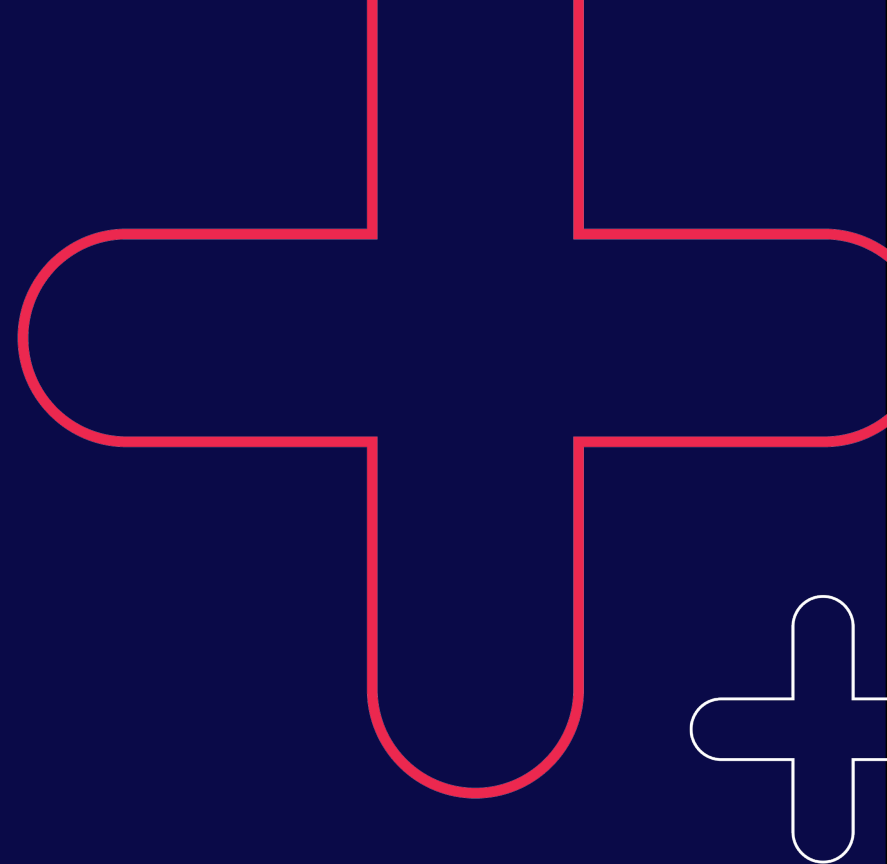


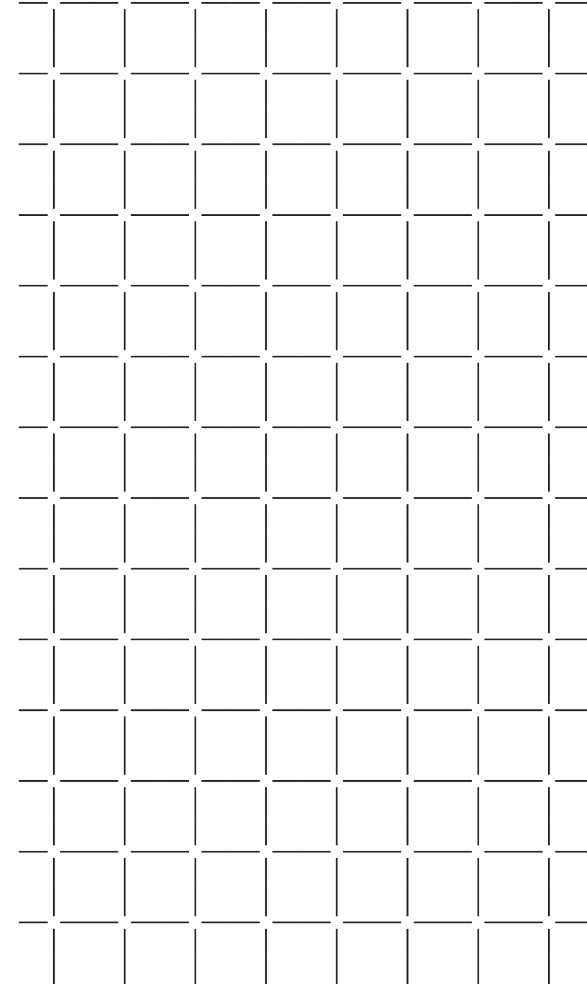
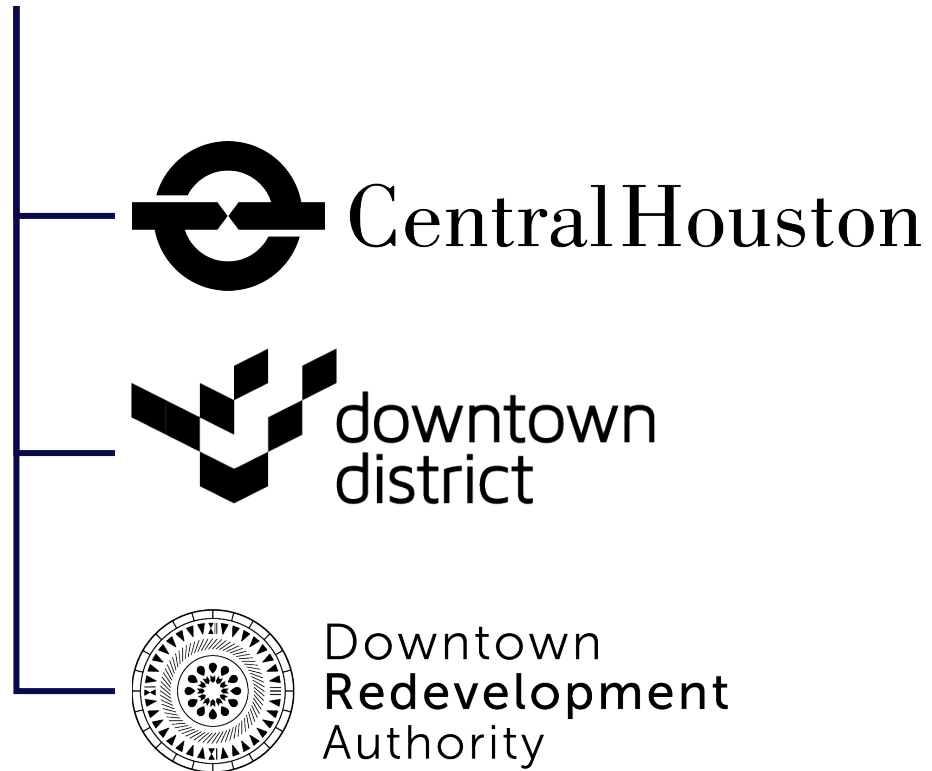
DOWNTOWN'S TOP 20

STRATEGIC ACTIONS FOR 2024



**DOWNTOWN
HOUSTON+**

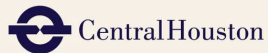
DOWNTOWN HOUSTON+



DOWNTOWN'S TOP 20

STRATEGIC ACTIONS FOR 2024

**DOWNTOWN
HOUSTON+**



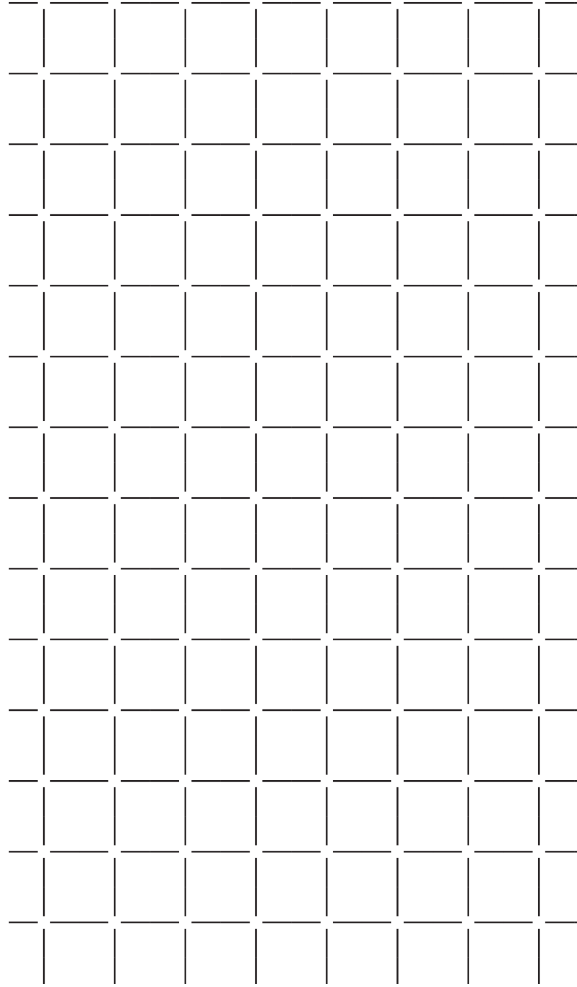
STRATEGIC GOALS

- 1 Champion major projects, initiatives and investments that improve Downtown
- 2 Enhance and maintain a comfortable, welcoming, and well-managed public realm
- 3 Drive vibrancy through improved street-level connectivity, a commitment to walkability and inclusive programming strategies
- 4 Foster a vital and thriving economy through business growth, residential expansion, and enhanced reasons to be in Downtown
- 5 Develop a hivemind of intelligence and goodwill by genuinely engaging and convening stakeholders

2024 AGENDA FOR ACTION



- ☐ Create fund development strategy & pursue grants that expand impact
- ☐ Build new relationships bolstering DTH+'s engagement with Houston's diverse community
- ☐ Establish new and nurture existing partnerships with civic leaders
- ☐ Create tools to communicate NHHIP Segment 3's schedule & community impact
- ☐ Position the EaDo cap project for federal grant submission
- ☐ Advance engineering for Main Street Promenade
- ☐ Complete Montrose St. Bridge design & engineering
- ☐ Expand ability to facilitate office conversions
- ☐ Refresh Downtown Living Initiative to attract a broader spectrum of households
- ☐ Construct priority initiatives from pedestrian lighting master plan
- ☐ Identify and install distinctive, strategically positioned 2024 holiday décor
- ☐ Re-envision and deploy new street pole banners
- ☐ Develop a special events & programming strategy
- ☐ Establish a third-party event hosting program for DTH+ parks
- ☐ Foster a new homeless engagement-focused unit within safety program
- ☐ Pilot a Flock camera network
- ☐ Produce a storefront recruitment strategy & support program
- ☐ Publish and promote quarterly market reports
- ☐ Enhance murals through façade lighting
- ☐ Plan for and enhance connections among Downtown destinations



PUBLISH & PROMOTE **QUARTERLY MARKET** **REPORTS**



TELLING DOWNTOWN'S STORY WITH DATA

- Proactively lead the Downtown Houston narrative through data-backed insights
- Consistently publish one month after the quarter ends
- Continue the DTH+ legacy of trusted reports that feature trusted data and market insights, including office, hospitality, and residential
- Evoke new perspectives by revealing the dynamism of Downtown on the daily
- Showcase the outsized impact of Houston's beloved Downtown destinations
- Write and design a report that's accessible, concise, and informative



CONTENTS

Letter from Our CEO & Executive Summary	4		
2023 Highlights	5		
Development Pipeline Map	6		
Top Stories of Q4	8	Only In Downtown	16
The Downtown Pulse	10	Doing Business Downtown	22
		Living Downtown	26
		Looking Ahead	30
		Appendix	32

TOP STORIES OF Q4



+ NOVEMBER ELECTION OUTCOME

December 9th ushered in new City leadership which impacts Downtown: A new Mayor and Controller, first-time Council Members for Districts H and I, plus three new at-large members joined District C's returning Council Member around the City Hall "horseshoe." Downtown Houston+ looks forward to continued collaboration with the elected officials entrusted by the people to implement an uplifting vision of Downtown and our region.

Everyone should be smiling this morning. The people of Houston are smiling because they've elected a mayor that's going to listen to them, a mayor that is known for solving problems. And to be honest, it's a relief.



+ BARBARA JORDAN MEMORIAL PLAZA OPENING

Downtown Houston+ co-hosted the Barbara Jordan Plaza and Monument unveiling at POST Houston on December 2nd. The memorial to Houston's late U.S. Congresswoman, civil rights icon, and Fifth Ward native also marks an exclamation point on Downtown's walking trail honoring legendary leaders. Artist Angelbert Metoyer labored for three years on "I am Barbara Jordan," commissioned by POST owner Lovett Commercial. A joyous culmination of the former U.S. Post Office's revival, partly funded by a \$23 million grant from the Downtown Redevelopment Authority, the monument educates, inspires, and welcomes all.

THE DOWNTOWN PULSE



+ Upshot

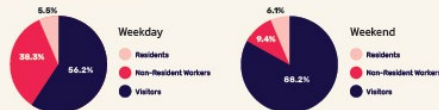
The pulse of Downtown's sidewalks, parks, trails, and destinations continued its upswing in Q4 2023. Compared to 2019, over 81% of pre-pandemic Q4 visitor activity had returned. Greenspaces and sidewalks, illuminated for the holidays, invited visitors and Downtown residents to stroll every day of the week. Cooler weather also encouraged residents from Downtown and nearby neighborhoods, as well as visitors from across Houston, to explore White Oak and Buffalo Bayou trails and their confluence at Downtown's Allen's Landing Park.

9.2M VISITS IN Q4 2023

3.5M UNIQUE VISITORS IN Q4 2023

141MINS MEDIAN VISITOR'S LENGTH OF STAY DOWNTOWN

Average Daily Population



Source: Placer.ai

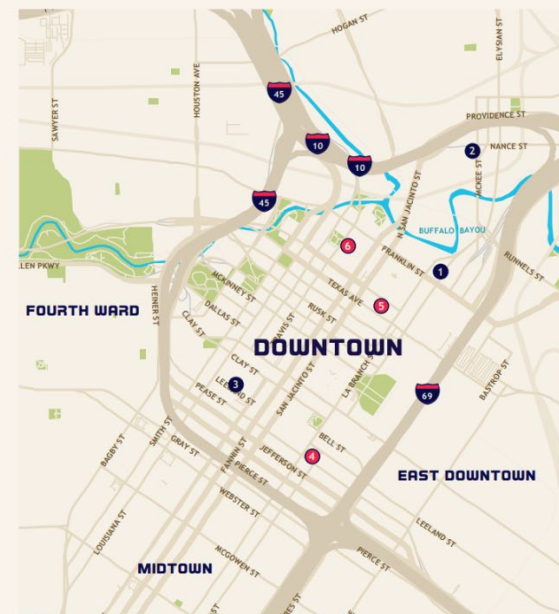
DEVELOPMENT PIPELINE MAP

KEY ● Residential ● Hospitality

#	NAME	DEVELOPER	ADDRESS	BUILDING STATUS	EST. DELIVERY	RENTABLE BUILDING AREA	# OF UNITS	# OF STORIES
1	Reverie at the Ballpark	Reverie Properties	101 Crawford St	Under Construction	-	90,000	239	4
2	Warehouse District Phase 2 (and 3)	Urban Concepts	815 & 850 Holce St	Under Construction	Early 2024	-	489	5
3	800 Bell	Carnegie Management Inc	800 Bell St	Proposed	-	1,200,000	400	45
4	Home2 Suites and Try by Hilton Houston Downtown	PA Hospitality	1540 Loveland St	Under Construction	Late 2025	103,000	221	9
5	Building Two Express and Staybridge Suites Houston TX	Roway Hospitality	1519 Texas St	Under Construction	Late 2025	-	275	17
6	Arcade Collection Houston	Choice Hotels	602 Main St	Proposed	2025	50,250	67	10



THE WAREHOUSE DISTRICT DEVELOPMENT PRE-LEASED UNITS IN DECEMBER 2023 WITH FIRST MOVE-INS SCHEDULED FOR FEBRUARY 2024.



BEHIND THE DATA

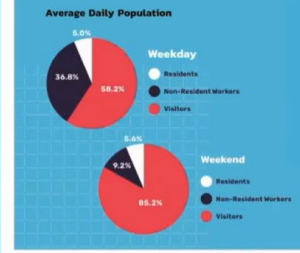
- Public webinars with Q&A
- In-person presentations to economic development partners and stakeholder groups

THE DOWNTOWN PULSE

What makes Downtown shine and thrive on the daily.

Q3 UPSHOT:

1. Despite the heat, visitors flock Downtown.
2. Food Halls are a trending and sought-out retail offering.
3. Our tree canopy public spaces are clean and green all summer.
4. Back to School: Did you know Downtown is an urban campus for four schools and over 16k students?



DOWNTOWN'S DAILY POPULATION



UNCOVERING DOWNTOWN

NEW SOURCES

- Placer
 - University of Houston-Downtown
 - South Texas College of Law Houston National Center for Education Statistics
 - Baseball-Reference.com
 - Harris County - Houston Sports Authority
 - Alley Theatre
 - Houston First Corporation
 - Live Nation Special Events
 - Texas Bar Tab
 - Concert Archives (concertarchives.org)
 - Center City District (centercityphila.org)
 - Houston Architecture Information Forum
- + more for Q4 2023 and beyond



Placer.ai

Houstonfirst.



NEW STRUCTURE

TOP STORIES

THE DOWNTOWN PULSE

ONLY IN DOWNTOWN

DOING BUSINESS DOWNTOWN

LIVING DOWNTOWN

LOOKING AHEAD



DOWNTOWN'S STOREFRONTS



4,465

SIDEWALK TREES IN DOWNTOWN



476+

TONS OF GARBAGE REMOVED IN Q3 BY DOWNTOWN HOUSTON+



36,925

DOWNTOWN HOUSTON+ INTERACTIONS WITH PEDESTRIANS

CLEAN & GREEN

ESTABLISH NEW & NURTURE EXISTING PARTNERSHIPS WITH CIVIC LEADERS



NEW CIVIC LEADERS

- Period of considerable transition
- Outcomes enhanced through collaboration
- On the Horizon:
 - Municipal budget challenges
 - Homeless funding evaporating
 - Business attraction
 - Convention campus planning
 - NHHIP design and implementation

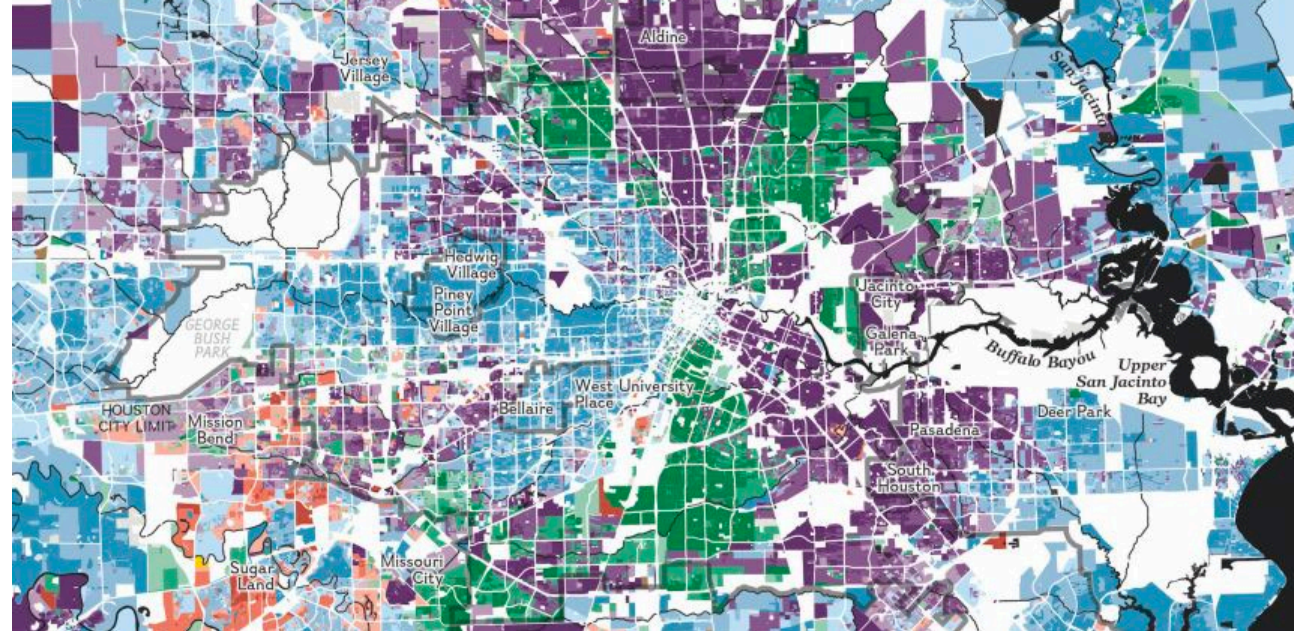


BUILD NEW RELATIONSHIPS WITH HOUSTON'S DIVERSE COMMUNITY



EXPANDING RELATIONSHIPS

- Champion and enhance Downtown Houston as a connected and thriving place for **everyone**.
- Downtown as everyone's neighborhood:
 - Reinforcing Houston's reputation as diverse and welcoming
 - Expand ability to attract the local market
 - Operationalizing intent through our program design



CREATE TOOLS TO COMMUNICATE NHHIP SEGMENT 3'S SCHEDULE & COMMUNITY IMPACT



NHHIP TOOLKIT

TV 8 | News 88.7 | Classical | Mixtape

HOUSTON PUBLIC MEDIA

A SERVICE OF THE UNIVERSITY OF HOUSTON

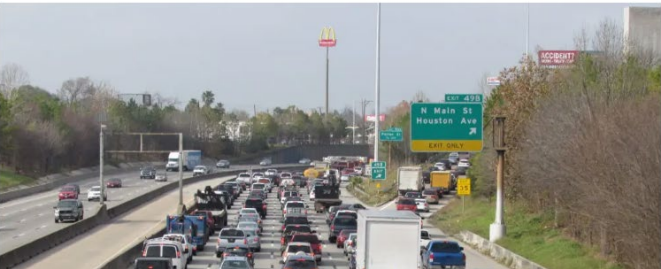
News & Information ▾ Education Programs & Podcasts ▾ About ▾ Support ▾ Listen Watch Donate

TRANSPORTATION

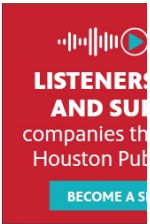
I-45 rebuild in Harris County expected to start in 2024 & end in 2042

According to TxDOT's resent presentation to the Houston-Galveston Area Council, its \$9.7 billion plan to widen and reroute I-45 near and north of downtown includes a series of sub-projects in three overarching segments.

Adam Zuvanich | May 5, 2023, 4:52 PM



Support Comes From

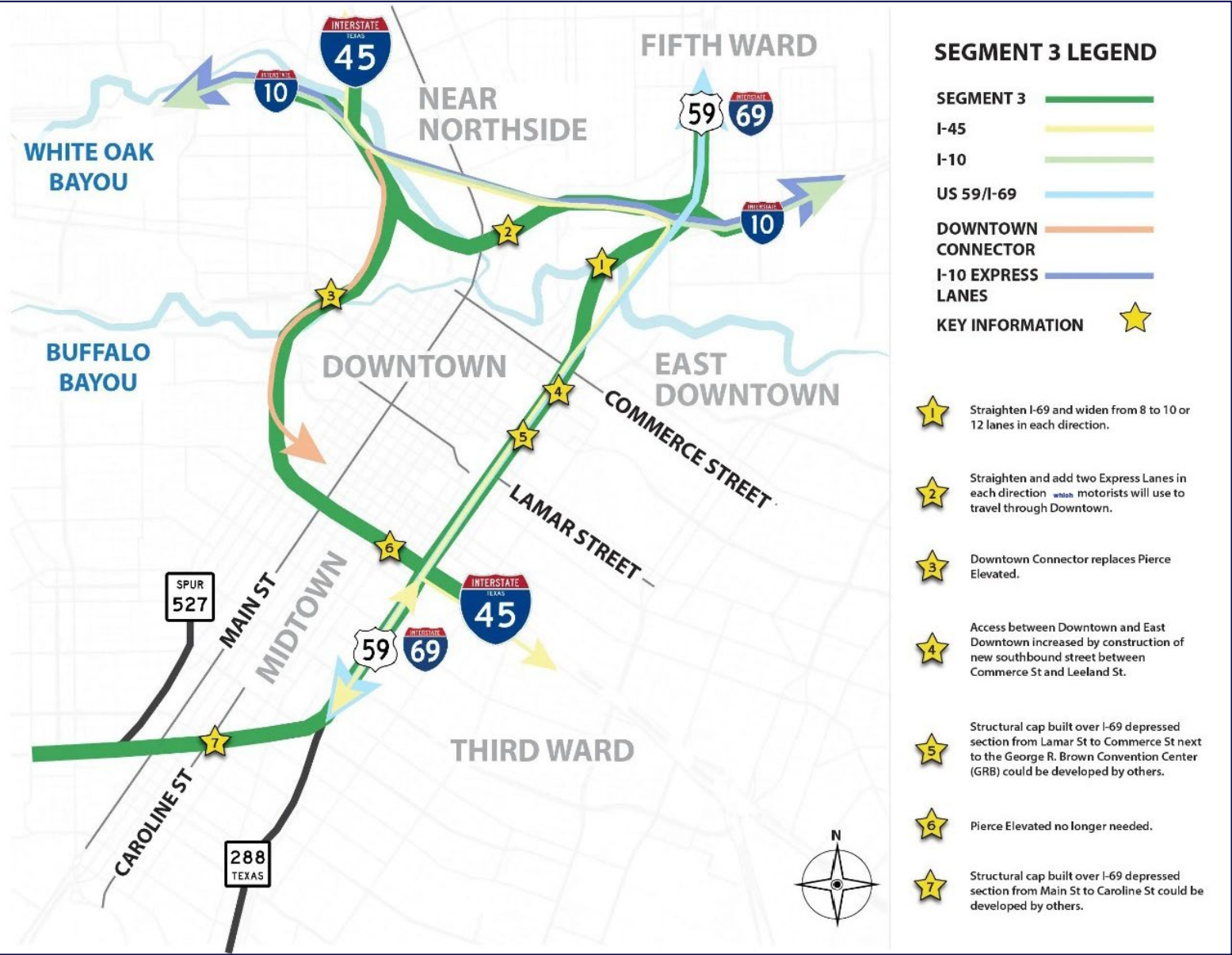


RELATED

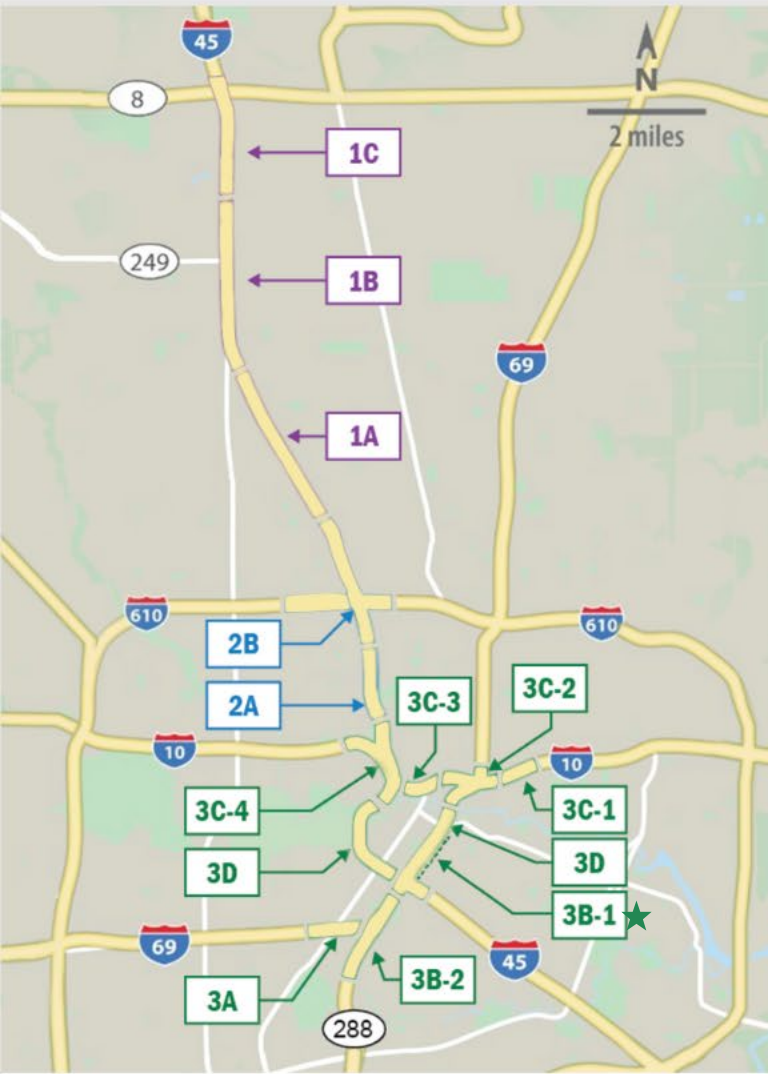
No, funny highway signs in 1 not banned, feds say

TxDOT tweaks \$347 million plan elevating I-10 near Houston neighborhood

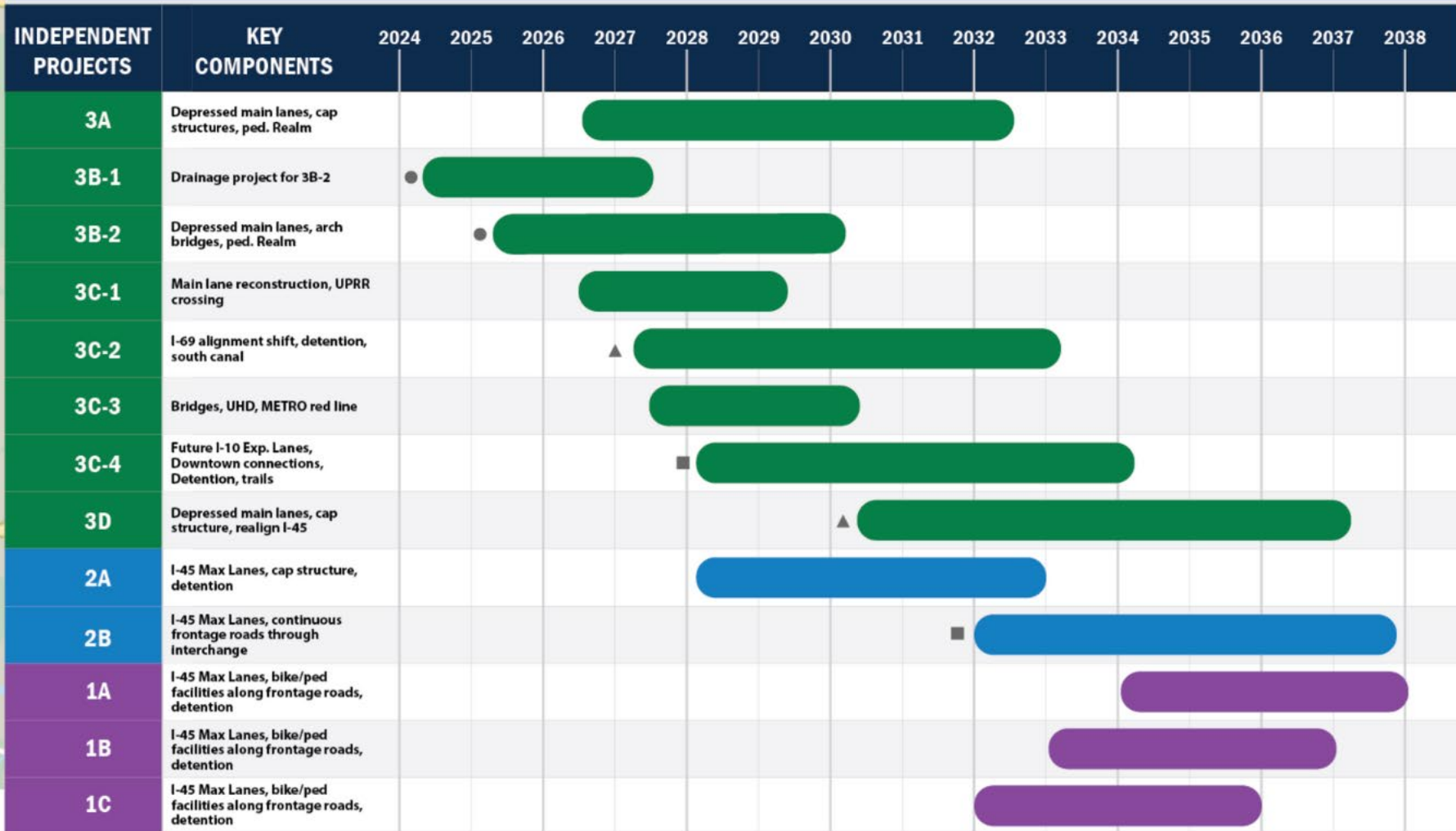
Houston drivers will see 69/10 wrap up, start of I-45 work in



TXDOT MOVING FORWARD WITH NHHIP



CONSTRUCTION PHASING



● 3B-1 is phased to start before 3B-2 because drainage elements in 3B-1 need to be constructed and operational to receive drainage from 3B-2.

▲ 3C-2 is phased to start before 3D because proposed I-69 in 3C-2 needs to be constructed and operational to receive proposed I-69 in 3D. (Proposed I-69 in 3D is unable to be connected to existing I-69 in 3C-2)

■ 3C-4 is phased to start before 2B because drainage elements in 3C-4 need to be constructed and operational to receive drainage from 2B.

NHHIP TOOLKIT

- Serves as clear and accurate voice
- Equips stakeholders as project ambassadors
- Removes barriers to digesting project details



CREATE FUND DEVELOPMENT STRATEGY & PURSUE FUNDS TO EXPAND IMPACT



IDENTIFY + DIVERSIFY FUNDING

- CHCI: Apply for federal, state, and philanthropic grants to expand our impact.
- Areas of focus to include:
 - Expanding our existing programs, such as homeless outreach and public safety
 - Identify funds to support strategic initiatives, such as placemaking and connectivity
 - Ramp up grant writing capacity to support NHHIP implementation



POSITION THE EADO CAP PROJECT FOR FEDERAL GRANT SUBMISSION



EADO “CAP”

BASE CONDITION



EADO CAP



EADO CAP

- Builds consensus around shared vision
- Uses inclusive community engagement
- Connects public voices to decision-making
- Serves as catalyst for future investment
- Reconnects adjacent communities



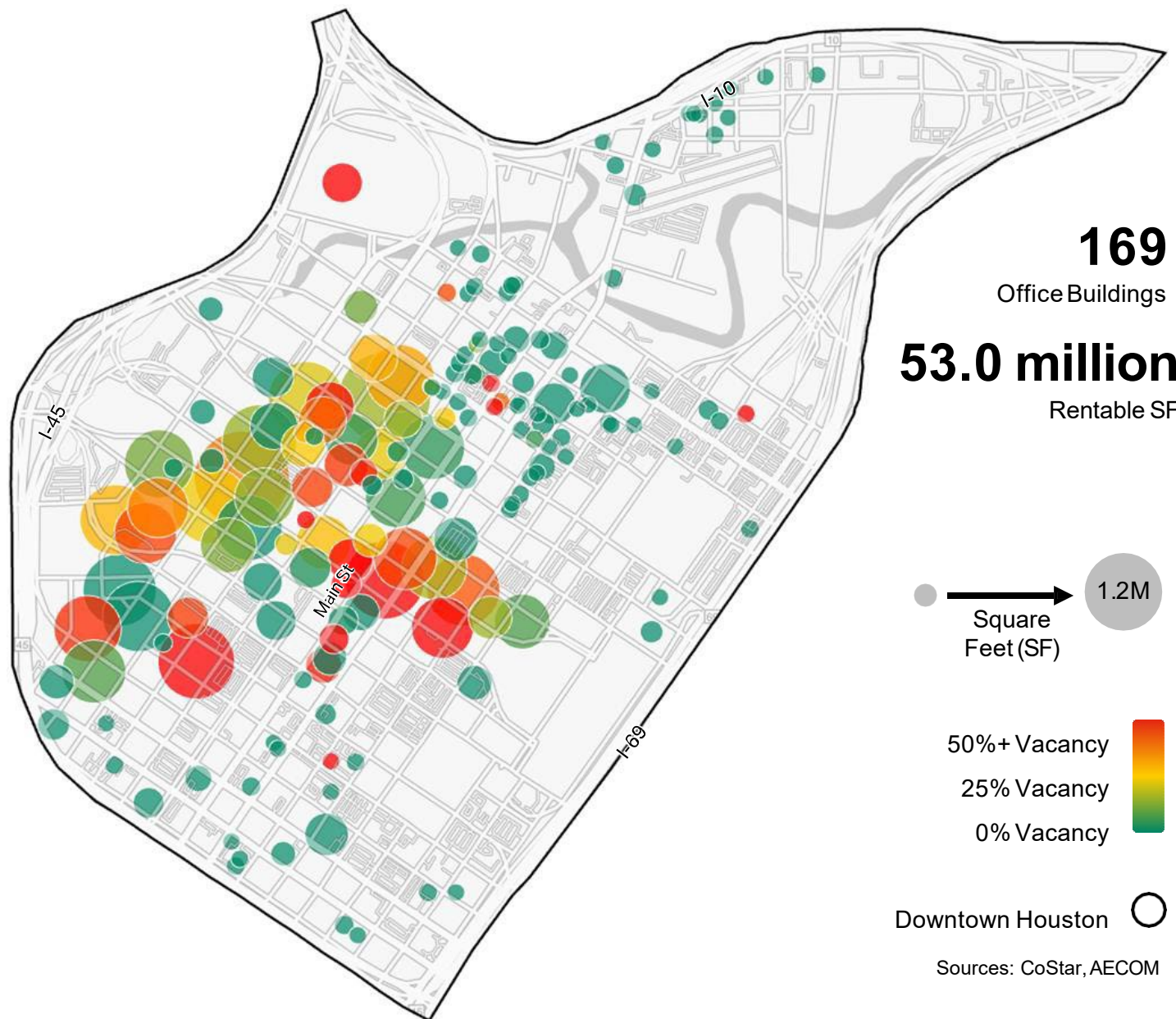
EXPAND ON THE ABILITY TO FACILITATE OFFICE CONVERSIONS



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Authority

OFFICE MARKET CONTEXT

- Average vacancy rate of 24%
- 3rd highest among 35 largest US Cities



CONVERSION CANDIDATES

The Challenge

- 37 buildings holding 53% of available office space DT are conversion candidates (28M SF total)
- 22 of those 37 buildings are >40% vacant (14M SF in total)
- 23 of those 37 buildings built between 1975-1986 (20M SF in total)
- Large floorplates and remaining tenants

Property Address	Built	RBA (SF)	Total Score
1021 Main St	1960	608,660	26
919 Milam St	1956	542,078	25
708 Main St	1923	98,253	24
808 Travis St	1941	599,107	23
1415 Louisiana St	1983	520,602	22
800 Bell St	1962	1,314,350	22
700 Milam St	1975	694,021	22
1001 Texas Ave	1982	119,436	21
1010 Lamar St	1981	277,991	21
1600 Smith St	1984	1,098,399	21
1301 Fannin St	1983	369,486	21
1001 McKinney St	1947	375,440	20
440 Louisiana St	1983	379,382	20
1331 Lamar St	1983	985,896	20
1315 St Joseph Pky	1984	170,554	19
601 Jefferson St	1973	1,047,748	19
711 Louisiana St	1975	666,762	19
801 Louisiana St	1978	105,145	19
1001 Louisiana St	1962	937,003	18
1221 McKinney St	1977	1,065,215	18
1301 Fannin St	1983	882,539	18
401 Franklin St	1962	114,650	18
1200 Smith St	1978	986,229	18
1001 Fannin St	1981	1,385,212	17
801 Travis St	1981	222,192	17
909 Fannin St	1974	1,024,956	17
430 Lamar St	1928	60,369	17
712 Main St	1929	794,186	17
1100 Louisiana St	1980	1,327,882	16
1801 Main St	1957	219,054	15
1301 McKinney St	1982	1,247,061	15
1111 Bagby St	1986	1,149,635	15
333 Clay St	1980	1,193,697	15
500 Dallas St	1972	975,306	15
1000 Louisiana St	1982	1,721,242	14
811 Louisiana St	1970	588,423	13
700 Louisiana St	1983	1,281,007	13

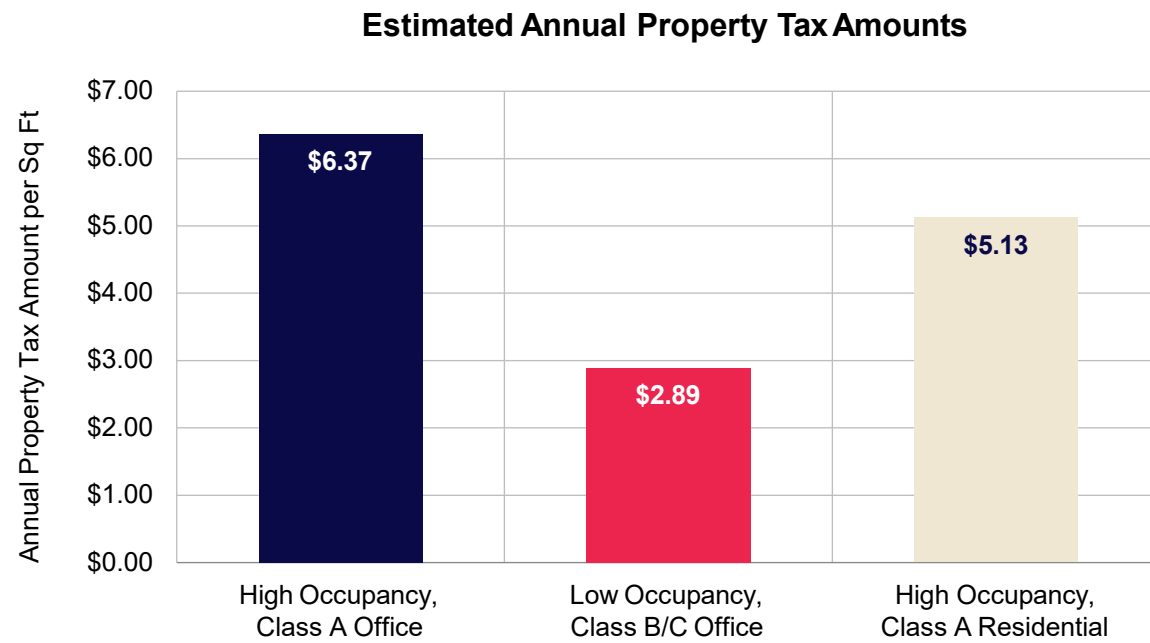
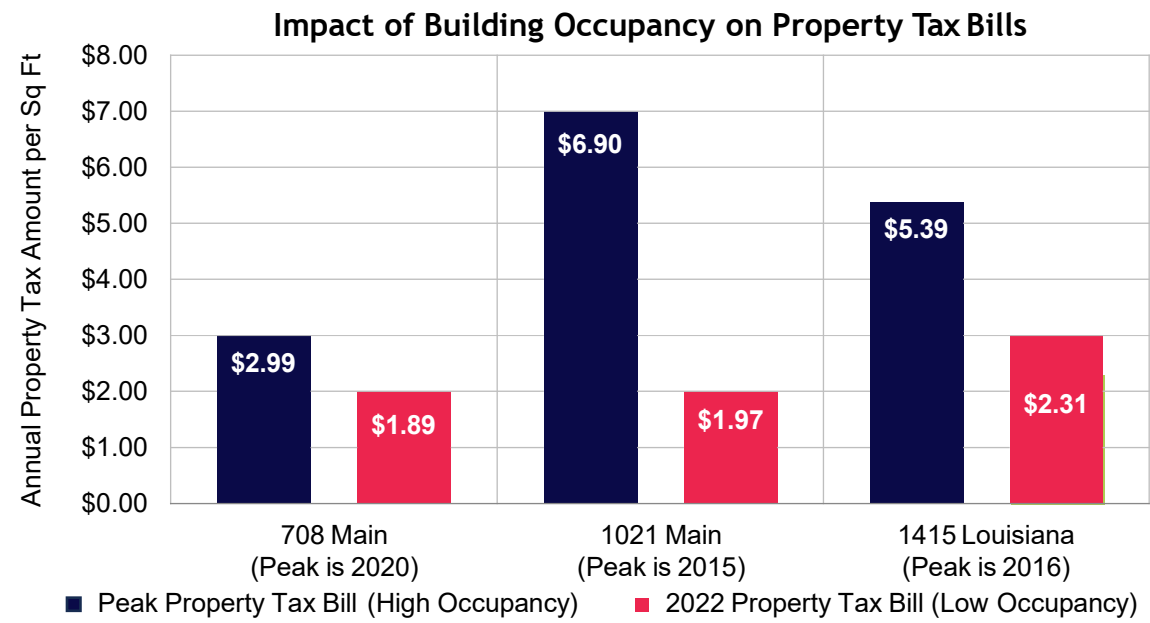
FISCAL IMPACT

Cost of the “Do Nothing” Scenario

- Declining office building occupancy = declining values
- Ripple effect reducing value

Benefit of Incentivizing Conversion

- Incentives recouped through the long-term boost in property tax revenue
- Ripple effect enhances values
- Amenities increase community vibrancy and value
- Inclusive residential offerings boost tenant absorption rate



POLICY & PROGRAM CONSIDERATIONS



Financial Incentive Structure	Project Selection Criteria	Technical Assistance Program
<ul style="list-style-type: none">• Enhanced tax incentive program• Partnering with other taxing units• Public Facility Corporation vehicles on select properties• State and Federal funding	<ul style="list-style-type: none">• Chronic high availability• Low acquisition costs• Residential and/or adaptive reuse experience• Historic tax credit eligibility• Strategic neighborhood amenities• Impactful unit pricing	<ul style="list-style-type: none">• Office conversion liaison• Streamline permitting process• Concierge for historic tax credits• Address lease burden

REFRESH DOWNTOWN LIVING INITIATIVE



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DOWNTOWN LIVING INITIATIVE 2.0

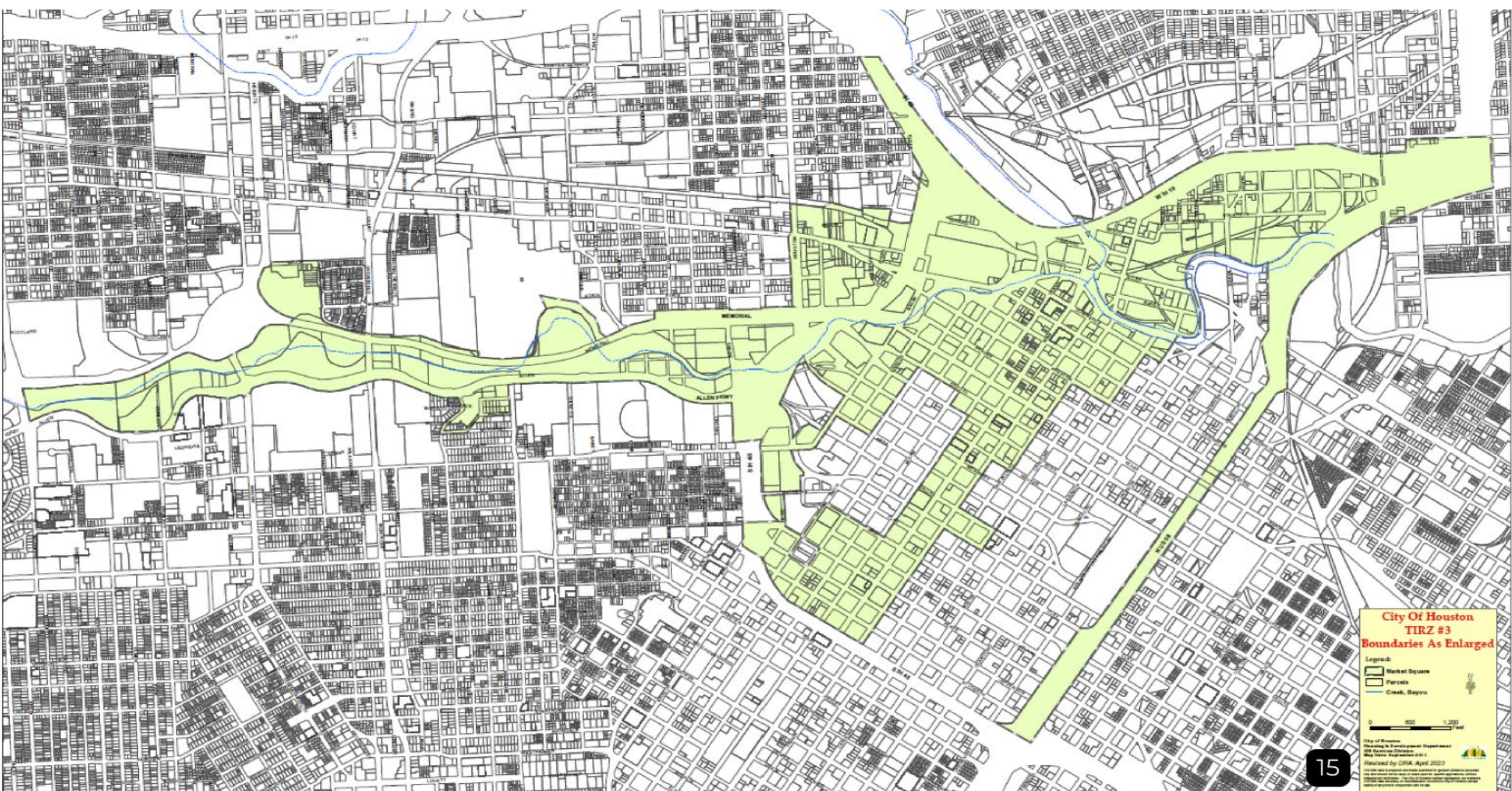
- Reignites residential population base
- Complements retail recruitment efforts
- Activates pedestrian realm
- Creates a genuine “neighborhood”



COMPLETE DESIGN & ENGINEERING FOR THE MONTROSE BRIDGE



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**City Of Houston
TIRZ #3
Boundaries As Enlarged**

- Legend:
- Market Square
 - Parcels
 - Creek, Bayou

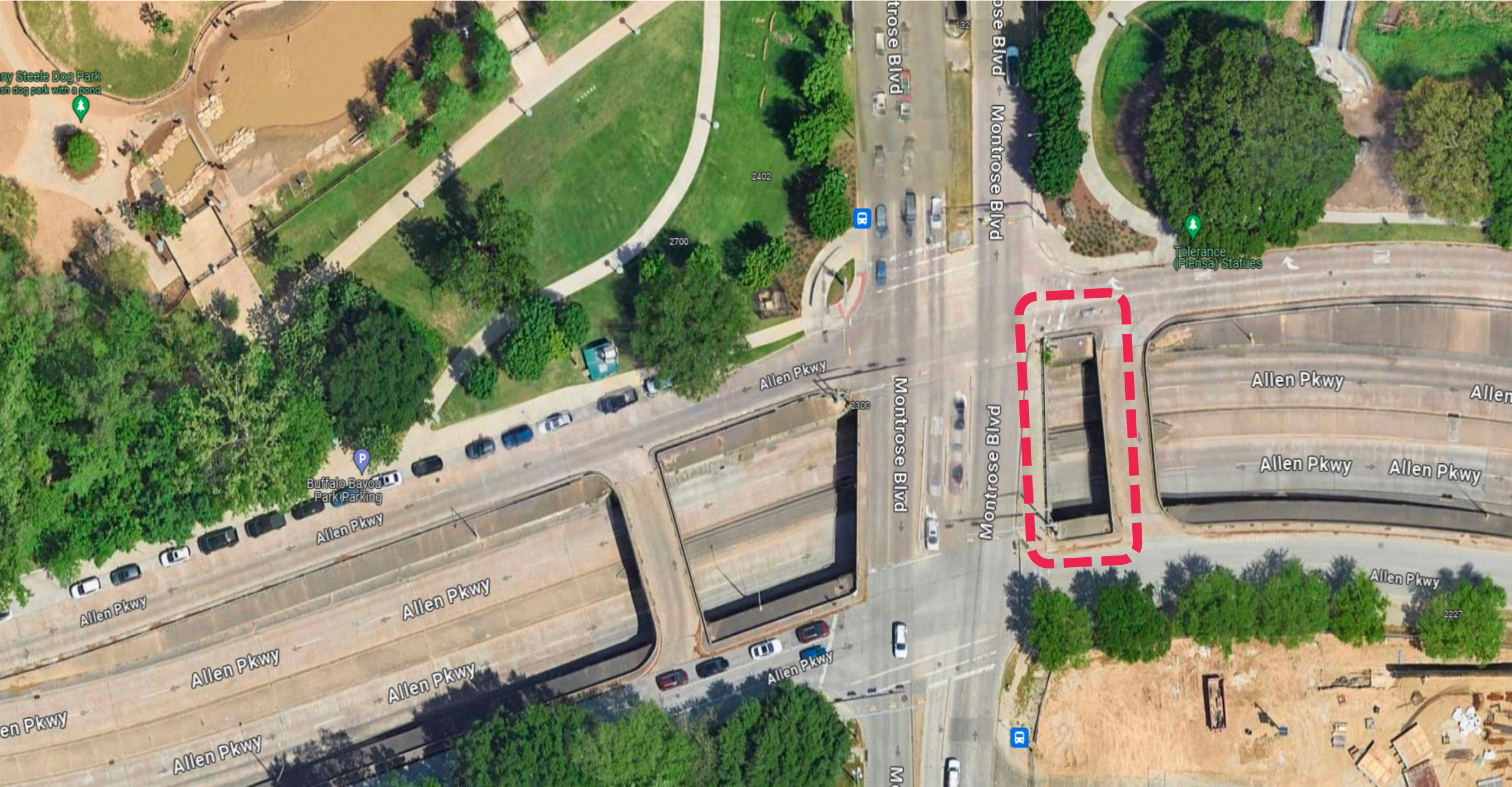


City of Houston
Planning & Development Department
Map Date: September 2011
Revised by DP&A, April 2023













ESTABLISH A 3RD PARTY EVENT HOSTING PROGRAM FOR DTH+ PARKS











MARKET SQUARE PARK
FARMERS MARKET
HISTORIC MARKET SQUARE

EVERY
SATURDAY
SEPT 9 - NOV 18
MARKET SQUARE PARK
9AM - 1PM

301 MILAM

3RD PARTY EVENT HOSTING

- Clear, fair, predictable
- Amplify impact on public parks
- Reflect community aspirations
- Respect the public assets
- Serves as a catalyst for Downtown

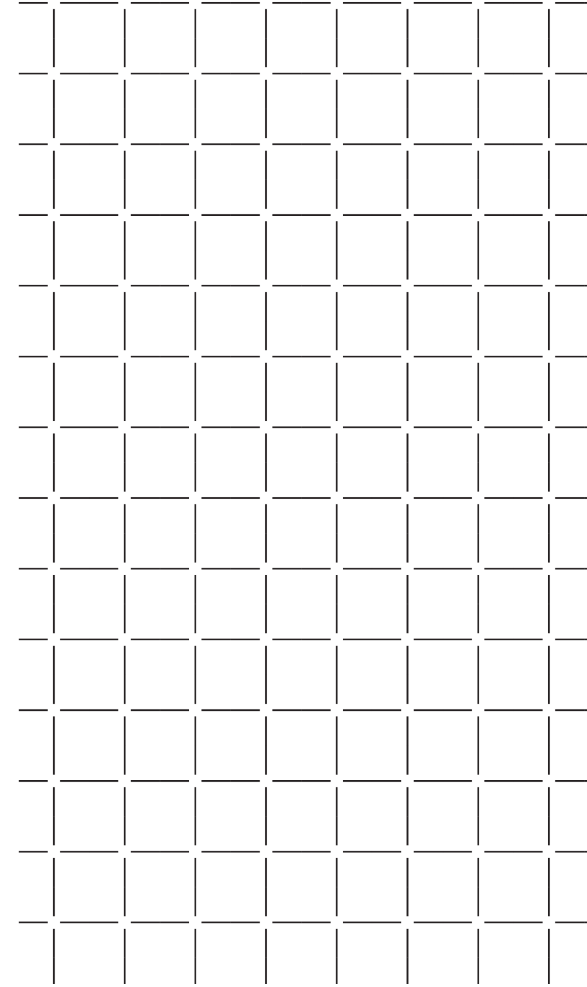
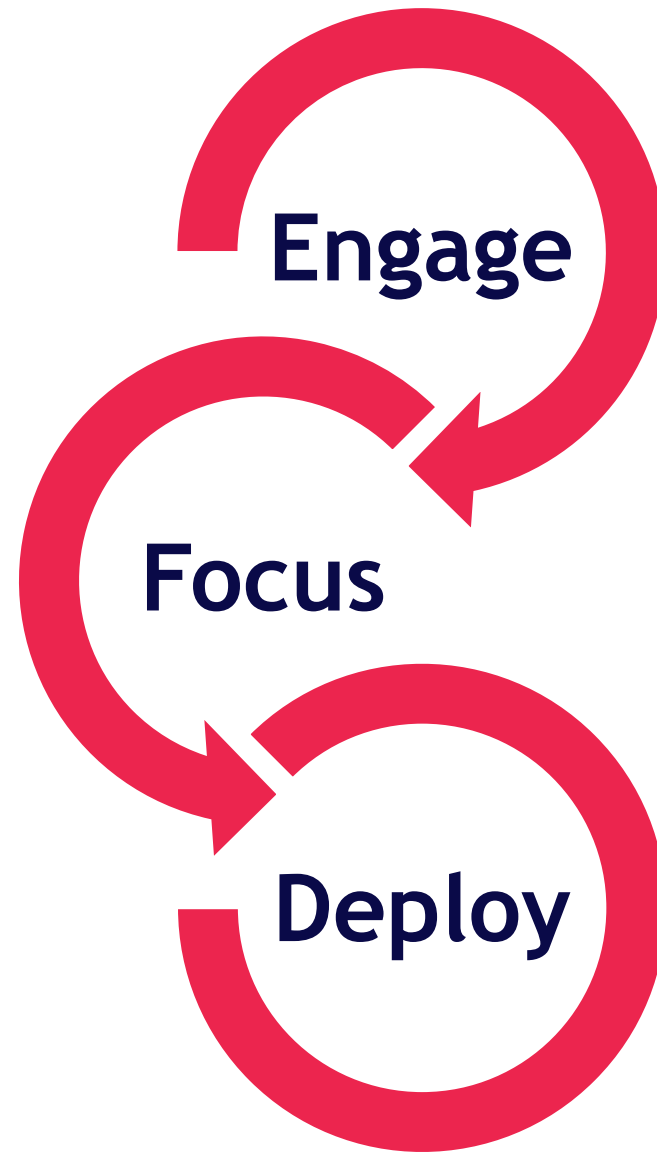


DEVELOP SPECIAL EVENTS & PROGRAMMING STRATEGY



PROCESS

- Build consensus on desired outcomes
- Test, Measure, Learn
- Differentiated
- Vibrant Public Realm



**IDENTIFY & INSTALL
DISTINCTIVE,
STRATEGICALLY
POSITIONED 2024
HOLIDAY DECOR**



SENSE OF PLACE

- Synergy with public realm + placemaking
- Differentiated
- Measurable *strategic* impact



RE-ENVISION & DEPLOY NEW STREET POLE BANNERS



ARRIVAL

- Bold Color + Simple Graphics
- I AM Downtown!
- Unique Experiences (Differentiated)



PILOT A FLOCK CAMERA NETWORK

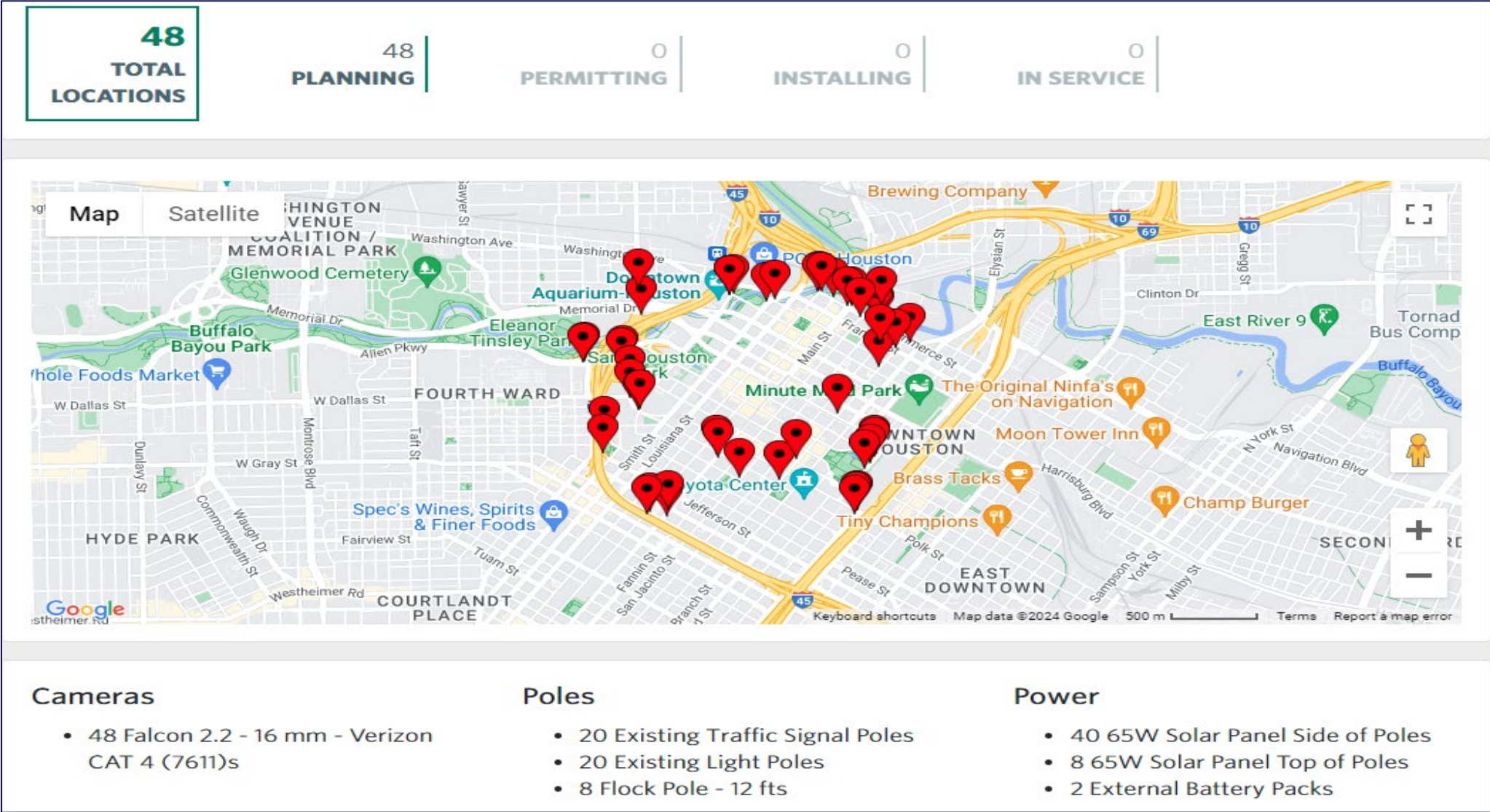


FLOCK CAMERAS

- Camera system that provides direct support to the Houston Police Department
- Cameras deployed to specific locations that read vehicle license plates
- Captures two (2) lanes of traffic simultaneously, with ability to process up to 30,000 vehicles per day
- Part of growing network: 5,000 Flock cameras deployed around the greater Houston metropolitan area



FLOCK CAMERA DEPLOYMENT



**FOSTER A NEW
HOMELESS
ENGAGEMENT-FOCUSED
UNIT WITHIN SAFETY
PROGRAM**



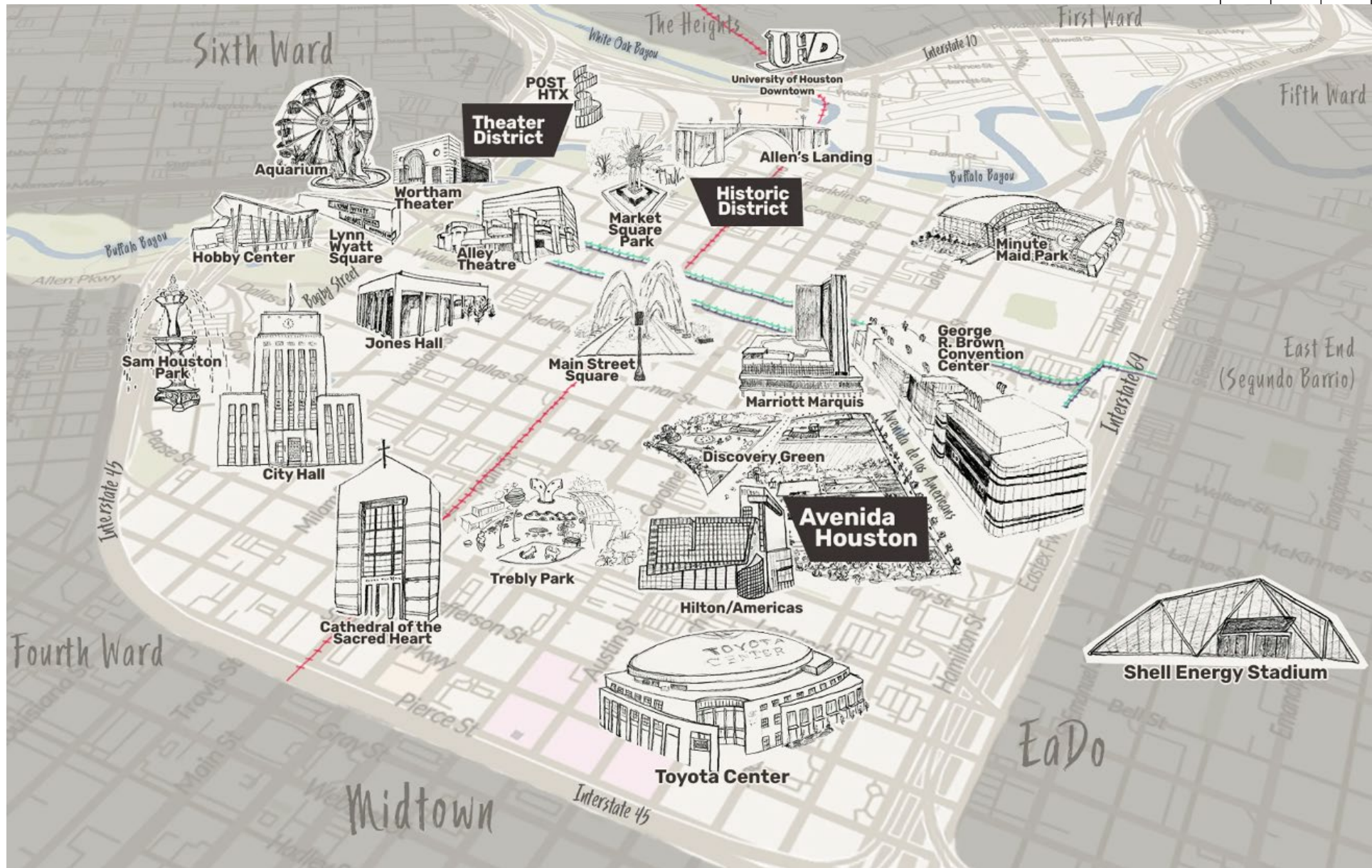
QUALITY OF LIFE TEAM

- 6 Quality of Life Response team members
- Specially trained to deter quality-of life issues and offer an enhanced sense of safety in Downtown
- Proactively deployed to known “hotspot areas” during peak times
- Address all nuisance, City ordinance compliance issues
- Works closely with outreach teams, providing referrals
- Analytic data collection



PLAN FOR & ENHANCE CONNECTIONS AMONG DOWNTOWN DESTINATIONS



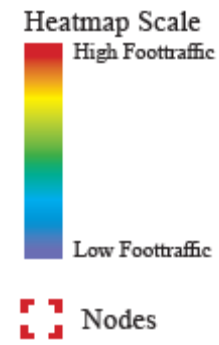


NEIGHBORHOOD VIBRANCY, DAY & NIGHT, ANY DAY OF THE WEEK



CONNECT OUR DESTINATIONS

- 8.3 million people visited Downtown 39 million times in 2023
- Population has grown nearly 2.5x over the last decade
- Workers are returning, seeking more dynamism in the workplace
- 2023 yielded public realm studies and recommendations:
 - *ARUP Pedestrian Lighting Study (January 2024)*
 - *More Space: Main Street Basis of Design (January 2024)*
 - *Downtown Ground-floor Block Face Study (May 2023)*
 - *Vision Zero: Downtown High-Injury Network and Recommended Interventions (December 2023)*



ACTION PLAN FOR URBAN DESIGN & PROGRAMMING

- With the support of an urban design consultant and through community engagement, goals include:
 - Enhanced connectivity between Downtown's districts and outperforming destinations
 - Developing a coordinated open space network that ensures the 20+ parks of Downtown thrive together
 - Programming for all Downtowners in parks and along streets that is coordinated
 - Pedestrian-centric design for safe, more comfortable and illuminated public spaces and sidewalks
 - Art and cultural integration throughout



ALIGN PARTNERS & PROJECTS

- Theater District's Placemaking Plan
- Minute Maid Park Entertainment Destination
- Toyota Center
- George R. Brown & SB 1057 public realm projects
- Discovery Green
- Buffalo Bayou and Buffalo Bayou Partnership
- Main Street Promenade
- Remembrance Park
- Historic District
- EaDo Connections



PRODUCE A STOREFRONT RECRUITMENT STRATEGY & SUPPORT PROGRAM



BOOST STREET-LEVEL ACTIVITY

- Despite residential population growth and the steady return of visitors to our major destinations, street-level storefronts and retail nodes struggle to shine
- This isn't a tunnels problem (entirely)
 - 3 out of 4 storefronts are not in the tunnels
 - Tunnels storefront occupancy is 72% and street-level occupancy is 82%
- What's needed: Enhance, diversify, and strategically pivot street-level storefronts and their tenants toward a mixed-use Downtown neighborhood



STRATEGY-INFORMED GRANT PROGRAM FOR STOREFRONTS

- Develop a strategic plan in partnership with a national retail expert to consider cities and solutions that mirror Houston.
- Stand up a strategic grant program or multiple programs for street-level storefronts.
- Connect retail nodes through placemaking and connectivity efforts occurring at street level.



CONSTRUCT PRIORITY INITIATIVES FROM PEDESTRIAN LIGHTING MASTER PLAN



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LIGHTING

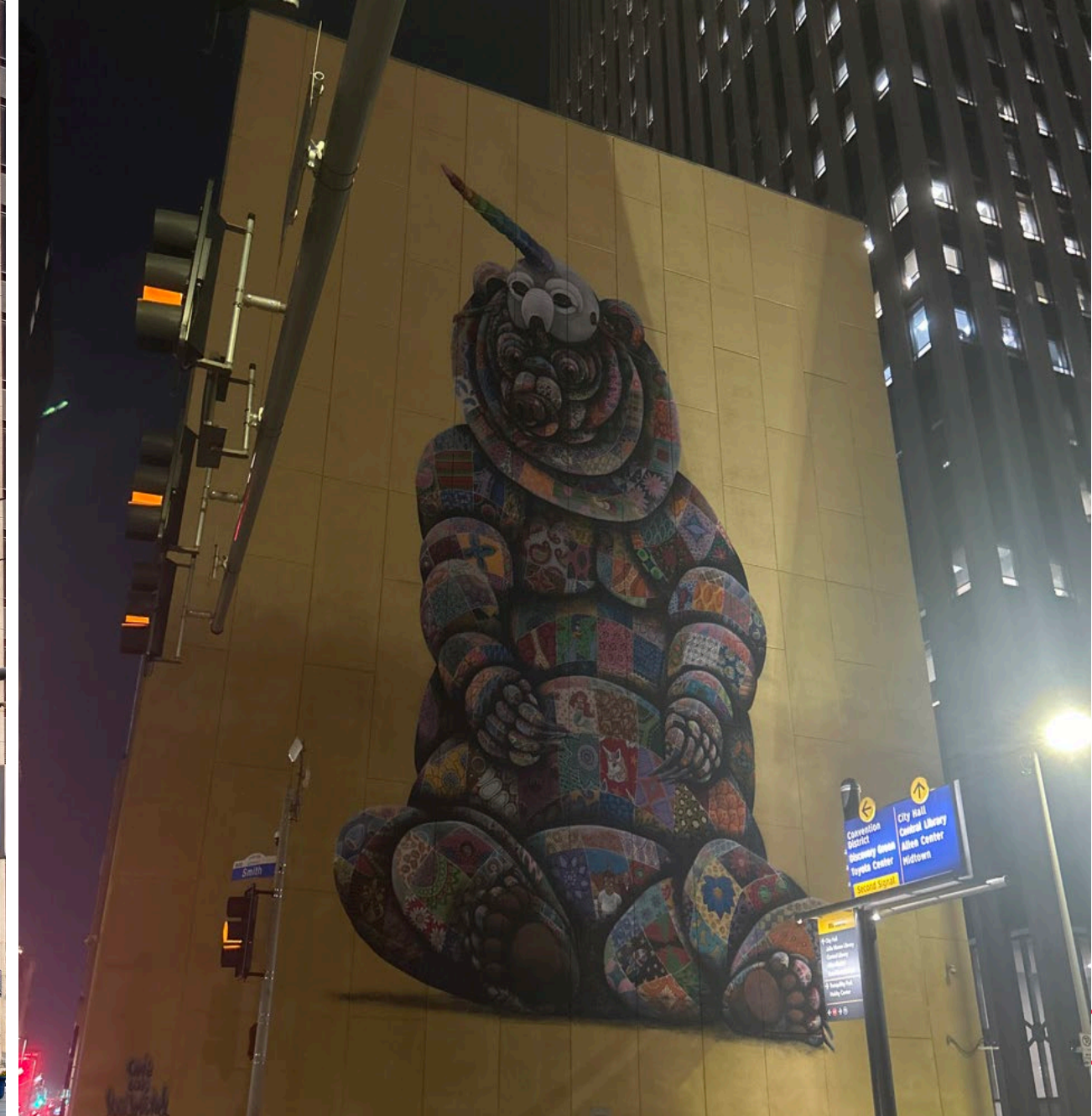
- Assessment and Masterplan Issuance: January 2024
- Over 6,500 light measurement points taken
- 24 case study sites assessed
- 34 murals evaluated

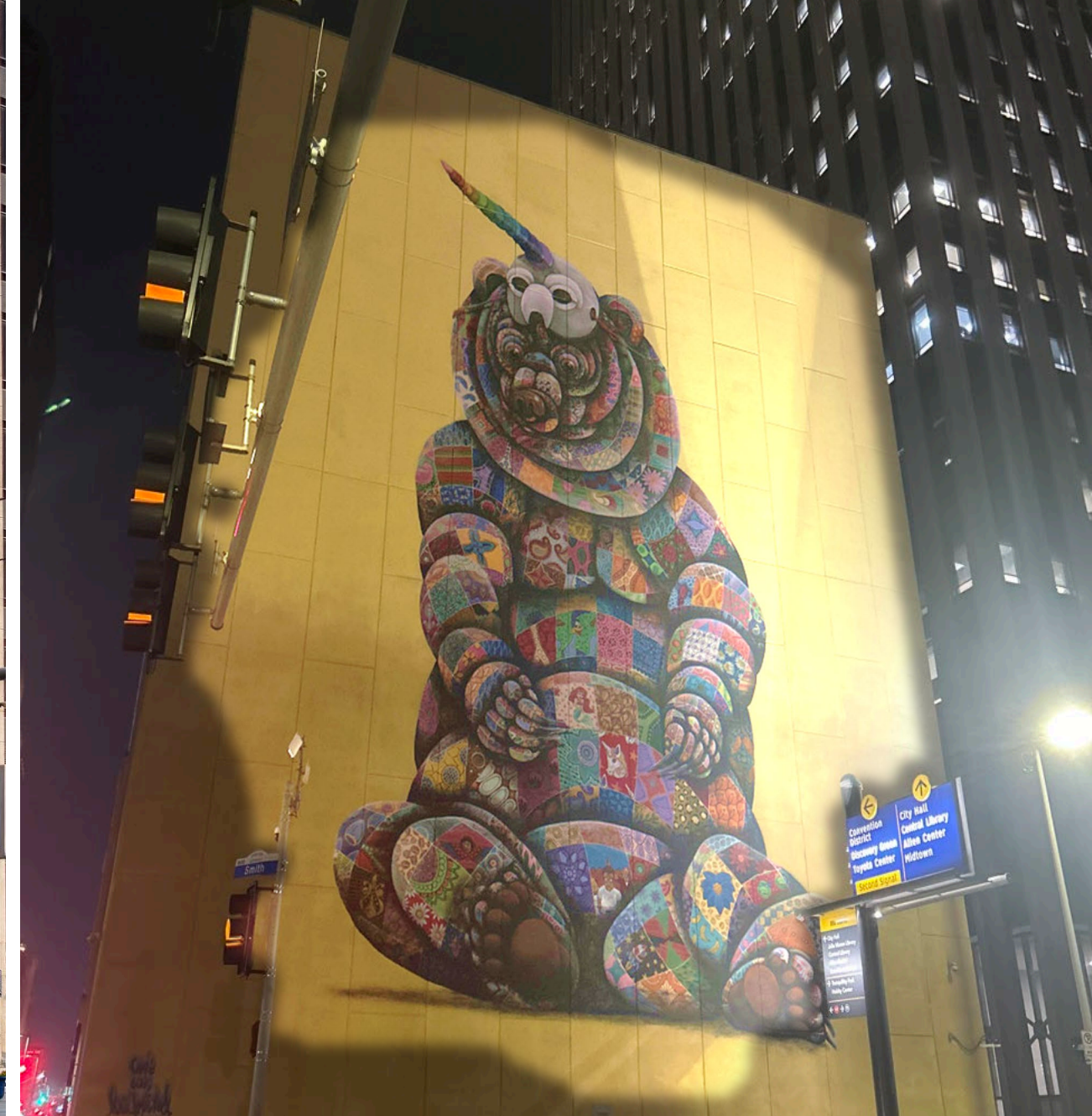
8 Areas of Opportunity



ENHANCE MURALS THROUGH FACADE LIGHTING







ADVANCE ENGINEERING FOR MAIN STREET PROMENADE



Downtown
Redevelopment
Authority

MAIN STREET PROMENADE

- RFQ to be issued: January 2024
- Continuous communication with Main Street businesses and owners will be an important part of the process
- Designing with programming in mind
- Engineering phase will run through early 2025

