,185	14,247	(14,938)	-105%
Vibrant, Sustainable Mixed-Use Place	-	46,728	46,728	17,069	(29,659)	-174%
Downtown's Vision & Offering Understood By All	-	-	-	-	-	N/A
Capital Replacement Expenditure	-	165,393	165,393	91,611	(73,782)	-81%
	-	800,627	800,627	392,721	(407,906)	-104%
Total Expenses	7,481,344	800,627	8,281,970	7,817,989	(463,981)	-6%
Depreciation Expense	56,925	12,516	69,441	45,321	(24,121)	-53%
Excess of Revenue Over Expenses GAAP Basis	(6,232,789)	(732,035)	(6,964,824)	(7,014,830)	50,006	-1%

Houston Downtown Management District

Budget Notes (Capital Budget Amended in May, 2025)

For the Six Months Ended June 30, 2025

Revenue Overview.

- 1) **Project Revenue:** Market Square Park Kiosk rent and utilities reimbursement income is under budget \$26K due to delays in the construction of the kiosk. The kiosk is scheduled to open in late August. Sponsorships, a new budget line item is under budget \$100K. The District is actively promoting sponsorship opportunities and a new team member who joined us in May is dedicated to this effort. Capital Project Revenue was amended to include the reimbursements from the FTA of \$7M for More Space Main Street construction, TxDot of \$4.83M for the Mill and Overlay of downtown streets and Metro of \$400K for paver repairs along the rail line. Construction began in June on Main Street. Mill and Overlay work will begin in the fall. Capital Project Revenue is under budget \$1M.
- 2) **Other Income:** Revenue is lower than plan due to \$187K in 2025 budgeted receipts for FEMA funding was received before the end of 2024.

Operating Budget

Expenses

- 3) **Goals 1a-Collaboration to Maintain Low Crime Rate, and 1d-Downtown Clean & Well-Kept Appearance:** are under budget due to a one month lag in receiving invoices from Block by Block.
- 4) **Goal 2b-Public Spaces, Managed, Programmed and Delightful:** Fountain maintenance and repairs for the Parks and Cotswold fountains are under budget \$73K and Downtown events are below budget \$134K due to scheduling changes.
- 5) **Goal 2c-Place of Civic Celebration:** Budgeted funds of \$31K have not been accessed for Art Programming/Consultants.
- 6) **Goal 3a-Effective Transit Access More Places, More Hours:** The Fort Bend Transit grant of \$150K was fully funded in January and makes up 94% of the annual budget.
- 7) **Goal 3c-Easy to Find Way Around:** Wayfinding maintenance expense is \$28K under budget.
- 8) **Goal 4a-Best Place to Work in Region:** Economic Development is \$29K under budget which includes Quarterly Market Reports, \$6K under budget, Marketing, \$14K under budget and Reference Materials and Research, \$13K under budget. Admin Contractor expense allocation is \$5K over budget.
- 9) **Goal 4b-Exciting Neighborhoods to Live In:** DLI payments are \$16K under budget due to the timing of payments. Rebates are not paid until protests are settled and court documents are submitted. The District anticipates that the DLI payments for 2025 will be less than forecasted due to protests.
- 10) **Goal 5a-Market to Region:** Marketing expense is \$104K under forecast due primarily to a reassessment of PR consultants and changes in contracts which resulted in \$23K in savings, lower expenses than expected for the Downtown web portal, \$21K, lower costs associated with Promotions and Video due to downtown vendors comping the work, \$22K. Other items under budget, Media and Advertising is \$10K under budget, Photography is \$11K under budget, and Creative & Strategy is \$10K under budget. Admin Contractor expense allocation is \$4K under budget.
- 11) **Goal 6c-Preservation of District's Capital Assets:** Insurance renewals were fully funded in January and did not exceed budget.

Amended Capital Budget - In 2025, HDMD allocated Admin Contractor expense for Capital Projects.

- 12) **Downtown Feels Safe and Comfortable:** Downtown Feels Safe is \$250K under budget. In addition to the Flock cameras, this amended budget now includes a \$1M pledge to the Coalition for the Homeless to house the homeless. For the first six months, the District made its 1Q pledge payment of \$250K to the Coalition. The 2Q pledge payment of \$250K was issued in July. The Flock cameras' renewal occurs in
- 13) **Public Realm is Charming, Inviting & Beautiful:** Public realm is \$1.3M under budget. This amended budget now includes the Storefront/Streetscape Activation with \$600K allocated to Cool Corridors and capital investments, \$100K to vinyl storefronts and \$100K to AI Fresco grants. An additional \$440K is allocated to Paver Stock. For the first six months, \$158K was spent on new banners, \$57K was spent on Trebly Park and Market Square improvements and \$91K on Admin Contractor expense.
- 14) **Accessible to Region & Easy to Get Around:** Accessible to Region is \$133K under budget. The amended budget reflects a \$100K decrease in funding for Southeast Sidewalks and an increase of \$45K in pedestrian and vehicular wayfinding for Daikin Park. For the first six months \$45K was spent on the wayfinding signs. The Astros reimbursed the District 50% of the cost or \$22K
- 15) **Vibrant, Sustainable Mixed-Use Place:** Includes Thrive Grants with \$361K awarded but pending funding due to outstanding reimbursement paperwork from awardees.
- 16) **Capital Replacement Expenditures:** Replacement expenditures are \$87K under budget. Expenses for the first six months of the year are \$160K for repairs and replacements and \$5K in Admin Contractor services.



To Management
Houston Downtown Management District

Management is responsible for the accompanying financial statements of the Houston Downtown Management District (the District), which comprise the governmental fund balance sheets and statements of net position as of July 31, 2025 and 2024, 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
August 8, 2025

Houston Downtown Management District
Governmental Fund Balance Sheets and
Statement of Net Position
For the period ended July 2025, and July 2024

	2025			2024		
	Operating Year to Date	HDMD Capital Year to Date	Total (Memo Only)	HDMD Operating Year to Date	HDMD Capital Year to Date	Total (Memo Only)
Assets						
Cash	11,272,739	4,238,380	15,511,119	12,928,178	4,682,663	17,610,840
Assessments Due	62,974	4,685	67,659	268,050	21,888	289,938
Accounts Receivable	923,953	-	923,953	214,544	-	214,544
Prepaid Expense	75,236	-	75,236	26,235	-	26,235
Property & Equipment, Net	482,621	108,472	591,093	558,343	-	558,343
Right of Use Lease Assets, Net	2,239,090	-	2,239,090	2,553,870	-	2,553,870
Intercompany Rec/Pay	(726,171)	726,171	-	(1,249,436)	1,249,436	-
Total Assets	14,330,442	5,077,708	19,408,150	15,299,783	5,953,986	21,253,769
Liabilities						
Accounts Payable & Accrued Expenses	809,055	5,509	814,564	842,187	41,808	883,994
Lease Liabilities	2,472,242	-	2,472,242	2,746,014	-	2,746,014
Deferred Revenue	-	-	-	-	-	-
Reserve for Refunds due to Property Protests	1,390,163	73,533	1,463,696	1,427,355	96,359	1,523,714
Total Liabilities & Deferred Revenue	4,671,460	79,041	4,750,501	5,015,556	138,167	5,153,723
Fund Balances						
Unreserved, Undesignated	9,264,326	-	9,264,326	9,484,227	-	9,484,227
Unreserved, Designated for Catastrophy	394,656	-	394,656	800,000	-	800,000
Reserved for Capital Projects	-	4,998,666	4,998,666	-	5,815,820	5,815,820
	9,658,982	4,998,666	14,657,649	10,284,227	5,815,820	32,200,093
Total Liabilities, Deferred Revenue & Fund Balances	14,330,442	5,077,708	19,408,150	15,299,783	5,953,986	21,253,769

Houston Downtown Management District
Statement of Activities
For the period ended July 2025, and July 2024

	Operating YTD Actual	Capital YTD Actual	Total YTD Actual	Amended 2025 Budget	% Budget Received	% Year Elapsed	Notes
Revenue							
Assessment Revenue	-	-	-	17,168,132	0%	58%	
Operations Revenue	928,412	-	928,412	1,766,540	53%	58%	
Project Revenue	167,387	-	167,387	11,762,500	1%	58%	1
Other Income	56,415	-	56,415	220,316	26%	58%	2
Interest Income	368,678	81,107	449,785	832,025	54%	58%	
Total Revenues	\$ 1,520,891	\$ 81,107	\$ 1,601,999	\$ 31,749,513	5%	58%	
Expenses					% Budget Expended		
Downtown Feels Safe & Comfortable at All Times							
Collaboration to Maintain Low Crime Rate	2,176,417	-	2,176,417	4,545,784	48%	58%	3
Reduced Presence of Homeless & Street Persons	593,232	-	593,232	1,177,417	50%	58%	
Downtown Sidewalks are Comfortably Lighted	104,313	-	104,313	252,526	41%	58%	4
Downtown Clean & Well-Kept Appearance	2,593,002	-	2,593,002	6,006,162	43%	58%	3
Remove Signs of Disorder in Downtown	34,230	-	34,230	60,906	56%	58%	
Prepare for Emergencies	60,626	-	60,626	104,153	58%	58%	
	5,561,820	-	5,561,820	12,146,948	46%	58%	
Public Realm is Charming, Inviting, Beautiful & Celebrates the Life of the City							
Key Pedestrian Streets are Inviting	287,460	-	287,460	645,561	45%	58%	5
Public Spaces Managed, Programmed, & Delightful	925,255	-	925,255	2,279,119	41%	58%	6
Place of Civic Celebration	255,489	-	255,489	1,341,872	19%	58%	7
	1,468,204	-	1,468,204	4,266,553	34%	58%	
Accessible to Region & Easy to Get Around							
Effective Transit Access More Places, More Hours	165,904	-	165,904	178,221	93%	58%	8
Convenient Circulation Without Personal Vehicle	-	-	-	-	N/A	58%	
Easy to Find Way Around	22,296	-	22,296	95,425	23%	58%	9
Connect Neighborhoods & Districts Inside/Outside Downtown	37,112	-	37,112	64,503	58%	58%	
Convenient, Understandable & Managed Parking	8,622	-	8,622	14,740	58%	58%	
	233,933	-	233,933	352,888	66%	58%	
Vibrant, Sustainable Mixed-Use Place							
Best Place to Work in Region	91,117	-	91,117	222,196	41%	58%	10
Exciting Neighborhoods to Live In	295,637	-	295,637	1,156,553	26%	58%	11
Competitive Shopping Place	29,606	-	29,606	57,695	51%	58%	
Remarkable Destination for Visitors	11,459	-	11,459	20,136	57%	58%	
	427,819	-	427,819	1,456,579	29%	58%	
Downtown's Vision & Offering Understood By All							
Market to Region	297,003	-	297,003	727,134	41%	58%	12
Promote Downtown's Ease of Use	48,995	-	48,995	84,604	58%	58%	
Vision/Development Framework Understood By All	186,781	-	186,781	358,529	52%	58%	
Tools to Assist Continued Redevelopment	25,902	-	25,902	46,291	56%	58%	
Develop & Main Information to Support Downtown	44,243	-	44,243	80,870	55%	58%	
	602,925	-	602,925	1,297,428	46%	58%	
District Governance & Service Known for Excellence							
Engage Stakeholders in Decision Making	462,939	-	462,939	957,106	48%	58%	13
Communications to Owners, Tenants & Others	59,454	-	59,454	111,619	53%	58%	
Preservation of District's Capital Assets	51,769	-	51,769	51,700	100%	58%	14
	574,161	-	574,161	1,120,425	51%	58%	
Capital Improvement & Expenditures							
Downtown Feels Safe & Comfortable	-	594,367	594,367	1,150,620	52%	58%	
Public Realm is Charming, Inviting & Beautiful	-	894,865	894,865	12,440,304	7%	58%	15
Accessible to Region & Easy to Get Around	-	30,437	30,437	169,989	18%	58%	16
Vibrant, Sustainable Mixed-Use Place	-	62,462	62,462	887,272	7%	58%	17
Downtown's Vision & Offering Understood By All	-	-	-	-	N/A	58%	
Capital Replacement Expenditure	-	176,431	176,431	390,765	45%	58%	18
	-	1,758,561	1,758,561	15,038,950	12%	58%	
Total Expenses	8,868,863	1,758,561	10,627,423	35,679,771	30%	58%	
Depreciation Expense	66,413	14,602	81,015	125,129	65%	58%	
Fund Balance Allocation				4,055,387			
Excess of Revenue Over Expenses GAAP Basis	(7,414,384)	(1,692,055)	(9,106,439)	-			

Houston Downtown Management District
Statement of Activities
For the period ended July 2025, and July 2024

	Operating YTD Actual	Capital YTD Actual	2025 Total YTD Actual	2024 Total YTD Actual	Fav (Unfav) Variance	% Var
Revenue						
Assessment Revenue	-	-	-	-	-	N/A
Operations Revenue	928,412	-	928,412	403,855	524,557	130%
Project Revenue	167,387	-	167,387	32,816	134,570	410%
Other Income	56,415	-	56,415	10,744	45,671	425%
Interest Income	368,678	81,107	449,785	582,247	(132,462)	-23%
Total Revenues	\$ 1,520,891	\$ 81,107	\$ 1,601,999	\$ 1,029,663	\$ 572,336	56%
Expenses						
Downtown Feels Safe & Comfortable at All Times						
Collaboration to Maintain Low Crime Rate	2,176,417	-	2,176,417	1,861,286	(158,732)	-9%
Reduced Presence of Homeless & Street Persons	593,232	-	593,232	527,273	(65,959)	-13%
Downtown Sidewalks are Comfortably Lighted	104,313	-	104,313	109,938	5,625	5%
Downtown Clean & Well-Kept Appearance	2,593,002	-	2,593,002	2,691,621	98,619	4%
Remove Signs of Disorder in Downtown	34,230	-	34,230	40,221	5,992	15%
Prepare for Emergencies	60,626	-	60,626	325,319	264,693	81%
	5,561,820	-	5,561,820	5,555,659	(6,161)	0%
Public Realm is Charming, Inviting, Beautiful & Celebrates the Life of the City						
Key Pedestrian Streets are Inviting	287,460	-	287,460	235,277	(52,183)	-22%
Public Spaces Managed, Programmed, & Delightful	925,255	-	925,255	1,123,114	197,859	18%
Place of Civic Celebration	255,489	-	255,489	227,137	(28,353)	-12%
	1,468,204	-	1,468,204	1,585,528	117,324	7%
Accessible to Region & Easy to Get Around						
Effective Transit Access More Places, More Hours	165,904	-	165,904	11,598	(154,306)	-1330%
Convenient Circulation Without Personal Vehicle	-	-	-	-	-	N/A
Easy to Find Way Around	22,296	-	22,296	25,782	3,486	14%
Connect Neighborhoods & Districts Inside/Outside Downtown	37,112	-	37,112	37,116	3	0%
Convenient, Understandable & Managed Parking	8,622	-	8,622	7,379	(1,242)	-17%
	233,933	-	233,933	81,874	(152,059)	-186%
Vibrant, Sustainable Mixed-Use Place						
Best Place to Work in Region	91,117	-	91,117	233,550	142,433	61%
Exciting Neighborhoods to Live In	295,637	-	295,637	393,612	97,975	25%
Competitive Shopping Place	29,606	-	29,606	11,051	(18,555)	-168%
Remarkable Destination for Visitors	11,459	-	11,459	9,957	(1,503)	-15%
	427,819	-	427,819	648,169	220,350	34%
Downtown's Vision & Offering Understood By All						
Market to Region	297,003	-	297,003	330,397	33,393	10%
Promote Downtown's Ease of Use	48,995	-	48,995	57,842	8,847	15%
Vision/Development Framework Understood By All	186,781	-	186,781	59,233	(127,548)	-215%
Tools to Assist Continued Redevelopment	25,902	-	25,902	15,508	(10,394)	-67%
Develop & Main Information to Support Downtown	44,243	-	44,243	13,396	(30,847)	-230%
	602,925	-	602,925	476,376	(126,549)	-27%
District Governance & Service Known for Excellence						
Engage Stakeholders in Decision Making	462,939	-	462,939	449,673	(13,266)	-3%
Communications to Owners, Tenants & Others	59,454	-	59,454	35,852	(23,602)	-66%
Preservation of District's Capital Assets	51,769	-	51,769	46,972	(4,796)	-10%
	574,161	-	574,161	532,497	(41,664)	-8%
Capital Improvement & Expenditures						
Downtown Feels Safe & Comfortable	-	594,367	594,367	176,741	(417,625)	-236%
Public Realm is Charming, Inviting & Beautiful	-	894,865	894,865	125,099	(769,766)	-615%
Accessible to Region & Easy to Get Around	-	30,437	30,437	14,247	(16,190)	-114%
Vibrant, Sustainable Mixed-Use Place	-	62,462	62,462	31,654	(30,808)	-97%
Downtown's Vision & Offering Understood By All	-	-	-	-	-	N/A
Capital Replacement Expenditure	-	176,431	176,431	100,869	(75,562)	-75%
	-	1,758,561	1,758,561	448,610	(1,309,951)	-292%
Total Expenses	8,868,863	1,758,561	10,627,423	9,328,714	(1,298,710)	-14%
Depreciation Expense	66,413	14,602	81,015	53,009	(28,006)	-53%
Excess of Revenue Over Expenses GAAP Basis	(7,414,384)	(1,692,055)	(9,106,439)	(8,352,060)	(754,380)	9%

Houston Downtown Management District

Budget Notes (Capital Budget Amended in May, 2025)

For the Seven Months Ended July 31, 2025

Revenue Overview.

- 1) **Project Revenue:** Market Square Park Kiosk rent and utilities reimbursement income is under budget \$32K due to delays in the construction of the kiosk. The kiosk is scheduled to open in mid-October. Sponsorships, a new budget line item, is under budget \$97K. The District is actively promoting sponsorship opportunities and a new team member who joined us in May is dedicated to this effort. Capital Project Revenue was amended to include the reimbursements from the FTA of \$7M for More Space Main Street construction, TxDot of \$4.83M for the Mill and Overlay of downtown streets and Metro of \$400K for paver repairs along the rail line. Construction began in June on Main Street. Mill and Overlay work will begin in the fall. Capital Project Revenue is under budget \$2M.
- 2) **Other Income:** Revenue is lower than plan due to \$164K in 2025 budgeted receipts for FEMA funding was received before the end of 2024.

Operating Budget

Expenses

- 3) **Goals 1a-Collaboration to Maintain Low Crime Rate, and 1d-Downtown Clean & Well-Kept Appearance:** Expenses under budget due to a one-month delay in invoicing from Block by Block and Seal Security.
- 4) **Goal 1c-Downtown Sidewalks are Comfortably Lighted:** Street lighting costs are \$65K under budget due to delayed City invoicing for 2024.
- 5) **Goal 2a-Key Pedestrian Streets are Inviting:** Floral display expenses are \$134K under budget due to delayed summer planting invoices.
- 6) **Goal 2b-Public Spaces, Managed, Programmed and Delightful:** Fountain repairs and maintenance are \$137K under budget; Downtown events are also \$137K under due to scheduling changes. Staffing costs are \$39K under budget.
- 7) **Goal 2c-Place of Civic Celebration:** \$31K in budgeted funds for art programming and consultants remain unspent.
- 8) **Goal 3a-Effective Transit Access More Places, More Hours:** The Fort Bend Transit grant of \$150K was fully funded in January and makes up 93% of the annual budget.
- 9) **Goal 3c-Easy to Find Way Around:** Wayfinding maintenance expenses are \$28K under budget due to invoicing delays.
- 10) **Goal 4a-Best Place to Work in Region:** Economic Development is \$40K under budget including Quarterly Market Reports, \$11K under, Marketing, \$18K under, Reference Materials and Research, \$15K under, and Admin Contractor expenses are \$5K over budget.
- 11) **Goal 4b-Exciting Neighborhoods to Live In:** DLI payments are \$115K under budget due to the timing. Rebates are delayed until protests are settled and court documents are submitted. 2025 payments are expected to be below forecast.
- 12) **Goal 5a-Market to Region:** Marketing expenses are \$104K under budget due to \$23K in savings from contract revisions, \$21K under in web portal work, \$22K under in video/promo (vendors comping the work) and other savings: \$10K (media), \$11K (photography), \$10K (creative /strategy) and \$4K(admin contractor).
- 13) **Goal 6a-Engage Stakeholders in Decision Making:** \$19K over budget in Service Plan renewal consulting (due to timing); \$10K over in legal fees related to homeless services.
- 14) **Goal 6c-Preservation of District's Capital Assets:** Insurance renewals were completed in January and remained within budget.

Amended Capital Budget - In 2025, HDMD allocated Admin Contractor expense for Capital Projects.

- 15) **Public Spaces, Managed, Programmed and Delightful:** Spending is \$1.8M under budget, with \$1.4M forecasted for the Main Street Promenade, \$294K allocated for Improved Pedestrian Connection, and the remaining \$106K set aside for banners and paver attic stock.
- 16) **Accessible to Region & Easy to Get Around:** \$133K under budget. \$100K is forecasted for the Southeast Sidewalks project and \$33K is designated for Wayfinding signs.
- 17) **Vibrant, Sustainable Mixed-Use Place:** Includes Thrive Grants with \$361K awarded but pending funding due to outstanding reimbursement paperwork from awardees.
- 18) **Capital Replacement Expenditures:** Replacement expenditures are \$98K under budget. Expenses for the first seven months of the year are \$170K for repairs and replacements and \$6K in Admin Contractor services.

Operating-HDMD--Operating Fund-HDMD

Check register

For the month of June 2025

Date	Vendor	Document no.	Amount
6/2/2025	VEN-00044--Crest Printing		316.00
6/2/2025	VEN-00083--Harris County Treasurer		10,342.00
6/2/2025	VEN-00260--The Harris Center For Mental Health and IDD		22,541.67
6/2/2025	VEN-00265--Thomas Printworks		4,826.69
6/2/2025	VEN-00271--Touch Agree Property		2,572.80
6/2/2025	VEN-00290--Verizon Wireless		667.62
6/2/2025	VEN-00318--STERLING EXPRESS SERVICES		60.00
6/2/2025	VEN-00504--Today's Landscape		34,129.22
6/2/2025	VEN-00519--David Russell		520.00
6/2/2025	VEN-00520--Jennifer Kennedy		711.00
6/2/2025	VEN-00525--Brandon Kpotie		910.00
6/2/2025	VEN-00526--Charles Franklin		780.00
6/2/2025	VEN-00527--Jacob Pena		520.00
6/2/2025	VEN-00529--Moises Alfaro		1,300.00
6/2/2025	VEN-00532--Ivan Sosa-Castillo		520.00
6/2/2025	VEN-00534--Vestis Group, Inc		211.05
6/2/2025	VEN-00560--SASHA SHEPARD		260.00
6/2/2025	VEN-00569--Christina LaFour		260.00
6/2/2025	VEN-00595--Joe O'Neal		780.00
6/2/2025	VEN-00604--Nancy Jones		260.00
6/2/2025	VEN-00610--DalfyMedia LLC		600.00
6/6/2025	VEN-00031--Central Houston Civic Improvement	35963	100,000.00
6/9/2025	VEN-00044--Crest Printing		474.00
6/9/2025	VEN-00075--Geocentric LLC		9,000.00
6/9/2025	VEN-00082--Hardy & Hardy		8,225.00
6/9/2025	VEN-00102--Incontrol Construction LLC		17,892.00
6/9/2025	VEN-00146--Lincoln Colwell		1,840.00
6/9/2025	VEN-00259--The Davey Tree Expert Company		4,500.00
6/9/2025	VEN-00270--TMS South, Inc		94.81
6/9/2025	VEN-00279--TXU Energy		371.89
6/9/2025	VEN-00302--Westpark Communications, L.P.		69.00
6/9/2025	VEN-00305--Young Audiences, Inc. of Houston		1,270.00
6/9/2025	VEN-00318--STERLING EXPRESS SERVICES		25.00
6/9/2025	VEN-00323--Gulf Coast Pavers, Inc		46,200.00
6/9/2025	VEN-00324--Associated Landscape Services LLC		27,725.15
6/9/2025	VEN-00447--Jordan Dunn-Ridgill		4,300.00
6/9/2025	VEN-00500--Houston Public Media		2,818.51
6/9/2025	VEN-00519--David Russell		520.00
6/9/2025	VEN-00520--Jennifer Kennedy		694.00
6/9/2025	VEN-00525--Brandon Kpotie		780.00
6/9/2025	VEN-00526--Charles Franklin		780.00

6/9/2025	VEN-00527--Jacob Pena		260.00
6/9/2025	VEN-00528--Joell Matthews		260.00
6/9/2025	VEN-00529--Moises Alfaro		1,040.00
6/9/2025	VEN-00530--Antoine Holmes		520.00
6/9/2025	VEN-00532--Ivan Sosa-Castillo		520.00
6/9/2025	VEN-00540--Texas Monthly		900.00
6/9/2025	VEN-00569--Christina LaFour		260.00
6/9/2025	VEN-00595--Joe O'Neal		780.00
6/9/2025	VEN-00759--DANIELLE DUNN-RIDGILL		4,000.00
6/9/2025	VEN-00796--Progressive Urban Management Associates		13,500.00
6/9/2025	VEN-00798--BRIGGS N WIGGLES, LLC		360.00
6/9/2025	VEN-00815--ANDRES LAUCIRICA		264.00
6/16/2025	VEN-00044--Crest Printing		632.00
6/16/2025	VEN-00081--Hamilton Plumbing Services		350.00
6/16/2025	VEN-00133--Kingwood Alarm LLC		420.00
6/16/2025	VEN-00179--Orkin		161.00
6/16/2025	VEN-00185--Pfeiffer & Son, LTD.		779.23
6/16/2025	VEN-00199--Rae Security		605.55
6/16/2025	VEN-00219--Seal Security Solutions, LLC		119,454.88
6/16/2025	VEN-00277--Triple R Brothers		77.05
6/16/2025	VEN-00279--TXU Energy		4,762.58
6/16/2025	VEN-00289--UTS, LLC	35976	4,083.75
6/16/2025	VEN-00331--City Of Houston - HPARD		45.67
6/16/2025	VEN-00374--CoStar Realty Information, Inc.		1,687.26
6/16/2025	VEN-00380--ABC Home & Commercial services		145.00
6/16/2025	VEN-00418--TEXAS SALSA CONGRESS		6,009.00
6/16/2025	VEN-00440--Fastlane Services		750.00
6/16/2025	VEN-00517--Franklin Burnett		260.00
6/16/2025	VEN-00519--David Russell		520.00
6/16/2025	VEN-00523--Marcus Labbe		520.00
6/16/2025	VEN-00525--Brandon Kpotie		780.00
6/16/2025	VEN-00526--Charles Franklin		780.00
6/16/2025	VEN-00527--Jacob Pena		260.00
6/16/2025	VEN-00528--Joell Matthews		260.00
6/16/2025	VEN-00529--Moises Alfaro		1,040.00
6/16/2025	VEN-00530--Antoine Holmes		260.00
6/16/2025	VEN-00532--Ivan Sosa-Castillo		520.00
6/16/2025	VEN-00560--SASHA SHEPARD		260.00
6/16/2025	VEN-00570--Terracon Consultants, Inc.		2,160.00
6/16/2025	VEN-00595--Joe O'Neal		780.00
6/16/2025	VEN-00601--Pappas Restaurants Inc	35975	458.13
6/16/2025	VEN-00640--MANZOOR HASAN	35973	1,951.56
6/16/2025	VEN-00702--LAM BLOCK 100 LTD	35970	311.15
6/16/2025	VEN-00748--MACEY FAMILY PROPERTIES LTD	35972	667.72

6/16/2025	VEN-00781--Wonky Power Records		8,000.00
6/16/2025	VEN-00802--HOUSTON LEVEL OFFICE INVESTORS LLC	35968	238.17
6/16/2025	VEN-00814--WESTERN SPECIALTY CONTRACTORS OF AMERICA		3,949.64
6/16/2025	VEN-00818--ABC Bodyart		250.00
6/16/2025	VEN-00819--TEI PLANNING AND DESIGN		17,400.00
6/16/2025	VEN-00821--City of Houston	35966	1,721.64
6/16/2025	VEN-00822--AISHA DARWESH	35964	24.54
6/16/2025	VEN-00823--BRYCE COVINGTON HILL	35965	52.61
6/16/2025	VEN-00824--DOWNTOWN HOUSTON REAL ESTATE LLC	35967	717.99
6/16/2025	VEN-00825--LABRANCH PROPERTIES LP	35969	31.82
6/16/2025	VEN-00826--MACEY FAMILY PROPERTIES II LTD	35971	305.36
6/16/2025	VEN-00827--ONE MARKET SQUARE PHASE I LLC	35974	2,262.01
6/18/2025	VEN-00032--Central Houston, Inc	35977	227,929.66
6/24/2025	VEN-00044--Crest Printing		175.00
6/24/2025	VEN-00081--Hamilton Plumbing Services		599.15
6/24/2025	VEN-00082--Hardy & Hardy		4,400.00
6/24/2025	VEN-00185--Pfeiffer & Son, LTD.		12,716.12
6/24/2025	VEN-00218--Scott Finke		60.62
6/24/2025	VEN-00220--SEARCH Homeless Services		18,674.99
6/24/2025	VEN-00251--Texas Outhouse		598.58
6/24/2025	VEN-00259--The Davey Tree Expert Company		4,326.00
6/24/2025	VEN-00271--Touch Agree Property		3,934.20
6/24/2025	VEN-00299--We 68 LLC		5,183.33
6/24/2025	VEN-00321--BLOCK BY BLOCK		348,072.78
6/24/2025	VEN-00322--COLOR SPECIALIST LANDSCAPING, INC		38,866.08
6/24/2025	VEN-00324--Associated Landscape Services LLC		3,318.70
6/24/2025	VEN-00404--AT&T		795.40
6/24/2025	VEN-00425--Centra 417 San Jacinto LLC		3,125.00
6/24/2025	VEN-00497--BIII GStreet LLC		21,529.18
6/24/2025	VEN-00517--Franklin Burnett		260.00
6/24/2025	VEN-00519--David Russell		260.00
6/24/2025	VEN-00520--Jennifer Kennedy		1,388.75
6/24/2025	VEN-00523--Marcus Labbe		520.00
6/24/2025	VEN-00525--Brandon Kpotie		520.00
6/24/2025	VEN-00526--Charles Franklin		520.00
6/24/2025	VEN-00527--Jacob Pena		260.00
6/24/2025	VEN-00528--Joell Matthews		260.00
6/24/2025	VEN-00529--Moises Alfaro		1,300.00
6/24/2025	VEN-00530--Antoine Holmes		520.00
6/24/2025	VEN-00532--Ivan Sosa-Castillo		520.00
6/24/2025	VEN-00560--SASHA SHEPARD		520.00
6/24/2025	VEN-00563--TEXAS PRIDE DISPOSAL		2,068.55
6/24/2025	VEN-00595--Joe O'Neal		520.00
6/24/2025	VEN-00604--Nancy Jones		260.00
6/25/2025	VEN-00815--ANDRES LAUCIRICA	35978	500.00

1,224,538.81

Capital-HDMD--Capital Fund-HDMD

Check register

For the month of June 2025

Date	Vendor	Document no.	Amount
6/2/2025	VEN-00323--Gulf Coast Pavers, Inc		9,553.28
6/9/2025	VEN-00147--Lone Star Flags		850.00
6/9/2025	VEN-00537--LANDSCAPE ART		2,264.00
6/9/2025	VEN-00814--WESTERN SPECIALTY CONTRACTORS OF AMERICA		3,000.00
6/24/2025	VEN-00497--BIII GStreet LLC		4,168.65
6/24/2025	VEN-00497--BIII GStreet LLC		1,363.92
6/24/2025	VEN-00497--BIII GStreet LLC		638.01
6/24/2025	VEN-00497--BIII GStreet LLC		4,098.04
6/24/2025	VEN-00497--BIII GStreet LLC		114,000.00
			139,935.90

Operating-HDMD--Operating Fund-HDMD

Check register

For the month of July 2025

Date	Vendor	Document no.	Amount
7/1/2025	VEN-00490--Royal Investors Binz LLC	35991	3,816.34
7/1/2025	VEN-00513--HCP MOP HOUSTON TX LLC	35985	2,707.34
7/1/2025	VEN-00546--MVL ESTATES FOUR LLC	35989	228.00
7/1/2025	VEN-00561--McDonald & Wessendorff	35988	50.00
7/1/2025	VEN-00581--DAVID OR KATHLEEN LINTNER	35983	228.00
7/1/2025	VEN-00597--BEL AIR MULTI 1711 LLC	35982	2,568.28
7/1/2025	VEN-00601--Pappas Restaurants Inc	35990	500.42
7/1/2025	VEN-00625--Finger FSC Crawford, Ltd	35984	12,042.07
7/1/2025	VEN-00704--5 HOUSTON CENTER OWNER LP	35981	21,367.02
7/1/2025	VEN-00832--HYCO INDUSTRIAL LTD ET AL	35987	142.52
7/1/2025	VEN-00833--SUMMIT NCI JV 173 LLC	35992	5,664.81
7/1/2025	VEN-00834--HT HOUSTON PORTFOLIO LP	35986	118,478.78
7/2/2025	VEN-00021--Bracewell		7,968.75
7/2/2025	VEN-00028--Carr Riggs & Ingram		1,350.00
7/2/2025	VEN-00044--Crest Printing		108.00
7/2/2025	VEN-00083--Harris County Treasurer		10,342.00
7/2/2025	VEN-00119--Johnson Controls Security Solutions		696.06
7/2/2025	VEN-00172--NCTP-CPAS PPLC*		3,600.00
7/2/2025	VEN-00200--Raffle Parking Company		900.00
7/2/2025	VEN-00259--The Davey Tree Expert Company		9,100.00
7/2/2025	VEN-00260--The Harris Center For Mental Health and IDD		22,541.67
7/2/2025	VEN-00276--Trik Motorsports		1,400.34
7/2/2025	VEN-00290--Verizon Wireless		667.62
7/2/2025	VEN-00318--STERLING EXPRESS SERVICES		50.00
7/2/2025	VEN-00374--CoStar Realty Information, Inc.		1,687.26
7/2/2025	VEN-00393--CKP Communications Group LLC		1,000.00
7/2/2025	VEN-00404--AT&T		1,355.53
7/2/2025	VEN-00447--Jordan Dunn-Ridgill		4,400.00
7/2/2025	VEN-00502--John Mills-McCoin		1,250.00
7/2/2025	VEN-00534--Vestis Group, Inc		208.71
7/2/2025	VEN-00656--IRENE LUNA		259.80
7/2/2025	VEN-00759--DANIELLE DUNN-RIDGILL		4,400.00
7/2/2025	VEN-00828--Hot Rod Pops		1,250.00
7/2/2025	VEN-00829--Muck Rack LLC		6,000.00
7/2/2025	VEN-00830--Ruben Valdez Rodriguez		500.00
7/7/2025	VEN-00070--Fort Bend Battery & Golf Carts		1,242.80
7/7/2025	VEN-00082--Hardy & Hardy		4,400.00
7/7/2025	VEN-00102--Incontrol Construction LLC		18,802.00

7/7/2025	VEN-00126--Keith Gould	64.74
7/7/2025	VEN-00135--Kristopher Larson	492.44
7/7/2025	VEN-00146--Lincoln Colwell	1,770.00
7/7/2025	VEN-00159--Maurice Duhon Jr	300.00
7/7/2025	VEN-00166--Miner, LTD	265.00
7/7/2025	VEN-00185--Pfeiffer & Son, LTD.	8,768.34
7/7/2025	VEN-00212--Ronald Cooks	660.00
7/7/2025	VEN-00217--Sabrina Naulings	385.00
7/7/2025	VEN-00271--Touch Agree Property	2,572.80
7/7/2025	VEN-00292--Victor Stanley	14,950.00
7/7/2025	VEN-00302--Westpark Communications, L.P.	89.00
7/7/2025	VEN-00318--STERLING EXPRESS SERVICES	50.00
7/7/2025	VEN-00323--Gulf Coast Pavers, Inc	36,000.00
7/7/2025	VEN-00324--Associated Landscape Services LLC	27,725.15
7/7/2025	VEN-00504--Today's Landscape	30,468.14
7/7/2025	VEN-00517--Franklin Burnett	260.00
7/7/2025	VEN-00519--David Russell	520.00
7/7/2025	VEN-00520--Jennifer Kennedy	1,314.00
7/7/2025	VEN-00523--Marcus Labbe	260.00
7/7/2025	VEN-00526--Charles Franklin	260.00
7/7/2025	VEN-00527--Jacob Pena	520.00
7/7/2025	VEN-00528--Joell Matthews	260.00
7/7/2025	VEN-00529--Moises Alfaro	3,380.00
7/7/2025	VEN-00530--Antoine Holmes	1,300.00
7/7/2025	VEN-00532--Ivan Sosa-Castillo	1,040.00
7/7/2025	VEN-00560--SASHA SHEPARD	260.00
7/7/2025	VEN-00595--Joe O'Neal	1,820.00
7/7/2025	VEN-00665--Richard Berrios	275.00
7/7/2025	VEN-00831--Republic EV	7,377.00
7/8/2025	VEN-00151--Main Street Market Square (Downtown Redev 35980	78,554.00
7/14/2025	VEN-00021--Bracewell	2,812.50
7/14/2025	VEN-00044--Crest Printing	474.00
7/14/2025	VEN-00056--Egidio Narvaez Photographer	2,870.00
7/14/2025	VEN-00082--Hardy & Hardy	3,550.00
7/14/2025	VEN-00109--Jacque Gonzalez-Garcia	17.85
7/14/2025	VEN-00179--Orkin	243.00
7/14/2025	VEN-00185--Pfeiffer & Son, LTD.	1,086.00
7/14/2025	VEN-00219--Seal Security Solutions, LLC	113,288.46
7/14/2025	VEN-00261--The Houston Club	559.10
7/14/2025	VEN-00276--TriK Motorsports	2,445.00
7/14/2025	VEN-00324--Associated Landscape Services LLC	210.00
7/14/2025	VEN-00331--City Of Houston - HPARD	73.19

7/14/2025	VEN-00372--Coopwoods Air Conditioning Inc.		522.20
7/14/2025	VEN-00374--CoStar Realty Information, Inc.		1,687.26
7/14/2025	VEN-00380--ABC Home & Commercial services		145.00
7/14/2025	VEN-00503--Challenge Entertainment		450.00
7/14/2025	VEN-00520--Jennifer Kennedy		696.00
7/14/2025	VEN-00523--Marcus Labbe		520.00
7/14/2025	VEN-00525--Brandon Kpotie		780.00
7/14/2025	VEN-00526--Charles Franklin		780.00
7/14/2025	VEN-00527--Jacob Pena		260.00
7/14/2025	VEN-00528--Joell Matthews		520.00
7/14/2025	VEN-00529--Moises Alfaro		1,040.00
7/14/2025	VEN-00530--Antoine Holmes		520.00
7/14/2025	VEN-00532--Ivan Sosa-Castillo		520.00
7/14/2025	VEN-00569--Christina LaFour		260.00
7/14/2025	VEN-00595--Joe O'Neal		780.00
7/14/2025	VEN-00721--Mario Maldonado		260.00
7/14/2025	VEN-00752--Over the Top Events		3,000.00
7/14/2025	VEN-00796--Progressive Urban Management Associates		18,150.50
7/14/2025	VEN-00835--Stockyard Photos		2,155.00
7/17/2025	VEN-00597--BEL AIR MULTI 1711 LLC	35994	213,279.00
7/21/2025	VEN-00044--Crest Printing		1,279.00
7/21/2025	VEN-00082--Hardy & Hardy		4,950.00
7/21/2025	VEN-00185--Pfeiffer & Son, LTD.		3,817.78
7/21/2025	VEN-00249--Teamwork Construction Services		5,000.00
7/21/2025	VEN-00251--Texas Outhouse		598.58
7/21/2025	VEN-00256--The Black Sheep Agency		15,975.00
7/21/2025	VEN-00271--Touch Agree Property		2,572.80
7/21/2025	VEN-00276--TriK Motorsports		2,520.00
7/21/2025	VEN-00279--TXU Energy		8,130.16
7/21/2025	VEN-00299--We 68 LLC		5,467.53
7/21/2025	VEN-00324--Associated Landscape Services LLC		3,315.00
7/21/2025	VEN-00393--CKP Communications Group LLC		2,000.00
7/21/2025	VEN-00404--AT&T		795.40
7/21/2025	VEN-00425--Centra 417 San Jacinto LLC		3,125.00
7/21/2025	VEN-00439--1st Response Medic Services		1,500.00
7/21/2025	VEN-00447--Jordan Dunn-Ridgill		4,300.00
7/21/2025	VEN-00497--BIII GStreet LLC		21,529.18
7/21/2025	VEN-00610--DalfyMedia LLC		1,200.00
7/21/2025	VEN-00752--Over the Top Events		5,000.00
7/21/2025	VEN-00830--Ruben Valdez Rodriguez		250.00
7/21/2025	VEN-00836--Oh My Gooderness Entertainment		525.00
7/29/2025	VEN-00037--City of Houston-Dept of Public Works		2,177.25

7/29/2025	VEN-00083--Harris County Treasurer	10,342.00
7/29/2025	VEN-00086--Home Depot Credit Services	201.62
7/29/2025	VEN-00102--Incontrol Construction LLC	300.00
7/29/2025	VEN-00104--International Downtown Association	130.00
7/29/2025	VEN-00109--Jacque Gonzalez-Garcia	63.79
7/29/2025	VEN-00179--Orkin	243.00
7/29/2025	VEN-00200--Raffle Parking Company	900.00
7/29/2025	VEN-00220--SEARCH Homeless Services	10,850.65
7/29/2025	VEN-00290--Verizon Wireless	667.52
7/29/2025	VEN-00318--STERLING EXPRESS SERVICES	25.00
7/29/2025	VEN-00321--Block by Block	492,527.81
7/29/2025	VEN-00324--Associated Landscape Services LLC	1,040.00
7/29/2025	VEN-00404--AT&T	1,357.15
7/29/2025	VEN-00429--TriMark Strategic	519.00
7/29/2025	VEN-00500--Houston Public Media	2,818.52
7/29/2025	VEN-00504--Today's Landscape	26,755.33
7/29/2025	VEN-00517--Franklin Burnett	520.00
7/29/2025	VEN-00519--David Russell	520.00
7/29/2025	VEN-00520--Jennifer Kennedy	1,392.00
7/29/2025	VEN-00523--Marcus Labbe	1,300.00
7/29/2025	VEN-00525--Brandon Kpotie	1,300.00
7/29/2025	VEN-00526--Charles Franklin	1,560.00
7/29/2025	VEN-00527--Jacob Pena	520.00
7/29/2025	VEN-00528--Joell Matthews	520.00
7/29/2025	VEN-00529--Moises Alfaro	2,860.00
7/29/2025	VEN-00530--Antoine Holmes	780.00
7/29/2025	VEN-00532--Ivan Sosa-Castillo	1,040.00
7/29/2025	VEN-00534--Vestis Group, Inc	213.75
7/29/2025	VEN-00563--TEXAS PRIDE DISPOSAL	2,075.22
7/29/2025	VEN-00569--Christina LaFour	520.00
7/29/2025	VEN-00595--Joe O'Neal	1,040.00
		1,530,328.83

Capital-HDMD--Capital Fund-HDMD

Check register

For the month of July 2025

Date	Vendor	Document no.	Amount
7/3/2025	VEN-00364--COALITION FOR THE HOMELESS		250,000.00
7/7/2025	VEN-00504--Today's Landscape		7,680.00
7/7/2025	VEN-00504--Today's Landscape		6,055.00
7/14/2025	VEN-00115--Jerdon Enterprise, LP		6,968.30
7/14/2025	VEN-00226--Southern Daily News		600.00
7/29/2025	VEN-00115--Jerdon Enterprise, LP		580,800.20
7/29/2025	VEN-00814--WESTERN SPECIALTY CONTRACTORS OF AMERICA		4,697.00
			856,800.50

**HOUSTON DOWNTOWN MANAGEMENT DISTRICT
INVESTMENT REPORT, AUTHORIZATION AND REVIEW
FOR THE PERIOD APRIL 1, 2025 THROUGH JUNE 30, 2025**

FUND	BEGINNING BAL. BOOK VALUE	BEGINNING BAL. MARKET VALUE	GAIN (LOSS) TO MARKET FILE	INTEREST EARNED / ACCRUED THIS PERIOD	NET DEPOSITS OR (WITHDRAWALS)	ENDING BALANCE BOOK VALUE	ENDING BALANCE MARKET VALUE	ENDING BALANCE % OF PORTFOLIO	AVG DAILY YIELD	AVG WAM
<u>HDMD</u>										
<u>OPERATING ACCOUNTS JP MORGAN CHASE</u>										
OPERATING	13,364,588.22	13,364,588.22	0.00	67,833.21	(13,371,592.32)	60,829.11	60,829.11	0.34%	3.800	1.00
CAPITAL	<u>1,044,467.10</u>	<u>1,044,467.10</u>	<u>0.00</u>	<u>0.00</u>	<u>(751,646.62)</u>	<u>292,820.48</u>	<u>292,820.48</u>	<u>1.65%</u>	<u>N/A</u>	<u>1.00</u>
TOTAL	<u>14,409,055.32</u>	<u>14,409,055.32</u>	<u>0.00</u>	<u>67,833.21</u>	<u>(14,123,238.94)</u>	<u>353,649.59</u>	<u>353,649.59</u>	<u>1.99%</u>		<u>1.00</u>
<u>POOLED FUNDS - TEXPOOL</u>										
OPERATING	3,127,424.14	3,127,424.14	0.00	137,526.09	9,400,000.00	12,664,950.23	12,664,950.23	71.20%	4.44%	49.00
CAPITAL	<u>4,218,456.56</u>	<u>4,218,456.56</u>	<u>0.00</u>	<u>52,028.84</u>	<u>500,000.00</u>	<u>4,770,485.40</u>	<u>4,770,485.40</u>	<u>26.82%</u>	<u>4.44%</u>	<u>49.00</u>
TOTAL	<u>7,345,880.70</u>	<u>7,345,880.70</u>	<u>0.00</u>	<u>189,554.93</u>	<u>9,900,000.00</u>	<u>17,435,435.63</u>	<u>17,435,435.63</u>	<u>98.01%</u>		
TOTAL HDMD	<u><u>21,754,936.02</u></u>	<u><u>21,754,936.02</u></u>	<u><u>0.00</u></u>	<u><u>257,388.14</u></u>	<u><u>(4,223,238.94)</u></u>	<u><u>17,789,085.22</u></u>	<u><u>17,789,085.22</u></u>	<u><u>100.00%</u></u>		

COMPLIANCE STATEMENT REVIEW

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

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

SIGNATURE

RICHARD TORRES
TREASURER

ROBBIE JONES
VICE CHAIR

LESLIE ASHBY
CHAIRMAN

KRIS LARSON
PRESIDENT - CEO

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

Reporting Period: 1/1/2025 - 6/30/2025

	2025			2024		
	<u>Operating</u>	<u>Capital</u>	<u>Total</u>	<u>Operating</u>	<u>Capital</u>	<u>Total</u>
Total Certified MWBE	\$ 1,190,981	\$ 200,822	\$ 1,391,803	\$ 1,199,676	\$ 95,301	\$ 1,294,977
Adjusted Total Spending	\$ 7,841,344	\$ 800,627	\$ 8,641,970	\$ 7,373,850	\$ 392,721	\$ 7,766,571
Less Qualified for Exclusion	\$ (2,969,850)	\$ (0)	\$ (2,969,850)	\$ (2,719,865)	\$ -	\$ (2,719,865)
Qualifying Total Spending	\$ 4,871,494	\$ 800,627	\$ 5,672,120	\$ 4,653,985	\$ 392,721	\$ 5,046,706
%MWBE Certified	24.4%	25.1%	24.5%	25.8%	24.3%	25.7%
Total Self-Certified MWBE	\$ 55,678	\$ -	\$ 55,678	\$ 129,791	\$ 3,623	\$ 133,415
% Certified + Self-Certified	25.6%	25.1%	25.5%	28.6%	25.2%	28.3%

HOUSTON DOWNTOWN MANAGEMENT DISTRICT

ORDER ESTABLISHING AND CALLING A HEARING ON PROPERTY OWNER PETITION REQUESTING SERVICES AND IMPROVEMENTS FOR HOUSTON DOWNTOWN MANAGEMENT DISTRICT

RECITALS

The Houston Downtown Management District (the "District"), was created by Senate Bill 1620, Acts of the 74th Legislature of Texas, Regular Session, 1995, codified as Chapter 3801, Texas Special Districts Code (the "Act"), and is governed by the provisions of the Act and Chapter 375, Texas Local Government Code; as amended (the "Code").

Presented herewith to the Board of Directors of the District (the "Board") is a petition of District property owners requesting the services and improvements for the District described in the petition and the Service Plan attached to and incorporated into the petition (collectively the "Petition").

Such Petition describes the services and improvements requested to be undertaken by the District (the "Services and Improvements") and contains a description of the general nature of the proposed Services and Improvements, the estimated cost thereof, the benefit to the District, the proposed method of assessment, and the time for payment of the assessments.

The Petition meets all of the requirements of the Act and the Code and is executed by: (i) fifty (50) or more persons who own land within the District; or (ii) the owners of a majority of the assessed value within the District, as shown on the tax roll of the Harris County Appraisal District as required by the Act and the Code.

The Board desires to proceed to call a hearing to consider the Petition.

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

Section 1. The Board hereby finds, determines and declares that the Petition meets the requirements of the Act and the Code and is duly executed and filed with the District in accordance with the Act and the Code.

Section 2. The Board hereby finds, establishes and directs that a public hearing date be set, with such date, time and location to be determined, on the advisability of the District providing the Services and Improvements requested in the Petition, the nature of the Services and Improvements, the cost of the Services and Improvements, the area and property to be

benefited by the Services and Improvements, the amount of the benefit, and the proposed time, method, and amount of assessments to pay for the Services and Improvements.

Section 3. The Board hereby authorizes the public hearing notices to be sent to each property owner not later than the 30th day before the date of the hearing to such property owner in the District who will be subject to assessment, all as further prescribed by §375.115(c) of the Code. The Board hereby finds and determines that the sworn affidavit of the District's Collector of Assessments is adequate proof that the notice was timely mailed.

Section 4. The Board hereby authorizes the Chair of the Board to appoint Hearing Examiners to conduct the hearing in accordance with the Act. The Hearing Examiners shall convene the public hearing on the Petition on the date and at the time consistent with Section 2 hereof, and shall conduct the public hearing in connection with the Petition and on the desirability of providing the requested Services and Improvements and on the other issues described above in accordance with the provisions of the Code. All residents and property owners within the District, and all other persons, are hereby invited to appear in person, or by their attorney, and contend for or contest the District's providing the Services and Improvements proposed in the Petition, the benefit to the District and to the property in the District, the time, amount, and method of levying assessments, together with penalties and interest thereon, in accordance with the provisions of the Petition, and any other relevant issue, and may offer testimony pertinent to any issue presented on the need or desirability of the Services and Improvements, the amount and time of payment of the assessments, purpose of the assessments, special benefit of the assessments to the District as a whole or to any property therein, and on any other relevant issue. After all objections, if any, have been heard and all evidence presented, such hearing shall be closed.

Section 5. At or on the adjournment of such public hearing, the Hearing Examiners shall prepare findings and conclusions, make recommendations to the Board, and file them with the Board. The Board will consider and pass on the findings and conclusions of the Hearing Examiners and on any objections to the provision of the Services and Improvements proposed in the Petition and the levy of assessments on property as proposed in the Petition and any other issues relevant to or presented at the hearing. The Board may grant the Petition requesting the provision of Services and Improvements set forth therein, approve the Service and Improvement Plan and Budget as reflected in the Petition, and levy special assessments on property in the District as proposed in the Petition. The assessments, as proposed in the Petition, are for a period of ten (10) years with the obligation on the part of each property owner (other than that proposed to be exempt in the Petition or exempt by law) to pay an annual installment in the amount assessed on its due date or be subject to penalties and interest proposed in the Petition. If assessed in accordance with the Petition, each assessment will be a first and prior lien against property assessed, superior to all liens and claims, except liens or claims for state, county, school district, municipal, or other political subdivision ad valorem taxes, and shall be a personal liability of and charge against the owners of the

property. A lien will be effective from the date of the order levying assessments, and may be enforced by the District in the manner provided by law.

Section 6. The District's President, Legal Counsel and Collector of Assessments are authorized and directed to cause notice containing the provisions required by the Code to be published in a newspaper of general circulation in Harris County not later than thirty (30) days prior to the date of the hearing, and mailed by certified mail, return receipt requested, or by another method determined by the Board to provide adequate proof that the notice was timely mailed, not later than thirty (30) days prior to the date of the hearing to each property owner in the District who will be subject to assessments at the current address of the property to be assessed as reflected on the tax roll of the Harris County Appraisal District.

PASSED, APPROVED AND ADOPTED this the 14th day of August, 2025.

Leslie G. Ashby
Chair, Board of Directors
Houston Downtown Management District

ATTEST:

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

(SEAL)

CERTIFICATE FOR ORDER

THE STATE OF TEXAS §
 §
 COUNTY OF HARRIS §

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

1. The Board of Directors of the Houston Downtown Management District convened in regular session on the 14th day of August, 2025, at a meeting place inside the boundaries of the District, and the roll was called of the duly constituted officers and members of the Board, to-wit:

BOARD MEMBERS

Sean Alley	Spencer Lightsy
Leslie Ashby	Tyler Merritt
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	Brandon Oliver
Marian Harper	Edna Ramos
C.C. Huang	Frem Reggie
Angus Hughes	Joey Sanchez
Antoinette “Toni” Jackson	Richard Torres
Robbi Jones	Reggie Wilson

and all of said persons were present, except Directors _____, thus constituting a quorum. Whereupon, among other business, the following was transacted at the meeting: a written

**ORDER CALLING A HEARING ON PETITION REQUESTING SERVICES AND IMPROVEMENTS FOR
HOUSTON DOWNTOWN MANAGEMENT DISTRICT**

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

2. That a true, full and correct copy of the aforesaid Order adopted at the meeting described in the above and foregoing paragraph is attached to and follows this certificate; that the Order has been duly recorded in the Board's minutes of the meeting; that the persons named in the above and foregoing paragraph are the duly chosen, qualified and acting officers and members of the Board as indicated therein; that each of the officers and members of the Board was duly and sufficiently notified officially and personally, in advance, of the time, place and purpose of the aforesaid meeting, and that the Order would be introduced and considered for adoption at the meeting, and each of the officers and members consented, in advance, to the holding of the meeting for such purpose; that the meeting was open to the public as required by law; and that public notice of the time, place and subject of the meeting was given as required by Chapter 551, Texas Government Code, and Section 49.063, Texas Water Code.

SIGNED AND SEALED the 14th day of August, 2025.

Marian Harper
Secretary

(SEAL)

Houston Downtown Management District

2026-2035 Service Plan

Draft – July 3, 2025

Please make sure to submit your Petition with this Service Plan attached. the Petition is valid only if the Service Plan is attached.

Prepared by the Houston Downtown Management District
1221 McKinney Street, Suite 4250
Houston, Texas 77010



**Houston Downtown Management District
2026-2035 Service Plan**

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Preface

This document sets forth the services provided, and improvements made in support of the Houston Downtown Management District's goals, the costs, and a proposal for funding these within the 1,173-acre area of the District. This plan applies to a time period beginning January 1, 2026 and ending December 31, 2035. It follows a 2021-2025 service and improvement plan adopted by the Board of Directors of the Downtown District in November 2020. This plan will be adopted and become effective only after: 1) valid signed petitions in support are received from at least 50% of owners of taxable value and/or 50 persons owning property within the District; 2) a public hearing (date to be set); and 3) an Order of the Board of Directors at the November 2025 Board meeting.

Introduction

Background on the Houston Downtown Management District

The Houston Downtown Management District (the "District" or "HDMD") was created in 1995 by the 74th Texas Legislature and operates under Chapter 375, Texas Local Government Code and Chapter 3801, Texas Special Districts Code, as amended.

Since its creation, the HDMD has worked to make Downtown Houston cleaner, safer, and more prosperous by beautifying and caring for the public realm, providing enhanced public safety, producing programming and marketing for Houston's urban core, leading the creation of and implementing visionary plans, plus facilitating economic development. The HDMD provides enhanced services beyond basic City of Houston offerings, in turn, bolstering property values and Downtown's competitiveness.

Guided by a 30-member Board of Directors, the HDMD is funded through a fair and proportionate assessment of real property subject to property taxes within its boundaries. These assessment dollars fund these HDMD operations and improvements, ranging from daily street-level maintenance to economic development initiatives.

How the HDMD fits into Downtown Houston+

The HDMD is an affiliate of Downtown Houston+, the name for the family of organizations that lead Downtown Houston investment projects, promotion, and public realm maintenance. Other affiliate organizations include the Downtown Redevelopment Authority / Tax Increment Reinvestment Zone No. 3 (DRA / TIRZ #3), Central Houston, Inc. (CHI) and Central Houston Civic Improvement (CHCI), 501(c)6 and 501(c)3 organizations, respectively. While the collective work of these organizations can be traced back for over forty years, they are now further united and organized under Downtown Houston+'s Strategic Alignment Plan, completed in 2022.

About the Service Plan

Since its establishment in 1995, the HDMD has been renewed five times, each for a five-year term. The current term expires at the end of 2025. Each HDMD term is guided by a plan that sets forth the services to be provided in support of the District's goals, the costs of these services, how assessment revenue will be generated, and other relevant parameters. These plans are adopted by the Board of Directors.

This Service Plan applies to a time period beginning January 1, 2026 and ending December 31, 2035. It follows the 2021-2025 Service & Improvement Plan, adopted in November 2020. This plan will be adopted and become effective only after: (1) valid signed petitions in support are received from at least 50% of owners of taxable value and/or 50 persons owning property within the District; (2) a public hearing (date to be set); and (3) an Order of the Board of Directors at the November 2025 Board meeting.

Looking Back: Accomplishments of the HDMD

Highlights of the HDMD's functions within Downtown Houston over the course of the most recent 2021-2025 service plan include both daily core services and crisis management on an as-needed basis. Core services included the following.

Clean & Safe Operations – *The HDMD provided comprehensive maintenance and security that protects property values and supports tenants:*

Clean Team Operations

- Cleaning and maintaining 1,100 blocks of sidewalks
- Removing 1,700 tons of litter annually
- Servicing 300+ public trash receptacles daily
- Cleaning graffiti rapidly
- Power washing sidewalks and METRORail platforms

Expanded Safety and Security Presence

- Patrolling daily throughout Downtown with visible and hospitable Downtown Public Safety Guides
- Hiring Houston Police Department and private security to provide 24/7 coverage
- Offering hospitality assistance and walking escorts for tenants and visitors
- Deploying trained homeless outreach teams

District Beautification – *The HDMD cared for Downtown's appearance to support property values and create a welcoming atmosphere:*

- Planting 140,000 seasonal flowers
- Conserving 2,000+ trees and expanding Downtown's shade tree canopy
- Keeping 13 public fountains clean and operating
- Maintaining street and pedestrian lighting
- Bringing color and joy with seasonal décor and street banner programs
- Managing, improving and activating public parks and greenspaces

Marketing & Communications – *The HDMD amplified Downtown's story as an attractive place to live, work, and play:*

- Growing an engaged digital presence of 500,000+ followers across platforms

- Delivering informative updates on capital projects, grant programs, and district initiatives to business leaders and stakeholders
- Maintaining strategic media relations to keep Downtown visible and well-positioned
- Communicating rapidly and credibly about transportation impacts and emergencies
- Supporting vibrancy through signature events and passive programming

Economic Development – *The HDMD directly supported property owners’ bottom line:*

- Assisting property owners with tenant recruitment and retention programs
- Funding strategically targeted storefront grants and incentives
- Upgrading and diversifying Downtown’s tenant mix
- Enhancing property owners’ return-to-office strategies
- Delivering competitive intelligence through market research and demographic analysis
- Reporting credible market data on Downtown business activity and engagement

While the above list represents ongoing core services, the HDMD also provides special and one-off services and support when the moment calls for it. Over the last five years, highlights of this special work included emergency response and strategic homelessness solutions, as profiled below.

Emergency Response – *The HDMD’s rapid response helps to mitigate disaster impacts and supports swift recovery. During the Derecho windstorm and Hurricane Beryl in 2024, the HDMD deployed comprehensive, effective recovery operations:*

- Removed 400,000+ pounds of debris in days
- Coordinated property stabilization efforts
- Restored normal business operations rapidly
- Provided real-time updates through Downtown Houston+ text alerts and digital media
- Maintained clear communication with property owners

Strategic Homelessness Solutions – *The HDMD’s data-driven approach to homelessness provides solutions to improve safety, public space management and long-term outcomes while helping property owners and tenants navigate complex challenges. Two examples of this important work included:*

Solutions at The Beacon – With rising service demands at The Beacon which were creating persistent negative effects and business disruptions, the HDMD formed a coalition to implement several lasting solutions:

- Reduced congregation zones and improved mobility with curb and street repairs
- Established a Downtown Safety Office to direct services and maintain a safer, more orderly environment
- Ensured homeless individuals could still access vital resources while enhancing enforcement and oversight

Collaborative Approaches to End Street Homelessness – The HDMD contributed \$1M to Mayor John Whitmire’s initiative to end street homelessness, initially in key Downtown locations including Allen’s Landing and Bayou Place. This plan prioritizes Housing First and behavioral health, and streamlines

services so no person must sleep outside while awaiting housing. The HDMD continues to coordinate and implement the Downtown phase of the Mayor’s plan to end street homelessness.

Why Renew the HDMD?

Critical Timing for Renewal

For 30 years, the HDMD has been the key tool dedicated to protecting and enhancing Downtown property owners’ investments. Downtown Houston’s continued growth depends on maintaining the structured, collective voice that HDMD provides. Without renewal, key programs for Downtown’s success – detailed above – will cease, potentially reversing decades of progress and leaving critical decisions to external forces. Securing services and advocacy to keep Downtown competitive and growing is a shared responsibility that has brought transformational improvements to Houston’s vital urban center. The need for this work is as urgent now as ever.

Stakeholder Input

This was echoed by HDMD property owners and stakeholders during the renewal planning process. Engagement took place through interviews, roundtables, and a property owner open house. Stakeholders broadly recognize the HDMD as a capable and trusted steward of Downtown, particularly in its core service areas. Clean and safe services continue to be viewed as foundational to the District’s success and are seen as well-executed.

As the HDMD has taken on an increasing number of capital projects over the years, the importance of proactively integrating long-term maintenance of these improvements was noted as critical moving forward. Ending street homelessness remains a top priority amongst Downtown stakeholders. There is desire for the HDMD to continue to play a strong collaborative role to ensure Houston remains a national leader in reducing homelessness. There is also preference for the HDMD to take a more robust role in office-based recruitment as Downtown continues to face challenges related to return-to-office and elevated commercial vacancy rates.

Overall, stakeholder feedback reflected a high level of appreciation for the HDMD’s accomplishments to date, paired with a desire to see the District adapt in strategic, collaborative, and responsive ways as Downtown grows and needs evolve.

Looking Forward: Guiding Principles of the 2026-2035 Service Plan

This Service Plan has been developed for a different economic cycle than what Houston has experienced in past renewals. Many of the past plans were developed during stable growth cycles in the Houston region. Conversely, the most recent plan was developed in 2020, at the onset of the COVID-19 pandemic. There was little understanding at the time of the longer-term impact that this event would have on downtowns nationwide.

Macro-level factors and trends continue to impact urban centers across the country. These include a ‘new normal’ for in-office work patterns of many employees, elevated commercial vacancy rates, public

safety perceptions, homelessness, and street-level vitality. Through the work of HDMD, Downtown Houston is a national leader in addressing many of these challenges. Return-to-office rates have been consistently higher than peers, Downtown continues to evolve into a neighborhood with continued momentum in the residential sector, and the visitor economy has grown into a strength for Downtown with more assets on the way in upcoming years that will further boost visitor numbers.

That said, urban centers including Downtown Houston are still facing these specific challenges in addition to broader economic headwinds. The development pipeline is softer than it has been in the recent past and there has been a plateauing of property valuation for Downtown as a whole.

Given these factors and broader headwinds, the following themes served as guiding principles for the development of the new HDMD Service Plan.

1. **Enabling Flexibility** – Past plans have been prescriptive in their goal areas and budgeting over the term of the district. This plan provides the Board of Directors with greater flexibility and responsiveness within the budget structure, giving the HDMD the precise ability to allocate its dollars as needed annually to respond and adapt to challenges and opportunities as they arise.
2. **Ensuring Financial Stability** – This plan aims to give the Board and staff more stability in two ways. First, by establishing an assessment model that reduces annual volatility and unpredictability. And second, by lengthening the term to align with best practices and allow for more longer-term thinking and planning for services and improvements offered by the HDMD.
3. **Building on Strengths** – The HDMD is regarded as a national best practice within the urban place management industry. This renewal focuses on fortifying the fundamentals of the HDMD while integrating modest but necessary refinements to its successful business model.
4. **Maintaining Service Integrity** – The HDMD’s purchasing power has eroded over the years as revenue has not kept up with inflation and rising service costs. This plan ensures that the HDMD can keep up with increasing costs, particularly in an economic cycle that may continue to be inflationary.
5. **Aligning Organizational Priorities** – Downtown Houston+ has undergone significant work in the last several years unifying its affiliate organizations, including the HDMD, DRA/TIRZ3, and CHI, as detailed in the Strategic Alignment Plan (SAP) adopted by all the Boards in 2022. This service plan adopts the new five-point SAP structure through new goals and budget categories.

Vision, Mission, and Purpose

The following vision, mission, and purpose statements are defined in the Downtown Houston+ Strategic Alignment Plan. These are restated and reaffirmed here – as they provide the foundational direction for the HDMD’s programs and priorities moving forward.

Overarching is the shared vision for Downtown Houston, followed by the shared mission statement which defines the collective role of all three organization within Downtown Houston+. The organizational purpose statement is specific to the HDMD, characterizing how the District helps to achieve the vision for Downtown.

Shared Vision for Downtown Houston

At the intersection of global commerce and local culture, Downtown is Houston's heart of opportunity, excitement and joy.

Shared Mission for Downtown Houston+

Champion and enhance Downtown Houston as a connected and thriving place for everyone.

HDMD Organizational Purpose Statement

HDMD protects and beautifies the public realm, centralizes the marketing and programming for Downtown, plans and implements an array of enhancements, and drives economic development. Its services are guided by a Board representing the district's diversity and funded through a fair and proportionate assessment on real property.

Plan Goals and Services

The HDMD is now guided by the five broad goals as defined in the Downtown Houston+ Strategic Alignment Plan. Within each goal are strategies that will lead to goal attainment and provide structure for HDMD services for the next ten years.

Goals and strategies are provided below. Numbering of the goals and strategies is consistent with the SAP and refined to reflect the specific role of HDMD within the aligned affiliates of Downtown Houston+ and the progress achieved since the SAP's adoption in 2022.

Goals and strategies offered below are intended to be consistent through the HDMD term. Specific tactics and services are not provided below, as these will vary year-over-year and be set during the annual work planning and budgeting process by the HDMD board of directors.

Goal 1: Champion major projects, initiatives, and investment that will improve Downtown

- 1.1** Build and maintain cross-sector relationships with area leaders so that HDMD can support, facilitate or lead on catalytic opportunities.
- 1.2** Design parks and open spaces made possible by TxDOT's North Houston Highway Improvement Project, and mitigate disruption through communications and stakeholder relations.
- 1.3** Plan collaboratively for Downtown's evolving edges, connections, and major attractions.
- 1.4** Demonstrate excellence in hosting mega-events such as collegiate championships, professional all-star and championship games, and other events of national relevance.
- 1.5** 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 Houston.
- 1.6** Explore opportunities to integrate emergent technologies and resiliency by improving infrastructure to manage and mitigate the effects of climate change.

- 1.7 Partner with METRO, the City of Houston, and others to plan and support a variety of safe and efficient mobility options for people to get to, from, and around Downtown, including a robust transit network and non-motorized transportation.
- 1.8 Model organizational accountability by establishing a dashboard of metrics to report on outcomes associated HDMD initiatives, services and investments.

Goal 2: Enhance and maintain a comfortable, welcoming, and well-managed public realm

- 2.1 Maintain and advance the standard of care for Downtown's cleanliness and well-kept appearance.
- 2.2 Cultivate nature across Downtown, including its urban forest, planters, and other greenspace elements.
- 2.3 Partner with local agencies to provide an exceptional network of parks and greenspaces in Downtown.
- 2.4 Quickly and pro-actively respond to blighting influences such as graffiti and damaged elements of the public realm.
- 2.5 Maintain and enhance wayfinding systems throughout Downtown to help guide visitors and connect them to points of interest.
- 2.6 Deploy welcoming ambassador teams within the public realm to improve visitor experiences and augment public safety.
- 2.7 Expand collaboration and incorporate proven approaches to maintain a low crime rate and make Downtown feel safe.
- 2.8 Utilize data and analytic tools to understand the prevalence of criminal activity and shape programmatic responses.
- 2.9 Pro-actively address perceptions and reporting that affect the image and reputation of Downtown.
- 2.10 Broadly address the needs of people experiencing homelessness and the associated impacts.
- 2.11 Prepare for and respond to emergencies.

Goal 3: Drive vibrancy through improved street level connectivity, a commitment to walkability, and inclusive programming strategies

- 3.1 Plan, design, and construct public infrastructure that supports safety and equity.
- 3.2 Leverage Downtown's adjacency to the Buffalo Bayou as an integral part of the Downtown experience.
- 3.3 Partner with Houston First, park conservancies, and other partners to advance strategies that connect people to Downtown destinations and experiences.
- 3.4 Prioritize public realm investments and interventions on key corridors that support connectivity.

- 3.5 Partner with public and private property owners to beautify targeted corridors or block faces to improve connectivity.
- 3.6 Facilitate the development of pop-up uses, temporary installations, and other storefront or site activation strategies to help enliven the public realm.
- 3.7 Utilize public art and other place enhancement strategies to improve walkability where built conditions limit storefront activations.
- 3.8 Prioritize investments in pedestrian lighting on key walking corridors and near residential buildings.
- 3.9 Support efforts to enable a more festive game day atmosphere better integrated into the built environment.
- 3.11 Plan and implement an events and programming strategy that appeals to diverse audiences and drives vibrancy in strategic areas.
- 3.12 Leverage partnerships to produce smaller scale, high impact activations and events that appeal to a diverse set of Downtown stakeholders and visitors.
- 3.13 Develop programs and use strategies to connect area employers and residents with Downtown parks.
- 3.14 Support the accessibility of Downtown through the care and maintenance of area sidewalks and other hardscapes.

Goal 4: Foster a vital and thriving economy through business growth, residential expansion, and enhanced reasons to be in Downtown

- 4.1 Promote Downtown as the region's primary business, entertainment and cultural center.
- 4.2 Engage with local partners such as the City of Houston, Houston First and the GHP to improve the national image and reputation of Downtown Houston.
- 4.3 Develop a brand positioning for Downtown that embodies its strengths and competitive differentiation.
- 4.4 Collaborate with key partners to develop an economic development vision and strategy for Downtown.
- 4.5 Work with local government build partnerships to reform regulatory processes to expedite timetables and decrease barriers to entry.
- 4.6 Support the livability of Downtown and its positioning as a neighborhood of choice.
- 4.7 Advance efforts to build a Downtown community that is home to a diverse population.
- 4.8 Facilitate and support the retention and recruitment of office tenants to Downtown.
- 4.11 Foster a thriving storefront economy, prioritizing recruitment efforts, where possible, to fill available properties that have favorable co-tenancy on key corridors.
- 4.12 Develop focused marketing materials and administer incentive programs to support storefront improvements and tenant attraction.

- 4.13 Assist Downtown businesses owners and managers in navigating municipal regulatory processes.
- 4.14 Encourage, support and promote new attractions that expand what Downtown offers.
- 4.15 Be the go-to organization for Downtown market research and intelligence.
- 4.16 Enhance and expand data capabilities and reporting to provide more detailed intelligence to stakeholders and prospects.

Goal 5: Develop a hivemind of intelligence and goodwill by genuinely engaging and convening stakeholders

- 5.1 Develop a representative engagement structure that provides stakeholders the opportunity to inform decision making and advise on the direction of Downtown.
- 5.2 Collaborate on events and engagement avenues that provide stakeholders with opportunities to participate in shaping and celebrating the Downtown community.
- 5.4 Advance consumer branding campaigns and other marketing efforts that help elevate the profile of Downtown.
- 5.5 Provide user-friendly, Downtown-focused web & digital media platforms that promote Downtown.
- 5.6 Improve and expand stakeholder and external communications to increase awareness of HDMD, Downtown's vitality, and general Downtown happenings.
- 5.7 Develop programs and collateral to orient new companies, employees, and residents to Downtown.
- 5.8 Advance efforts to spotlight the initiatives, moments, people and businesses advancing Downtown as a vibrant and inclusive community.
- 5.9 Support community-building by facilitating communications and engagement with residential groups within Downtown and its near neighborhoods.

Renewal Term

This plan applies to a time period beginning January 1, 2026 and ending December 31, 2035 – a ten-year term. *This reflects a transition from five-year terms used since the HDMD's inception.* The ten-year term is predicated on trust from property owners that has been established over the last 30 years which was voiced during renewal outreach, and aligns with management district best practices nationally, where ten-year terms are most common for well-established assessment districts. Adjusting the term to mirror industry standards will help provide more stability for the district.

Midpoint Evaluation Requirement

The new ten-year term will not sacrifice flexibility and district oversight. This plan establishes a promissory requirement for a five-year midpoint evaluation of the HDMD. The midpoint evaluation will consist of a robust strategic planning exercise – an evaluation of services provided by the HDMD, service

delivery level, service costs, and market dynamics in Downtown. The HDMD Board can utilize the outcomes of the effort to amend its allocation of focus and resources according to shifting stakeholder priorities.

Plan Budget

This Plan is an overview of the services anticipated to be provided over the ten-year term; however, the HDMD will implement the Plan in accordance with the priorities set by the HDMD Board of Directors. The costs identified in the Plan below are estimates that the HDMD may increase or decrease and reallocate among Plan goals. The HDMD may adjust specific services on an annual basis as the HDMD determines to be in the best interest of the assessment payers.

While the Plan's expression of the Goals has been updated to align with the SAP, the services and improvements offered via the HDMD will remain largely the same in this plan.

The following charts summarize the 2026-2035 Plan estimated expenditures.

Year 1 Budget

The total HDMD expenditures for the first year of this Plan (2026) is estimated to be **\$20,119,901**.

Exhibit A. Year 1 Budget

Plan Goal	2026 Expenses
1. Champion major projects, initiatives, and investment that will improve Downtown (Champion)	1,155,741
2. Enhance and maintain a comfortable, welcoming, and well-managed public realm (Enhance)	10,682,777
3. Drive vibrancy through improved street level connectivity, a commitment to walkability, and inclusive programming strategies (Connect)	3,740,738
4. Foster a vital and thriving economy through business growth, residential expansion, and enhanced reasons to be in Downtown (Thrive)	2,620,924
5. Develop a hivemind of intelligence and goodwill by genuinely engaging and convening stakeholders (Engage)	1,919,721
Total	20,119,901

Projected Ten-Year Budget

A projected ten-year budget for the HDMD is provided in the following charts. Projections for the budget are based upon the following assumptions and assessment method factors (detailed in section following the tables).

- Assessment rates, as determined annually by the HDMD Board of Directors, can increase a maximum of 5% per year, consistent with the increase in the Houston-area consumer price index (CPI) and increases in other program costs.
- Actual adjustments may be lower as determined by the HDMD Board of Directors.
- Calculations for the estimated ten-year budget use the same Year 1 base rate, and therefore do not capture potential increases in overall valuation within the District from future development.

Any rise in total valuation will be incorporated into HDMD assessments annually and could, in turn, mitigate the level of rate increase required.

- Net assessment revenue is based on 2024 tax rolls of the Harris County Appraisal District (“HCAD”).
- Exhibit B provides an illustrative range for the full ten-year term. The “no escalation” columns provide totals for a low-end scenario for the ten-year term, while the “5% Escalation” columns provide a high-end range if maximum escalation is applied (without accounting for new development).
- Exhibit C provides illustrative annual budgets at the maximum level of assessment escalation, with all remaining factors staying constant.

Exhibit B. Ten-Year Budget Framework

	<u>No Escalation</u>				<u>5% Escalation Per Year (Maximum Allowed)</u>		
Expenses	Year 1	Ten-year Total	Percent of Total		Year 1	Ten-year Total	Percent of Total
1. Champion	\$ 1,155,741	\$ 11,557,410	6%		\$ 1,155,741	\$ 14,536,786	6%
2. Enhance	10,682,777	106,827,770	53%		10,682,777	134,366,821	53%
3. Connect	3,740,738	37,407,380	19%		3,740,738	47,050,601	19%
4. Thrive	2,620,924	26,209,240	13%		2,620,924	32,965,700	13%
5. Engage	1,919,721	19,197,210	10%		1,919,721	24,146,044	10%
Total Expenses	\$ 20,119,901	\$ 201,199,010	100%		\$ 20,119,901	\$ 253,065,953	100%
Revenue	Year 1	Ten-year Total	Percent		Year 1	Ten-year Total	Percent
Net assessment revenue	\$ 19,127,948	\$ 191,279,480	95%		\$ 19,127,948	240,589,274	95%
Other Income	425,000	4,250,000	2%		425,000	5,345,604	2%
Interest	200,000	2,000,000	1%		200,000	2,515,579	1%
Surplus fund balance used	366,953	3,669,530	2%		366,953	4,615,495	2%
Total Revenue	\$ 20,119,901	\$ 201,199,010	100%		\$ 20,119,901	253,065,953	100%

Assessment Method

Proposed Assessments – Year 1 (2026)

Texas statute stipulates a District shall apportion the cost of improvements or services on the basis of the benefits caused by such improvements or services. This apportionment may be based on front foot, square foot, value or other manner that results in imposing equal shares of the costs on properties similarly benefited. A variety of alternatives were explored in the preparation of this Plan, including square footage and linear front footage, however, the existing methodology was deemed most fair and equitable moving forward. Therefore, for the services proposed in this Plan, apportionment of cost will continue to be based on the value of land and improvements as determined on the certified tax rolls of the Harris County Appraisal District (“HCAD”).

The estimated cost of services to be provided by the HDMD in 2026 – the Plan’s first year – is provided in Exhibits A-C. To cover the budgeted 2026 expenses, the assessment for 2026 will be in the amount of **\$.1695 per \$100 of assessed valuation of land and improvements as certified in fiscal year 2024** (the “Plan Base Year”).

The calculated rate of \$.1695 per \$100 of assessed valuation of non-exempt land and improvements represents the necessary assessment to achieve the services, maintenance and operations authorized and budgeted by the HDMD Board based upon the total estimated certified property values within the District of \$11,284,925,103.

This plan utilizes a single assessment rate for services and improvements. Past plans have featured two separate rates (and budgets) for operations and capital improvements. The proposed approach will allow for continued spending on capital projects but will provide the HDMD board more flexibility to make these determinations each year based upon specific project needs, rather than having funds restricted to capital only.

Proposed Assessments – Subsequent Years (2027-2035)

For each subsequent year, if the assessed valuation of land and improvements based upon the certified HCAD tax rolls increases, the assessment will be based on such increased assessed value.

However, the amount of assessment in any year shall not be below the assessed value for the Plan Base Year. This will only be applicable if the HCAD assessed valuation decreases in any subsequent year below the Plan Base Year value.

The annual assessment may increase no more than 5% per year consistent with the increase in the Houston-area consumer price index (CPI) and increases in other program costs. The determination of annual adjustments in program budgets and assessment rates will be subject to the review and approval of the HDMD Board of Directors.

Other Assessment Factors

Annual Supplemental Assessment Roll: Any land and improvements annexed into the District will be added to the assessment roll at the value shown on the rolls of HCAD during the year in which the land and improvements are annexed and added to the rolls of the District. Any new or substantially rehabilitated improvements under construction on January 1, 2025, or constructed, remodeled, or rehabilitated in the District after January 1, 2025, which increase the valuation of the land and improvements on the tax roll of HCAD by at least \$1,000,000, will be added to the HDMD's assessment roll at the value shown on the tax rolls of HCAD during the year such improvement is added and valued as a completed improvement on the tax rolls of HCAD. (A rehabilitation is substantial if the costs of such rehabilitation equal or exceed 25% of the value of the original improvements).

After conducting a public hearing, the Board of Directors will prepare a supplemental assessment roll for such property and levy assessments against such property for the specific benefits to be received by the services to be provided by the HDMD. Such new construction in the District and annexations (which may only be done in accordance with Chapter 375, Local Government Code, as amended), if any, will generate additional revenue.

City of Houston Services: In accordance with Chapter 375 of the Texas Local Government Code, it is proposed the City of Houston's share of the Service Plan would be a continuation of the services and capital improvements it presently provides or has scheduled to provide subject to annual appropriation by City Council. This is and will continue to be established by contract.

Exempt Properties: The following classes of property are proposed to be excluded from assessment unless consent of the owner is given: (a) land and improvements owned by political subdivisions of the State of Texas and used for public purposes; (b) land and improvements owned by a church or by a strictly religious society which yields no revenue whatever to such church or religious society and which is used as an actual place of religious worship or as a dwelling place for the ministry of such church or religious society; (c) land and improvements used exclusively for school purposes; (d) land and improvements owned by an association engaged in promoting the religious, educational, and physical development of children or young men or young women operating under a state or national organization of like character and used exclusively and necessarily for any such purposes; (e) land and improvements owned by institutions of purely public charity; (f) land and improvements owned by public or private utilities that are located in public streets or rights-of-way; (g) railroad rights-of-way and improvements located therein; (h) property not assessable as a result of Texas Government Code § 311.025(a); (i) land and improvements owned by the United States of America, or any agency thereof; and (j) land and improvements of the Federal Reserve Bank. Exempt properties may choose to financially participate in the District.

A 20% homestead exemption will be provided to a resident who as of January 1, 2025 owns and occupies a home as a principal residence, and neither the resident nor a spouse claimed a homestead exemption on any other property in Texas. An exemption from appraised value of \$160,000 will be provided to residence homesteads of individuals age 65 or older or are disabled.

Special Use Designations: Land and improvements which have a special use designation for tax purposes on the tax rolls of HCAD for the year 2024 as (a) agricultural use, (b) timber land use, or (c) recreational, park or service use, will be assessed by the HDMD Board of Directors at its designated special use value for so long as it enjoys that special use designation. If land and improvements which have a special use designation are converted to another use and loses its special use designation on the tax roll of HCAD, the Board of Directors will thereafter assess such land and improvements at its full value as shown on the certified tax rolls of HCAD for the year 2024.

Payment and Delinquency Policy: Assessments will become due and delinquent and be payable in accordance with the Texas Tax Code. Delinquent payments will bear interest and penalties in accordance with the Texas Tax Code. Assessments will become due on January 31st and become delinquent thereafter. Delinquent payments will bear interest at 1% per month or a portion thereof. Delinquent payments will bear a penalty of 6% for the first month it is delinquent, or fraction thereof, plus 1% for each additional month, or fraction thereof, the assessment remains delinquent to the first day of July following the date of the levy of the assessment; however, an assessment delinquent on July 1 incurs a total penalty of 12% of the delinquent assessment without regard to the number of months the assessment has been delinquent. On and after July 1, if it is necessary to contract with an attorney to represent the District in enforcing collection of a delinquent assessment, there will be an additional penalty of 20% on the delinquent assessment, interest and penalty.

Governance

A Municipal Management District (MMD) is an economic development tool that allows property owners to enhance a defined area. A MMD is created by an act of the Texas Legislature and derives its rights and powers through “enabling legislation.” The HDMD was created in the regular session of the Texas Legislature in the spring of 1995 under Chapter 375 of the Local Government Code, and currently is codified as Chapter 3801 of the Texas Special Downtown Districts Code.

In addition to the rights, powers, privileges, authority, and functions of a MMD created under the aforementioned Chapter 375 of the Local Government Code, to accomplish its purposes the HDMD may employ the rights granted to political subdivisions under Article 16, Section 59, of the Texas Constitution, including those conferred by Chapter 54 of the Texas Water Code, and the powers under Article 3, Section 52, of the Texas Constitution and Chapter 365 and Chapter 441, Texas Transportation Code.

The HDMD Administrative Policies and Procedures Manual, most recently adopted by the HDMD Board of Directors in November 2024, reinforces the HDMD’s commitment to accountability and transparency and should be referred to for detailed information related to governance of the District. The latest 2024 iteration of the Manual captures recent governance-based work completed to provide additional clarity and bounds to the Board’s standing committees.

The HDMD continues to be governed by the District’s Board of Directors. The role of the Board is consistent with other management districts throughout Texas and the nation. The Board determines

budgets and assessments, oversees the District’s operations and service delivery, and sets the strategic direction for the HDMD.

The HDMD committee structure has been adapted to align with the SAP and deepen collaboration across Downtown Houston+’s various boards. The Executive Committee and the HDMD’s three standing committees (Audit Committee, Nominating Committee, and Finance Committee) remain intact and are comprised entirely and only of HDMD Board Directors.

Four “Collaborative Committees” are now part of the HDMD’s governance structure. The Collaborative Committees are: Enhance, Connect, Thrive, and Engage, each tied back to the SAP (and HDMD) Goals #2-5. The recommendations of these Committees are entirely advisory to the Board. Such Collaborative Committees shall include HDMD Directors, but no committee shall include such a number of Directors that a quorum of the HDMD Board is constituted. Collaborative Committees also may include members of the Central Houston Inc. Board and the Downtown Redevelopment Authority Board, plus at-large stakeholders from the Houston Downtown community including business owners, employees, local government representatives, partners and residents.

Lastly, the Board may designate one or more ad-hoc committees, as needed. Each such committee shall serve at the pleasure of the Board and serve in an advisory capacity only. All ad-hoc committees shall consist only of Board Directors, but no ad-hoc committee may include such a number of directors that a quorum of the Board is constituted. A seven-member ad-hoc committee – the Renewal Task Force -- of the HDMD Board was established to guide the development of this Service Plan.

Additional detail on the District’s governance structure can be found in the 2024 HDMD Administrative Policies and Procedures Manual.

Appendix A: Metes and Bounds and Boundary Map

HOUSTON DOWNTOWN MANAGEMENT DISTRICT BOUNDARY DESCRIPTION

1178 acres, more or less, in the J. Austin Survey, Abstract 1, the J.S. Holman Survey, Abstract 323, the O. Smith Survey, Abstract 696, and the J. Wells Survey, Abstract 832, Harris County, Texas, more particularly described as follows:

BEGINNING at the intersection of the center line of the right-of-way of Interstate Highway 10 to the intersection with the west right-of-way line of Interstate Highway 45,

Thence in a southerly direction to the intersection of the west right-of-way line of Interstate Highway 45 with the center line of the right-of-way of Franklin Avenue,

Thence in a southerly direction to the intersection of the west right-of-way line of Interstate Highway 45 with the north right-of-way line of Memorial Drive,

Thence in a westerly direction with the intersection of the north right-of-way line of Memorial Drive to a southerly projection of the center line of the right-of-way of Sabine Street and then with the center line of the right-of-way of Sabine Street,

Thence in a southerly direction with the southerly projection of the center line of the right-of-way of Sabine Street to the intersection with the center line of the right-of-way of Allen Parkway,

Thence in a southerly direction with the intersection of the center line of the right-of-way of Allen Parkway to the west line of the right-of-way of Heiner Street and southerly and northerly projections thereof,

Thence in an easterly direction with a southerly projection of the west line of the right-of-way of Heiner Street to the intersection with the center line of the right-of-way of W. Dallas Street,

Thence in a southerly direction with the center line of the right-of-way of W. Dallas Street to the intersection with the west line of the right-of-way of Heiner Street and southerly and northerly projections thereof,

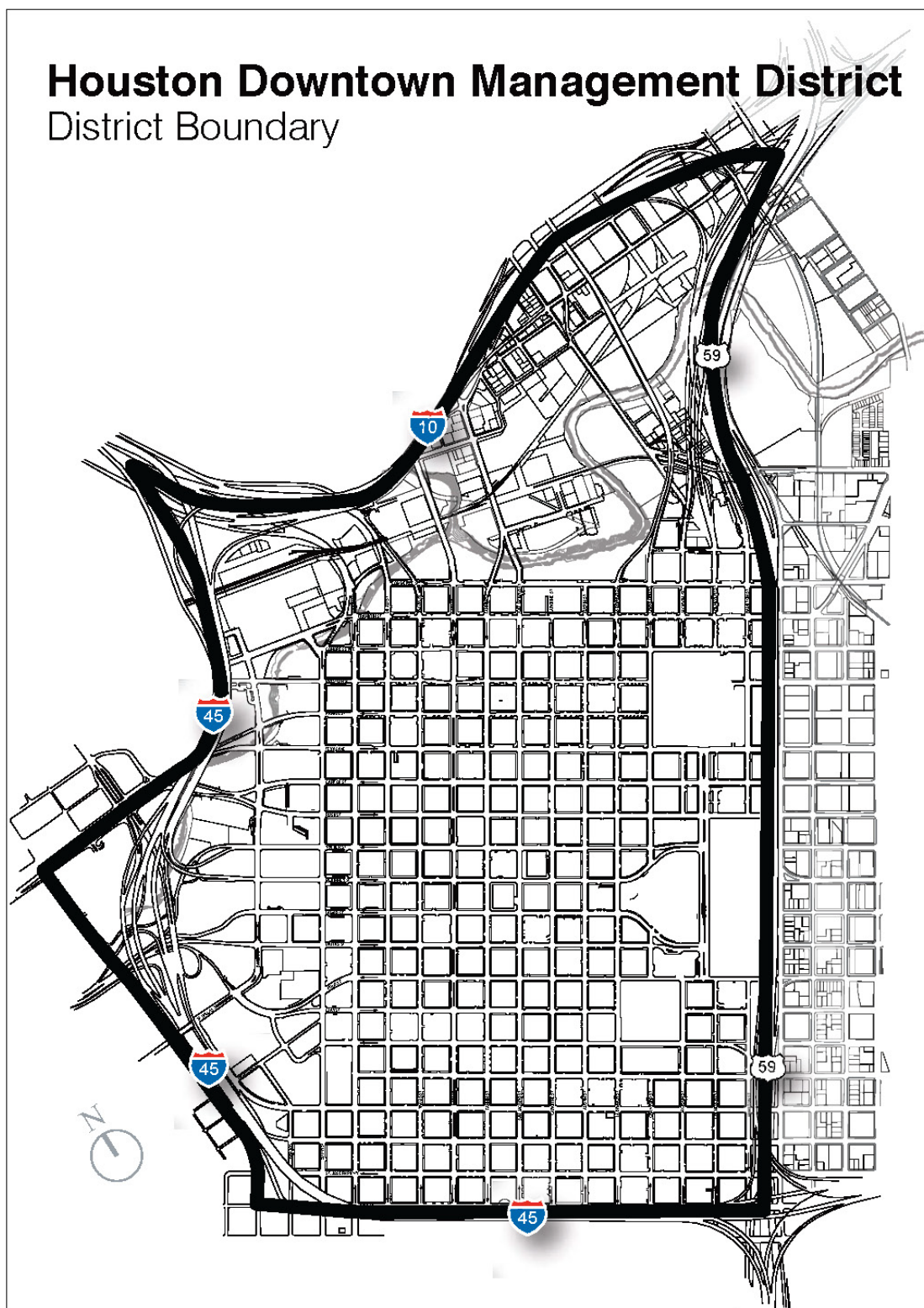
Thence in a southeasterly direction with a southerly projection of the west line of the right-of-way of Heiner Street to the intersection with the center line of the right-of-way of Bagby Street,

Thence in a southwesterly direction with the center line of the right-of-way of Bagby Street to the intersection with the center line of the right-of-way of Pierce Avenue,

Thence in a southeasterly direction with the center line of the right-of-way of Pierce Avenue to the intersection with the center line of the right-of-way of U.S. Highway 59,

Thence in a northeasterly direction with the center line of the right-of-way of U.S. Highway 59 to the intersection with the center line of the right-of-way of Interstate Highway 10,

Thence in a westerly direction with the center line of the right-of-way of Interstate Highway 10 to The Point of Beginning, containing 1,178 acres, more or less, including, without limitation, all air space above and all subsurface below said property.



HOUSTON DOWNTOWN MANAGEMENT DISTRICT

PETITION REQUESTING CERTAIN SERVICES AND IMPROVEMENT PROJECTS FOR THE HOUSTON DOWNTOWN MANAGEMENT DISTRICT

TO THE BOARD OF DIRECTORS OF THE HOUSTON DOWNTOWN MANAGEMENT DISTRICT:

The undersigned (herein the "Petitioners"), constituting either (1) the owners of a majority of the assessed value of real property in the Houston Downtown Management District (the "District") as determined by the most recent certified Harris County property tax rolls; or (2) at least fifty persons who own property within the District as determined by the most recent certified Harris County property tax rolls, acting pursuant to the provisions of Subchapter D of Chapter 3801, Texas Special Districts Code (the "Act"), and Chapter 375, Texas Local Government Code (the "Code"), respectfully petition the Board of Directors of the District to provide certain services and improvement projects and would show the following:

I.

Each of the Petitioners owns land in the District as determined by the certified Harris County property tax rolls, and collectively represent either (1) the owners of a majority of the assessed value of real property in the District as determined by the most recent certified Harris County property tax rolls; or (2) at least fifty persons who own land within the District as determined by the most recent certified Harris County property tax rolls.

II.

Petitioners request the Board of Directors of the District to provide the services and improvements described in the District's Service and Improvement Plan, attached hereto as Appendix "A" (the "Plan"). Petitioners acknowledge that the assessment for services and

improvements remains in draft form until the Board of Directors completes a public hearing on the Plan, reviews the hearing transcript and affirms the Plan by a majority of the Board of Directors sitting in quorum.

III.

Petitioners presently estimate that the cost of the services and improvements to be provided by the District in 2026, is as shown in the Plan. To cover the estimated budget for the proposed services and improvements, Petitioners propose that each property within the District be assessed an amount sufficient to provide funding for the Plan, with such assessment to be paid in annual installments over the Plan's ten-year term. Petitioners request the assessment for budgeted services and improvements to be in the amount of \$.1695 per \$100 of assessed valuation of land and improvements as certified in fiscal year 2024 ("Plan Base Year"). The annual amount of the assessment for services and improvements, following the assessment determined in the Plan Base Year, may increase no more than 5% per year consistent with the increase in the Houston-area consumer price index (CPI) and increases in other program costs. The determination of annual adjustments in program budgets and assessment rates will be subject to the review and approval of the Board of Directors of the Management District.

IV.

Except as provided in this paragraph, Petitioners propose that the District levy assessments for the year 2026 on the assessed valuation of land and improvements based upon the tax rolls of the Harris County Appraisal District ("HCAD") as certified for the year 2024 ("Plan Base Year"). Thereafter, for each year, if the assessed valuation of land and improvements based upon the certified tax rolls of the HCAD increases, the assessment will be based on such increased value of

land and improvements. However, the amount of assessment in any year shall not be below the assessed value for the Plan Base Year, even if the assessed valuation of land and improvements based upon the certified tax rolls of the HCAD decreases in any subsequent Plan year below the Plan Base Year. Petitioners propose that for (a) land and improvements annexed into the District, or (b) new or substantially rehabilitated improvements under construction on January 1, 2025, or constructed, remodeled, or rehabilitated in the District after January 1, 2025, which increase the valuation of the land and improvements on the tax roll of HCAD by at least \$1,000,000, the Board of Directors of the District, after conducting a public hearing, will levy assessments on the value of the land and improvements as shown on the certified tax rolls of the HCAD during the year in which the land and improvements are (i) annexed and added to the rolls of the District, or (ii) added and valued as a completed or rehabilitated improvement on the tax rolls of HCAD. (A rehabilitation is substantial if the costs of such rehabilitation equal or exceed 25% of the value of the original improvements). Petitioners propose that land and improvements which have a special use designation for tax purposes on the tax rolls of the HCAD for the year 2024 as (a) agricultural use, (b) timber land use, or (c) recreational, park or service use, be assessed by the Board of Directors of the District at its designated special use value for so long as it enjoys that special use designation. If land and improvements which have a special use designation are converted to another use and loses its special use designation on the tax roll of the HCAD, Petitioners propose that the Board of Directors of the District thereafter assess such land and improvements at its full value as shown on the certified tax rolls of HCAD for the year 2024.

V.

The following classes of property are proposed to be excluded from assessment unless consent of the owner is given: (a) land and improvements owned by political subdivisions of the State of Texas and used for public purposes; (b) land and improvements owned by a church or by a strictly religious society which yields no revenue whatever to such church or religious society and which is used as an actual place of religious worship or as a dwelling place for the ministry of such church or religious society; (c) land and improvements used exclusively for school purposes; (d) land and improvements owned by an association engaged in promoting the religious, educational, and physical development of children or young men or young women operating under a state or national organization of like character and used exclusively and necessarily for any such purposes; (e) land and improvements owned by institutions of purely public charity; (f) land and improvements owned by public or private utilities that are located in public streets or rights-of-way; (g) railroad rights-of-way and improvements located therein; (h) property not assessable as a result of Texas Government Code § 311.025(a); (i) land and improvements owned by the United States of America, or any agency thereof; and (j) land and improvements of the Federal Reserve Bank.

VI.

Petitioners request that exemptions, as set forth in the Plan, for homestead and individuals that are age 65 or older or that are disabled be provided to a resident who on January 1, 2025 owned and occupied a home as a principal residence, and neither the resident nor a spouse claimed these exemptions on any other property in Texas.

VII.

Petitioners represent and believe that (a) all land and improvements in the District, other than that exempt from assessment by law and as provided herein, will be benefited by the services and improvements requested to be provided by the District; (b) the cost of providing the proposed services and improvements on the basis of the value of the property as shown on the tax roll of the HCAD results in imposing equal shares of the cost on property similarly benefited, and results in a reasonable classification and formula for the apportionment of costs to the various classes of services and improvements requested by Petitioners; (c) all of the real property in the District which is proposed to be assessed (other than that exempt by law and that proposed to be exempt by Petitioners) will be benefited by the services and improvements requested by Petitioners; and (d) each parcel of land and improvements proposed to be assessed will receive special benefits in each year equal to or greater than the amount proposed to be assessed, and will receive special benefits during the proposed ten year period of assessments equal to or greater than the total amount proposed to be assessed during the proposed ten year assessment term.

VIII.

Petitioners further propose that, in accordance with the Texas Tax Code: (a) delinquent assessments accrue interest at the rate of one percent (1%) for each month or portion of a month the assessment remains unpaid after it becomes due; (b) delinquent assessments incur a penalty of six percent (6%) of the amount of the assessment for the first calendar month or fraction thereof it is delinquent, plus one percent (1%) for each additional month or fraction thereof the assessment remains unpaid; and (c) there be imposed an additional penalty to defray costs of collection if it is necessary for the District to contract with an attorney for the purposes of representing the District

in the collection of delinquent assessments. Petitioners propose that the additional penalty shall be twenty percent (20%) of the assessment plus the penalties and interest on the assessment.

WHEREFORE, Petitioners pray: (a) that this Petition be heard; (b) that the Board of Directors duly pass and approve an order approving the proposed services and improvements set forth in this Petition and the attached Plan; and (c) that the Board of Directors authorize notice of hearing to be held on the proposed services and improvements to be published in a newspaper of general circulation within the County and otherwise give notice of the hearing in accordance with the Act and the Code.

[signature page follows]

ACTION ITEM	Authorize an agreement and approve related expenditures with Piper Faust Public Art for the selection, curation, production, and installation of window vinyl art.
SERVICE PLAN	2021-2025
Account Code	583.810
Budget & Year	\$150,000 2025
REQUEST	Not to exceed \$150,000
DESCRIPTION	District staff requests authorization of \$150,000 to curate, produce, and install window vinyl art on vacant or inactive storefronts in Downtown. This low-maintenance, high-impact intervention will enhance corridor connectivity, activate the pedestrian environment, and support forthcoming public realm improvements ahead of the 2026 FIFA World Cup.
DISCUSSION	As part of the Cool and Connected Corridors toolkit, the Public Realm Action Plan outlines strategies for softening the edge between the public realm and adjacent storefronts by introducing interactive elements and art. These interventions aim to add visual interest to otherwise inactive façades. Active storefronts play a critical role in creating an engaging urban streetscape and vibrant pedestrian environment. The District has prior experience with this type of installation through the 2020 WindowWorks project. Staff has identified vacant or inactive ground-floor storefronts along the Main St, Texas Ave, and McKinney St corridors as potential locations for this program. These sites would help strengthen connectivity and complement forthcoming public realm improvements. Location priorities include considerations of high visibility, continuity between sites, and minimal site obstructions. Upon approval of this authorization, the District will proceed in collaboration with a professional art curator, who will recommend artists capable of producing curated digital art ready for production. Further, the District will solicit participation from property owners along the corridors of focus. The target installation period is Q4 2025–Q1 2026. The vinyl material is expected to have a five-year lifespan.
DBE PARTICIPATION	Piper Faust Public Art is a self-certified DBE

ACTION ITEM	Authorize expenditure to the City of Houston for enhanced street lighting electricity expenses for 2024.
SERVICE PLAN	2021-2025
Account Code	812.200
Budget	\$55,000
REQUEST	Not to exceed \$55,000
DESCRIPTION	This annual payment is related to the incremental electricity cost increase for improved street lighting above and beyond the cost the City of Houston would have incurred based on the lighting scheme prior to new streetlights being installed. The District pays the electricity costs for the incremental light wattage increase.
DISCUSSION	The current invoice amount will be based on the streetlights installed through the end of 2024. The District has requested the invoice from the City of Houston but has not received the invoice yet. Last year's invoice amount was approximately \$39,000.
DBE Participation	City of Houston is not a DBE.

DOWNTOWN HOUSTON+
**STRATEGIC
ALIGNMENT
PLAN UPDATES**

August 2025

GOAL 1

Champion major projects, initiatives and investments that improve Downtown.

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

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

Participating Agency:



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

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

Participating Agency:



GOAL 2

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

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

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

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

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

Participating Agency:



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

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

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

Participating Agencies:





GOAL 3

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

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

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

Participating Agency:



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

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

Participating Agency:



GOAL 4

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

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

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

Participating Agencies:



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

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

Participating Agencies:



GOAL 5

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

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

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

Participating Agencies:



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

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

Participating Agencies:



Engagements

55,024

Total

Homeless Count

171

Average

Sidewalk Cleaning

4.16

Average

Garbage Disposed (Tons)

999

Total

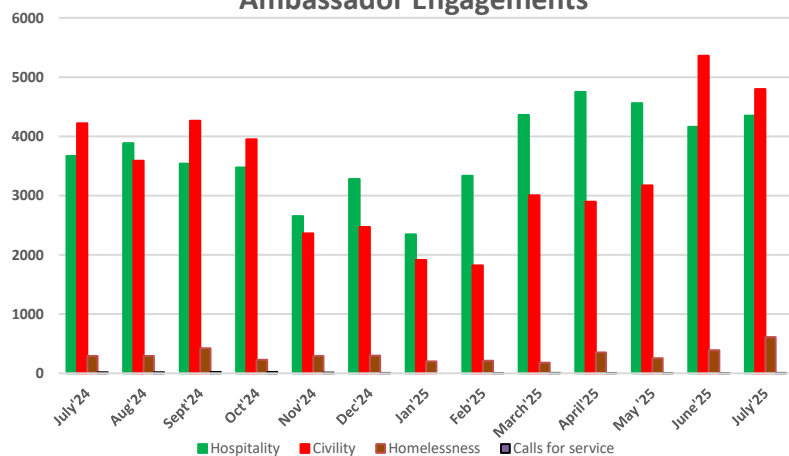
BF Clean/Graffiti/Bio

103598/3845/9974

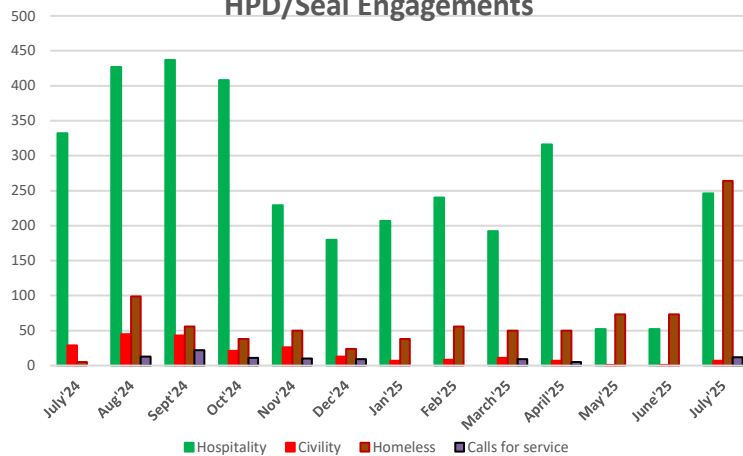
Total

Safety & Quality Control

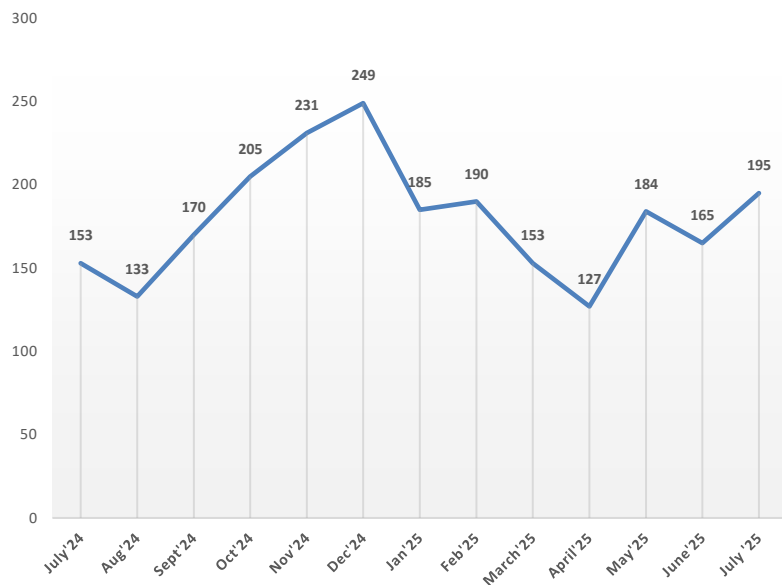
Ambassador Engagements



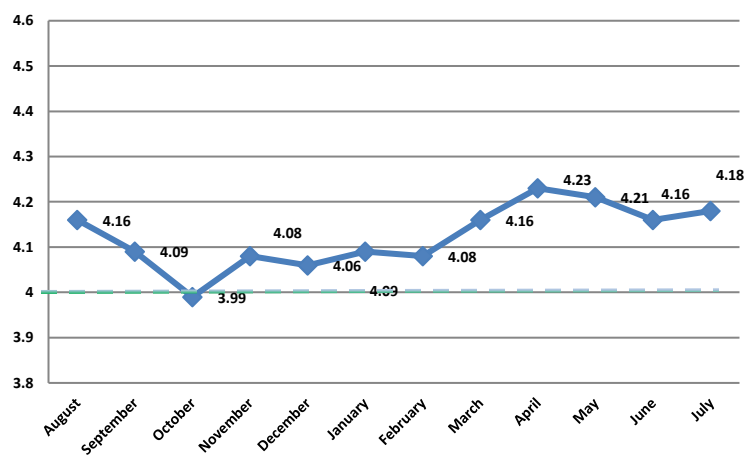
HPD/Seal Engagements



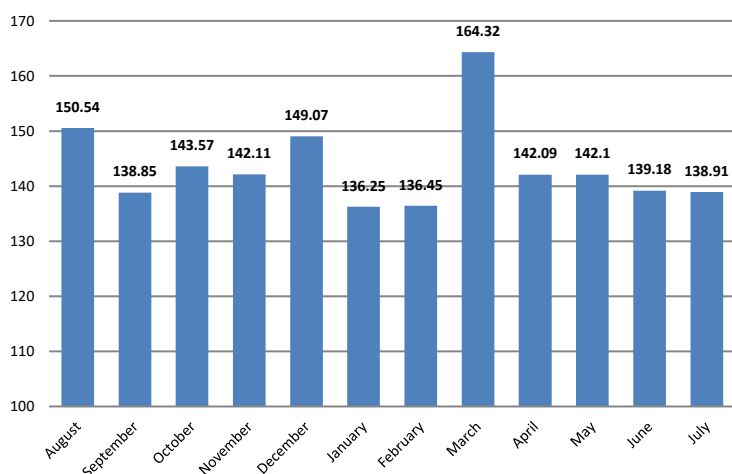
Homeless Count



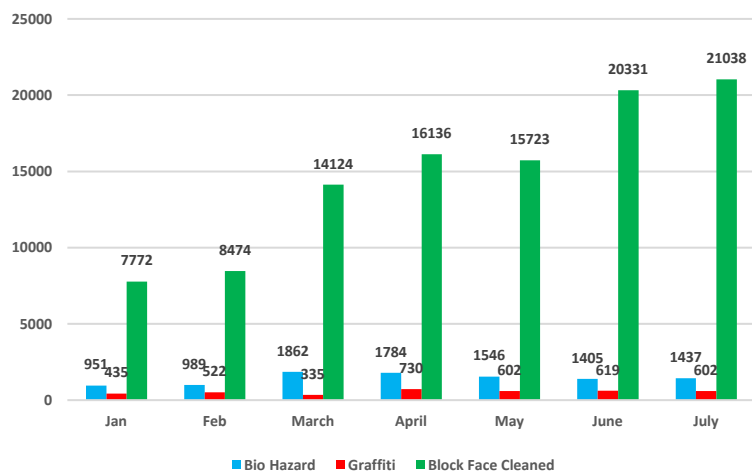
Sidewalk Cleaning



Garbage Disposed (Tons)



Tasks Completed



Engagement Metrics

June 2025 - July 2025



TOTAL EVENT ATTENDANCE

1,770

MARKET SQUARE PARK

684

TREBLY PARK



TOTAL GAME ON! CHECKOUTS

207

MARKET SQUARE PARK

122

TREBLY PARK

EVENTS



Engagement Metrics

June 1, 2025 – July 31, 2025

FOLLOWERS BY AGE

18-24 25-34 35-44 45-54 55-64 65+



FOLLOWERS BY GENDER

Female Male



SOCIAL METRICS

	Instagram	Facebook	X	TikTok	LinkedIn
Total Reach	497,043	695,868	14,264	333,000	15,729
Total Impressions	2,297,525	3,376,237	73,445	439,000	27,558
Total Followers	196,686 (2,720 New Followers)	154,468 (4,487 New Followers)	172,545 (342 New Followers)	8,073 (1,684 New Followers)	5,002 (190 New Followers)

TOP CONTENT OF THE MONTH

Get Down, Downtown Reel

Plays	245,459
Likes	5,375
Comments	457
Shares	5,792
Saves	1,631
Watch Time	13D 5h 0min 2s



TOP 3 VIEWED PAGES

1

Tunnels

33,477 Views

Unique Visitors Views/User Avg. Time
19,215 1.74 54s

2

Calendar

28,812 Views

Unique Visitors Views/User Avg. Time
13,288 2.17 53s

3

Market Square Park

8,165 Views

Unique Visitors Views/User Avg. Time
5,560 1.47 26s

