



midtown
H O U S T O N

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Proposed Draft
MIDTOWN MANAGEMENT DISTRICT
SERVICE AND IMPROVEMENT PLAN
AND ASSESSMENT PLAN FOR
FISCAL YEARS 2025-2034

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PREFACE

This document constitutes a Ten-Year Service and Improvement Plan and Assessment Plan (this “Service Plan”), for the Midtown Management District (the “District”) for Fiscal Years 2025-2034. This Service Plan sets forth the mission, goals, and objectives of the District and describes the services and improvements to be provided by the District. The Assessment Plan provides the proposed annual assessment for these services and improvements, the basis on which assessments will be charged and the estimated costs of services during the life of this Service Plan.

This Service Plan succeeds the prior Ten-Year Service and Improvement and Assessment Plan (the “2015-2024 Service Plan”) approved by the District’s Board of Directors (the “Board”) in December 2015. Under this Service Plan, the District will continue to provide services initiated and implemented under the 2015-2024 Service Plan and will expand and develop additional service areas and programs as described herein.

The goals to be achieved, services to be rendered and improvements to be made are for the collective benefit of the residential and commercial property owners of the approximately 725 acres of land that comprise the District.

This Service Plan is *an overview* of the services and improvements anticipated to be provided over the ten-year plan, but the District may implement the plan in accordance with the timetable and priorities set by the District each year. The costs identified in this plan are *estimates* that the District may increase or decrease and reallocate among plan objectives; and the District may alter or add to the programs identified in this plan to implement the overall objectives of the plan as the District determines to be in the best interest of the assessment payers.

INTRODUCTION

The District was created in 1999 by the 76th Texas Legislature with the consent of the City of Houston, Texas (“City”), and operates under Chapter 375, Texas Local Government Code, and Chapter 3809, Texas Special Districts Local Laws Code (collectively the “Act”).

The Board has adopted the following Mission Statement to guide its efforts as it continues to develop, implement, and refine specific projects as outlined in this Service Plan.

MIDTOWN MANAGEMENT DISTRICT MISSION STATEMENT

Midtown strives to provide an economically vibrant urban destination where arts and culture thrive alongside businesses and residents in a safe, active, diverse neighborhood.

BACKGROUND

Midtown is a mixed-use urban area of the City that is undergoing revitalization and redevelopment. The City and the Midtown Redevelopment Authority (the "Authority"), on behalf of Reinvestment Zone Number Two, City of Houston (the "Midtown TIRZ"), began revitalization efforts for the area. The Authority has made progress on several fronts including, but not limited to, providing funding, seeking alternative sources of funding and providing professional management of capital improvement projects in Midtown. The Authority has made significant public right-of-way improvements in Midtown including the following:

- Installation of 1,287 Midtown decorative streetlights
- Installation of 1,195 Midtown street signs
- \$42,736,070 invested in street reconstruction and public utility replacement
- \$42,231,066 invested in streetscape enhancements including sidewalks, trees, landscaping, lighting, seating, and trash receptacles
- \$30,930,080 invested in development of new park spaces and the redevelopment of existing City and Authority owned park spaces (includes aesthetic enhancements to plazas and open spaces in public right-of-way)
- \$6,031,777 invested in support of the development and redevelopment of public and cultural facilities

The Management District is governed by a 17-member volunteer Board of Directors that represent a variety of commercial and residential property owners and businesses within the District. The District first began providing services under its original Service and Improvement Plan in February 2001. Since that time, the Board and staff have worked cooperatively with the Midtown community to support the efforts of the Authority by creating programs and projects that (1) further the development of Midtown as a destination; (2) positively impact the quality of life of Midtown residents; and (3) create an environment for economic growth and development in Midtown. Some of the Management District's projects include:

- Providing additional law enforcement through in person patrolling and a national camera system presence through contracted services.

- Hiring a Director of Public Safety to liaison with and oversee the various City and contracted agencies that enhance public safety for the community.
- Advocating on behalf of the community to city, county and state elected officials regarding policies that impact the quality of life of the community.
- Providing post-hurricane and storm emergency disaster cleanup.
- Providing care and maintenance of existing trees and planting of new trees.
- Providing the funding to pay for the delta cost of electricity.
- Graffiti abatement services in the public rights of way.
- Purchasing additional playground equipment for use in Elizabeth Baldwin Park.
- Working with the Authority to incorporate art into the design of pedestrian enhancements.
- Maintaining a State of Texas Cultural Arts and Entertainment District designation for Midtown.
- Developing and hosting free community-based events such as public safety events, annual festivals and parks programming.
- Developing robust and varied media assets to inform the Midtown community and promote Midtown businesses.
- Maintaining infrastructure enhancements in parks and other public spaces.
- Informing the public of the positive aspects of living and doing business in Midtown.

MOVING INTO A NEW DECADE OF OPPORTUNITY

With years of visible accomplishments, collaboration with stakeholders and the Midtown Redevelopment Authority the Management District desires to continue to serve the needs of the community by continuing to work to position Midtown as a neighborhood with an exceptional quality of life, great park spaces that incorporate art and play, quality educational institutions, and superior work and investment opportunities. This Service Plan outlines the nature of the services and improvements to be provided and implemented by the District on behalf of the entire community with their input. The types of projects undertaken will provide residential and commercial property owners with widespread benefits that are beyond the ability of individual property owners.

As part of the services to be provided, the District will also continue to maintain the public assets put in place by the Authority. When appropriate, the District will work to coordinate its efforts with those of the Authority to maximize the services provided to property owners, residents, and businesses in Midtown.

Suggestions and ideas for services and programs come from the community. All services and programs are and will continue to be approved by the District's Board and managed on a day-to-day basis by its Executive Director, Director of Operations & Strategic Planning, and other staff members.

The District will continue to levy an annual assessment on the residential and commercial property owners within its boundaries to provide such residential and commercial property owners with professional management of services, programs and improvements in the following funded service categories: (i) Public Safety; (ii) Urban Planning; (iii) Services and Maintenance; (iv) Cultural Arts and Entertainment; (v) Economic Development; (vi) Marketing; (vii) Capital Reserve for Infrastructure Replacement; and (viii) District Administration.

TEN YEAR SERVICE AND IMPROVEMENT PLAN

This Service Plan was developed by the Board with input from residential and commercial property owners, businesses, and tenants who make up the Midtown community. The Board values community participation and input and will continue to seek such input as it works to implement the projects and programming described herein. The following categories comprise the major project areas of the District's Service Plan:

1. Public Safety
2. Services and Maintenance
3. Urban Planning
4. Cultural Arts and Entertainment District
5. Economic Development
6. Marketing
7. Capital Reserve for Infrastructure Replacement
8. District Administration
9. District Operations

Each section provides descriptions of the goals, with objectives and programs consistent with such goals, and estimated costs.

The costs identified in this Service Plan are *estimates* that the Board may increase or decrease and reallocate among the Service Plan objectives. District Committees work annually with the community to develop programs that best meet the objectives of the Service Plan. The Board works with each committee to determine the level of funding available for these programs. The Board may alter or add to the programs identified in this Service Plan to implement the overall objectives of the Service Plan as the Board determines to be in the best interest of the assessment payers.

PUBLIC SAFETY

Goal: *To elevate public safety and empower our residents, businesses, and visitors, our goal is to actively engage them in initiatives that bolster the overall security and well-being of Midtown.*

Objectives:

- 1. Enhance Coordination of Law Enforcement Efforts**
Actively facilitate collaboration among various law enforcement agencies operating within the District to streamline and strengthen safety operations.
- 2. Invest in Public Safety Programs**
Allocate funds to enhance public safety through diverse law enforcement strategies and technologies in partnership with nonprofits and launch comprehensive safety education programs and events for residents, businesses, and visitors within the District.
- 3. Boost Crime Deterrence Visibility**
Systematically monitor criminal activities and deliver concise monthly reports to property owners, residents, businesses, and other stakeholders. Actively deploy and highlight crime prevention strategies across the district to deter unlawful activities.
- 4. Promote Community Involvement in Safety**
Motivate residents and businesses to engage in and assume responsibility for their own safety through educational programs and community safety initiatives.
- 5. Improve Public Safety Communication**
Regularly distribute relevant and up-to-date safety information to enhance community awareness and education on public safety issues in Midtown.

Programs:

- 1. Enhance Proactive Law Enforcement**
Introduce targeted law enforcement programs that increase police patrols and community policing efforts, directly reducing crime rates and enhancing the sense of security for all District constituents.

2. Safety Education and Engagement

Organize safety workshops and interactive events tailored for residents and businesses, empowering them with the knowledge and tools to contribute to District-wide safety and fostering a community-focused approach to crime prevention.

3. Comprehensive Crime Monitoring

Regularly track and analyze criminal activity, providing detailed monthly briefings to keep property owners, residents, and businesses well-informed and prepared, thereby improving community trust and cooperation.

4. Crime Prevention

Implement strategies to reduce crime rates, such as increasing police presence, installing surveillance cameras and encouraging community policing initiatives.

5. Community Engagement and Education

Increase community engagement in safety initiatives through regular town hall meetings, safety workshops, and collaborative efforts with local organizations and businesses.

6. Technology Integration

Utilize technology to enhance safety measures, such as smart traffic systems, real-time monitoring of public spaces, and digital platforms for emergency communication and reporting.

7. Street and Park Lighting Audits

Regularly conduct audits to identify street and park lighting outages and swiftly coordinate with responsible entities to ensure timely repairs.

8. Emergency Preparedness

Work with other District Committees to develop the Public Safety portion of a comprehensive emergency preparedness plan that includes evacuation routes, emergency shelters, and public education campaigns on what to do in case of natural disasters such as hurricanes or severe storms.

Estimated Costs:

| | | |
|------------------------|----------------------------|----------------------|
| Year 1: \$1,035,403 | Year 5: \$1,165,355 | Year 9: \$1,311,617 |
| Year 2: \$1,066,465 | Year 6: \$1,200,316 | Year 10: \$1,350,966 |
| Year 3: \$1,131,413 | Year 7: \$1,236,325 | |
| Year 4: \$1,098,459 | Year 8: \$1,273,415 | |
| TEN YEAR TOTAL: | <u>\$11,869,734</u> | |

SERVICES AND MAINTENANCE

Goal: *To enhance the District's pedestrian nature, viability, and image by providing well-maintained public spaces and public rights-of-way*

Objectives:

1. Enhance Government Services

Aim to optimize the services provided by governmental entities to the District, ensuring that residents and businesses benefit from efficient and responsive support.

2. Preserve Public Infrastructure

Maintain public improvements like pedestrian amenities, streetlights, street signs, parks, and green spaces, ensuring they remain functional and appealing for community use.

3. Support and Educate on City Maintenance*

Supplement city maintenance efforts by actively educating Midtown property owners on their responsibilities concerning the upkeep of adjacent public rights-of-way, promoting a cleaner, safer, and more attractive community environment.

Programs:

1. Street and Park Lighting Maintenance

Conduct frequent surveys to detect and report lighting outages in streets and parks, ensuring timely repairs by relevant authorities, which will help reduce dark spots that can be potential crime areas, thus making public spaces safer for everyone.

2. Enhanced Maintenance Contract Management

Negotiate and oversee contracts for specialized maintenance services to ensure high-quality upkeep that enhances both the residential experience and the business environment in the District.

3. Comprehensive Public Space Care

Provide ongoing maintenance services including tree care, street sweeping, landscaping, and irrigation along public rights-of-way, directly improving the aesthetic and functional quality of communal spaces.

4. Parks and Greenspaces Upkeep

Maintain and enhance public parks and greenspaces, offering residents and visitors beautiful, well-kept areas for recreation and relaxation, which also serve to attract businesses by elevating the district's appeal.

5. Maintenance Issue Reporting

Actively identify and report any maintenance issues within public rights-of-way to the city,

ensuring prompt resolutions that maintain safety and accessibility for all.

6. Pet Waste Station Installation

Develop plans to install pet waste stations strategically throughout the district, contributing to cleaner public spaces and a more enjoyable environment for pet owners and non-pet owners alike.

7. Graffiti Abatement

Provide swift graffiti removal services within public rights-of-way, preserving the visual appeal of the district and maintaining a welcoming atmosphere for businesses and shoppers.

8. Property Maintenance Enforcement

Identify properties in need of repair and notify the owners (and the city) of their maintenance obligations, helping to uphold high standards of upkeep and neighborhood integrity.

9. Tree Planting Initiative

Plant new trees in public spaces to enhance environmental sustainability and urban beauty, which improves quality of life and can boost local business by creating attractive surroundings.

10. Seasonal Planting in Greenspaces

Implement seasonal planting in greenspaces to enrich biodiversity and visual appeal, fostering a vibrant, inviting community space that enhances both residential satisfaction and business prospects.

11. Emergency Preparedness

Work with other District Committees to develop the Service and Maintenance portion of a comprehensive emergency preparedness plan that will ensure rapid recovery and continuity of District activities, which is crucial for local businesses and resident stability. The plan will include preparing park spaces and the public rights of way prior to the emergency, post debris removal and responding to natural disasters such as hurricanes or severe storms.

Estimated Costs:

| | | | | | |
|------------------------|----------------------------|----------------|--------------------|-----------------|--------------------|
| Year 1: | \$1,135,603 | Year 5: | \$1,278,131 | Year 9: | \$1,438,548 |
| Year 2: | \$1,169,671 | Year 6: | \$1,316,475 | Year 10: | \$1,481,705 |
| Year 3: | \$1,204,761 | Year 7: | \$1,355,970 | | |
| Year 4: | \$1,240,904 | Year 8: | \$1,396,649 | | |
| TEN YEAR TOTAL: | <u>\$13,018,418</u> | | | | |

URBAN PLANNING

Goal: To amplify Midtown's dynamic, mixed-use character, our goal is to accelerate infrastructure development with targeted studies and plans that catalyze real estate development and economic expansion for local businesses, all while enhancing public safety for a secure and prosperous community for all.

To drive enhancements in the urban environment that directly benefit constituents by improving accessibility, increasing property value, and enriching the cultural landscape.

Objectives:

- 1. Strengthen Stakeholder Relationships**
Forge deeper connections with stakeholders to precisely understand and address their needs, ultimately enhancing Midtown's livability.
- 2. Promote Pedestrian Access**
Actively promote pedestrian pathways to improve access to district businesses and public spaces, fostering a more walkable community.
- 3. Enhance Urban Character through Collaboration**
Work closely with businesses, developers, and residents to foster developments that align with and accentuate Midtown's distinct urban character.
- 4. Champion Pedestrian and Cyclist Friendly Initiatives**
Advocate for urban design that prioritizes pedestrians and cyclists, creating a safer and more accessible environment for all.
- 5. Collaborate on Community Aesthetics**
Partner with the Authority to develop and maintain scenic and aesthetic aspects of Midtown, ensuring the community's spaces are both usable and visually appealing.

Programs:

- 1. Pedestrian Access Enhancement Program**
Collaborate with the City and other governmental bodies to continuously create and maintain pedestrian pathways, ensuring seamless access throughout the neighborhood.
- 2. Development Advisory Program**
Establish a committee to review proposed developments, advocating for projects that promote pedestrian interactions and enrich Midtown's walkable nature.
- 3. Interactive Technology Deployment**
Implement advanced communication technologies such as WiFi and optimize digital kiosks as engagement and educational stations across Midtown, enhancing visitor

interaction and information sharing. These tools will also serve to evaluate program success and gather feedback on future projects.

4. Developer Collaboration Strategy

Strengthen partnerships with developers to ensure future projects enhance Midtown's walkable, bike-friendly, and transit-oriented environment. This strategic alignment will not only support community goals but also stimulate economic growth by attracting more residents and visitors, thereby bolstering the district's economy and promoting local businesses.

5. Green Space Expansion Effort

Collaborate with the Authority, the City, Harris County, and other entities to support the acquisition and development of parkland, enriching community green spaces and recreational facilities. This initiative will not only enhance the quality of life but also drive economic growth by increasing property values and attracting more businesses to the area, contributing to a stronger district economy.

6. Strategic Lighting Installation

Expand street lighting in necessary areas within public rights-of-way, particularly where utility infrastructure already exists, significantly enhancing visibility during night hours and contributing to crime deterrence and pedestrian safety.

7. Traffic and Pedestrian Safety

Improve road safety by implementing better traffic control measures, enhancing pedestrian crossings and promoting road safety awareness among residents.

Estimated Costs:

| | | |
|---|-------------------|--------------------|
| Year 1: \$100,200 | Year 5: \$112,776 | Year 9: \$126,931 |
| Year 2: \$103,206 | Year 6: \$116,160 | Year 10: \$130,739 |
| Year 3: \$106,302 | Year 7: \$119,644 | |
| Year 4: \$109,492 | Year 8: \$123,234 | |
| TEN YEAR TOTAL: <u>\$1,148,684</u> | | |

CULTURAL ARTS AND ENTERTAINMENT

Goal: To advocate for, celebrate, develop, and produce impactful cultural arts and culturally based entertainment that highlights the community's historic significance in Houston

Objectives:

1. Advocate for the Arts

To participate in city lead initiatives to garner more funding at a state level for our designated Cultural Arts District.

2. New Local Public Art Opportunities

Develop a new 5-Year Cultural Arts Master Plan focused on temporary interactive public art that will hire local artists and be in Midtown owned park spaces and in our public rights of way.

3. Participate in the Houston Cultural Districts Consortium

Midtown will continue to elevate its stature as the only self-funded Cultural District in Houston by participating in initiatives as part of the HCDC Strategic Framework Plan.

Programs:

1. Arts Group Promotion and Support Program

Develop a robust public relations and marketing strategy to amplify the presence and activities of existing Midtown-based arts groups while encouraging the formation of new arts organizations. This program will focus on showcasing events, exhibitions, and performances through various media channels to attract visitors, create jobs, and stimulate local businesses. By increasing foot traffic and cultural tourism, this initiative will drive economic growth and enhance Midtown's reputation as a vibrant cultural hub.

2. Public Art Integration with District Projects

Collaborate with various District committees to incorporate public art into their projects. This will enhance the visual appeal of community spaces, making them more inviting for residents and visitors, thereby supporting local businesses.

3. Business Community Engagement

Engage Midtown's business community in arts-based initiatives such as events, educational workshops, and public art projects. This collaboration will stimulate economic growth by creating unique attractions and fostering a sense of community.

4. Funding Acquisition Program

Collaborate with the Houston Cultural District consortium to leverage Midtown's cultural arts designation in order to secure additional funding through grants and foundations. By increasing visitor attendance and raising awareness of Midtown as a culturally significant destination, this program will attract financial support for cultural programming, ultimately driving economic benefits for local businesses and enhancing the overall vitality of the community.

5. Active Role in City-Wide Special Events

Ensure Midtown's active participation in the planning and execution of major city-wide events. This involvement will bring significant foot traffic to the area, benefiting local businesses and enhancing Midtown's reputation as a vibrant cultural hub. i.e., Super Bowl, Final Four

6. Maintain Cultural Arts & Entertainment District Designation

Proactively communicate with the Texas Commission on the Arts to maintain designation.

7. Integrated Public Art Projects – outdoor art galleries

Collaborate with other Midtown organizations to embed public art into pedestrian, commercial, and residential enhancements. This integration will improve the aesthetic and functional quality of public spaces, encouraging more pedestrian activity and business patronage.

8. Formal Public Art Review Process

Establish a formal process for recruiting, accepting, reviewing, and implementing temporary and permanent public and civic art programs. This will ensure high-quality art installations that resonate with the community and enhance public spaces.

9. Cultural Activity Analysis and Planning

Conduct a thorough analysis of current cultural activities and plan for future programming. This will ensure that cultural offerings continue to meet the evolving needs and interests of Midtown's diverse community.

10. Park Activation with Cultural Programs

Activate Midtown parks with cultural and entertainment programs that reflect the community's diversity. This will create vibrant public spaces that attract residents and visitors, promoting social interaction and boosting local businesses.

11. Art in Motion Initiative

Encourage and support the creation of pedestrian and bicycle-focused temporary art installations across the District, enhancing public spaces with cultural and visual appeal. These installations will not only beautify the area but also attract visitors, boosting local businesses economically by increasing foot traffic near these engaging displays.

Estimated Costs:

| | | |
|---|-------------------|--------------------|
| Year 1: \$267,201 | Year 5: \$300,737 | Year 9: \$338,482 |
| Year 2: \$275,217 | Year 6: \$309,759 | Year 10: \$348,636 |
| Year 3: \$283,473 | Year 7: \$319,052 | |
| Year 4: \$291,977 | Year 8: \$328,623 | |
| TEN YEAR TOTAL: <u>\$3,063,157</u> | | |

ECONOMIC DEVELOPMENT

Goals: To vigorously and ongoing in the implementation of programs that engage with and empower our business community, emphasizing the importance of supporting Midtown's local shops and dining establishment using Midtown sponsored programming to drive sustainable economic growth.

Objectives:

1. Collaborative Economic Growth

Create the opportunity for collaborative economic growth to take place in Midtown by working cooperatively with various other organizations to boost economic growth through participation in significant national and city-wide events in the Houston area.

2. Support and Empower

Ensure that Midtown is supportive and works to empower businesses of all sizes

3. Focus Efforts to Thrive

Cultivate a thriving business ecosystem in Midtown by providing comprehensive support services, tailored resources, and strategic opportunities that enable small, medium, and large businesses to grow and succeed through Midtown-sponsored programming. Incorporate real estate development

4. Execute on Co-Branding Initiatives

Foster a mutual partnership where businesses and Midtown both actively use and promote the Midtown name in all event and marketing communications, strengthening community identity and driving local business growth.

5. Market Penetration Strategies

Implement effective strategies to attract new businesses to Midtown, enhancing the local economy.

6. Storytelling for Business Community

Focus on sharing compelling stories about Midtown's business history and significance as a destination to attract visitors and investors.

6. Foster Collaboration

Promote collaboration among Midtown businesses, residents, non-profits, and other entities to strengthen the Midtown brand and support economic development.

Programs:

1. Facilitate Open Dialogue

Organize focus groups and District-sponsored networking events that bring together business leaders, public sector representatives, residents, and media to discuss and

promote Midtown’s development and branding.

2. Promote Local Shopping and Dining

Launch campaigns emphasizing the importance of shopping and dining locally within Midtown, highlighting the mutual benefits for businesses and the community.

3. Create and Distribute Midtown Guides

Develop and distribute comprehensive guides that showcase Midtown's amenities, businesses, and cultural attractions to residents and visitors, fostering a strong community identity.

4. Develop Business and Developer Profiles

Create detailed profiles of Midtown to distribute to potential new businesses and residential developers, showcasing the advantages of relocating to and investing in Midtown.

5. Maintain Ongoing Communications

Ensure continuous communication with Midtown residents and business owners through various media channels, including face-to-face, print, email, and social media, to keep them informed, engaged, and aligned with Midtown’s brand and initiatives.

6. Maintain Midtown Brand Guidelines

Continue to maintain our comprehensive brand guidelines for Midtown, ensuring consistent and effective use of the Midtown name and identity in all marketing and communication efforts.

7. Midtown Small Business grants opportunities

Estimated Costs:

| | | | | | |
|------------------------|----------|-------------------------|----------|----------|----------|
| Year 1: | \$66,800 | Year 5: | \$75,184 | Year 9: | \$84,620 |
| Year 2: | \$68,804 | Year 6: | \$77,440 | Year 10: | \$87,159 |
| Year 3: | \$70,868 | Year 7: | \$79,763 | | |
| Year 4: | \$72,994 | Year 8: | \$82,156 | | |
| TEN YEAR TOTAL: | | <u>\$765,789</u> | | | |

MARKETING

Goal: To harness robust marketing strategies to highlight Midtown's vibrant community and ongoing successes, attracting new businesses, investors, and residents to fuel sustained economic growth and development

Objectives:

1. Midtown Representation

Ensure that Midtown is represented on advisory and action committees on matters pertaining to citywide special events, and activities at the beginning of the planning processes.

2. Maintain Strategies

To maintain a marketing strategy that brings the public and private sectors together as partners to communicate the positive aspects of living and working in Midtown.

3. Social Media Tracking

Track and report monthly the Midtown social media market penetration in comparison to national trends.

4. Midtown Trademark

Maintain in good standing the Midtown Trademark

Programs:

1. Economic Engagement for Business Owners

Provide opportunities for business owners to enhance their economic impact by fostering community spirit and engagement through participation in beneficial events.

2. Collaborative Marketing Strategy

Develop and maintain a marketing strategy that unites public and private sectors to communicate the positive aspects of living and working in Midtown.

3. Promote Midtown's Vibrant and Arts-Centric Identity

Showcase Midtown as a dynamic, diverse urban hub with a welcoming community spirit. Emphasize its creative and arts-focused environment, positioning it as the premier destination for living, working, learning, playing, shopping, dining, and conducting business. Highlight Midtown as an award-winning community with numerous accolades.

4. Digital Presence Expansion & Social Media Tracking

Maintain and continually expand Midtown's digital and online presence, adapting to new technologies as they become available. Monitor and report monthly on Midtown's social media market penetration to gauge and improve outreach efforts.

5. Pedestrian and Bike-Friendly Promotion

Market Midtown as a pedestrian and bike-friendly community with easy access to public transportation.

6. Historical Storytelling

Focus marketing efforts on sharing varied and compelling stories about Midtown's history and its importance as a destination community.

7. Collaborative Initiative Promotion

Collaborate with other District committees to support their initiatives through proactive marketing efforts.

8. Robust Media Relations Program

Establish a strong media relations program with clear policies to convey accurate and consistent messages about Midtown, supported by documented brand and logo usage guidelines.

9. Market Penetration Strategies

Utilize effective market penetration strategies to introduce and attract new businesses to the community in diverse ways.

10. Emergency Preparedness

Work with other District Committees to develop the Marketing portion of a comprehensive emergency preparedness plan that includes educating the community on their personal preparedness plans, and informing the community on what the District has done to prepare a head of time for a natural disaster such as a hurricane or severe storm and how we have responded as a community to such.

Estimated Costs:

| | | |
|------------------------------------|-------------------|--------------------|
| Year 1: \$100,200 | Year 5: \$112,776 | Year 9: \$126,931 |
| Year 2: \$103,206 | Year 6: \$116,160 | Year 10: \$130,739 |
| Year 3: \$106,302 | Year 7: \$119,644 | |
| Year 4: \$109,492 | Year 8: \$123,234 | |
| TEN YEAR TOTAL: <u>\$1,148,684</u> | | |

CAPITAL RESERVE FOR INFRASTRUCTURE

Goal: To appropriately plan for the replacement of various infrastructure enhancements, parks and open space improvements, and other assets that are maintained by the District and which promote the health, safety, welfare, and enjoyment of the District's property owners, residents and businesses. Some of these items may require replacement as their useful life expires or in the event of damage or destruction resulting from unforeseen extraordinary circumstances

Objectives:

1. To provide funds for capital reserves to replace infrastructure enhancements (such as streetscape enhancements), parks and open space improvements, facilities and equipment
2. To provide funds for emergency maintenance and clean-up and in the event of catastrophic or extraordinary occurrences

3. To provide funds for future maintenance of infrastructure enhancements by allowing, at the discretion of the Board, any funds remaining in the Capital Reserve account at the end of this Service Plan to be carried forward as capital reserves in any future service and improvement plan for the District

Programs:

1. Establish a capital reserve for replacement of certain ground covering, streetscape infrastructure, parks and green space improvements
2. Establish a capital reserve for emergency maintenance and clean-up and in the event of catastrophic or extraordinary occurrences

Estimated Costs:

| | | |
|----------------------------------|------------------|-------------------|
| Year 1: \$33,400 | Year 5: \$37,592 | Year 9: \$42,310 |
| Year 2: \$34,402 | Year 6: \$38,720 | Year 10: \$43,580 |
| Year 3: \$35,434 | Year 7: \$39,881 | |
| Year 4: \$36,497 | Year 8: \$41,078 | |
| TEN YEAR TOTAL: <u>\$382,895</u> | | |

| |
|--------------------------------|
| DISTRICT ADMINISTRATION |
|--------------------------------|

Goal: *To effectively and efficiently administer the activities of the District and implement the Service Plan under the direction of the Board*

Objectives:

1. Manage District personnel, consultants, and finances to implement District programs in an effective and cost-efficient manner
2. Maximize services provided to the District by governmental entities
3. Coordinate District efforts with the efforts of appropriate public and private interests
4. Develop and seek additional funding mechanisms using grants, sponsorships, and other alternative sources of funding
5. Coordinate District efforts with those of the Authority to maximize the services provided to property owners, residents, and businesses
6. Actively seek participation in District activities from all community stakeholders, including but not limited to commercial and residential property owners, residents, and businesses
7. Leverage District funds by seeking additional funding, goods, and services from other sources to support District programs

Programs:

1. Implement the District’s Service Plan and develop an annual budget for the District
2. Work with consultants to maintain and update the District’s assessment roll and property owner database to facilitate accurate and timely billing and collection of assessments
3. Make periodic visits to advocate and report to elected and appointed officials of the City, County, State and other governmental entities on behalf of the District
4. Coordinate with governmental agencies operating ongoing programs in Midtown, such as the City, Metro, Texas Department of Transportation, Harris County and other public entities

Estimated Costs:

| | | |
|---|-------------------------|--------------------------|
| Year 1: \$601,202 | Year 5 \$676,658 | Year 9 \$761,584 |
| Year 2: \$619,238 | Year 6 \$696,958 | Year 10 \$784,432 |
| Year 3: \$637,815 | Year 7 \$717,866 | |
| Year 4: \$656,949 | Year 8 \$739,402 | |
| TEN YEAR TOTAL: <u>\$6,892,104</u> | | |

DISTRICT OPERATIONS

To facilitate District operations, the Board has established the following additional standing committees:

- a. Executive Committee
- b. Finance & Budget Committee
- c. Nominating Committee
- d. Emergency Action Committee

The Board may establish other committees as it deems necessary and appropriate to implement this Service Plan and support the operations of the District.

- a. **Executive Committee** – the committee consists of the Officers of the Board of Directors. The Board Chair, Vice-Chair, Treasurer (who is also the Finance and Budget Committee Chair) the Secretary and the Assistant Secretary.
- b. **Finance and Budget Committee** – the committee consists of the Treasurer of the Board of Directors, fellow Board members and stakeholders.
- c. **Nominating Committee** – the committee consists of assigned Board

members and Ex Officio Board members.

d. **Emergency Action Plan Committee (EAP)** – includes the Chairs of the following committees; Public Safety, Service & Maintenance, Marketing and the Finance Committee. Other Committee responsibilities have been included in the specific committee sections.

- **The Public Safety Committee** will develop the portion of the EAP that addresses community and personal safety preparation prior to, during and after the event of a natural disaster such as a hurricane or severe storm.
- **The Service and Maintenance Committee** will develop the portion of the EAP that will help keep the public rights of way prepared ahead of natural disasters and plan for the recovery of the community.
- **The Marketing Committee** will develop the portion of the EAP that addresses the way we keep the community and stakeholders informed of the actions of the Board ahead of, during and after the event of a natural disaster such as a hurricane or severe storm.
- **The Finance Committee** will work with other District Committees to develop the financial action plan that will include funding sources, contract authorizations, Board resolutions and other pertinent information that the District will need ahead of time in the event of a natural disaster such as a hurricane or severe storm.

The City of Houston has established the following committee by ordinance with the Midtown Management District.

The Midtown Parking Benefit District Advisory Committee (PBD)

This committee was established by City Ordinance on April 6, 2022. The City annually completes its audit of the parking meter revenue for the designated area in Midtown at the end of June. The City will then transfer 60% of the net meter revenue to the Midtown Management District to complete projects approved by the PBD Advisory Committee. Projects follow the normal project approval protocol and are recommended to the Midtown Management District Board of Directors and the city of Houston for approval.

The committee is comprised of 5-9 members with a majority being business owners and the remaining residents who are vetted and approved by the city council.

Revenues can be applied to existing public improvement projects or newly identified projects.

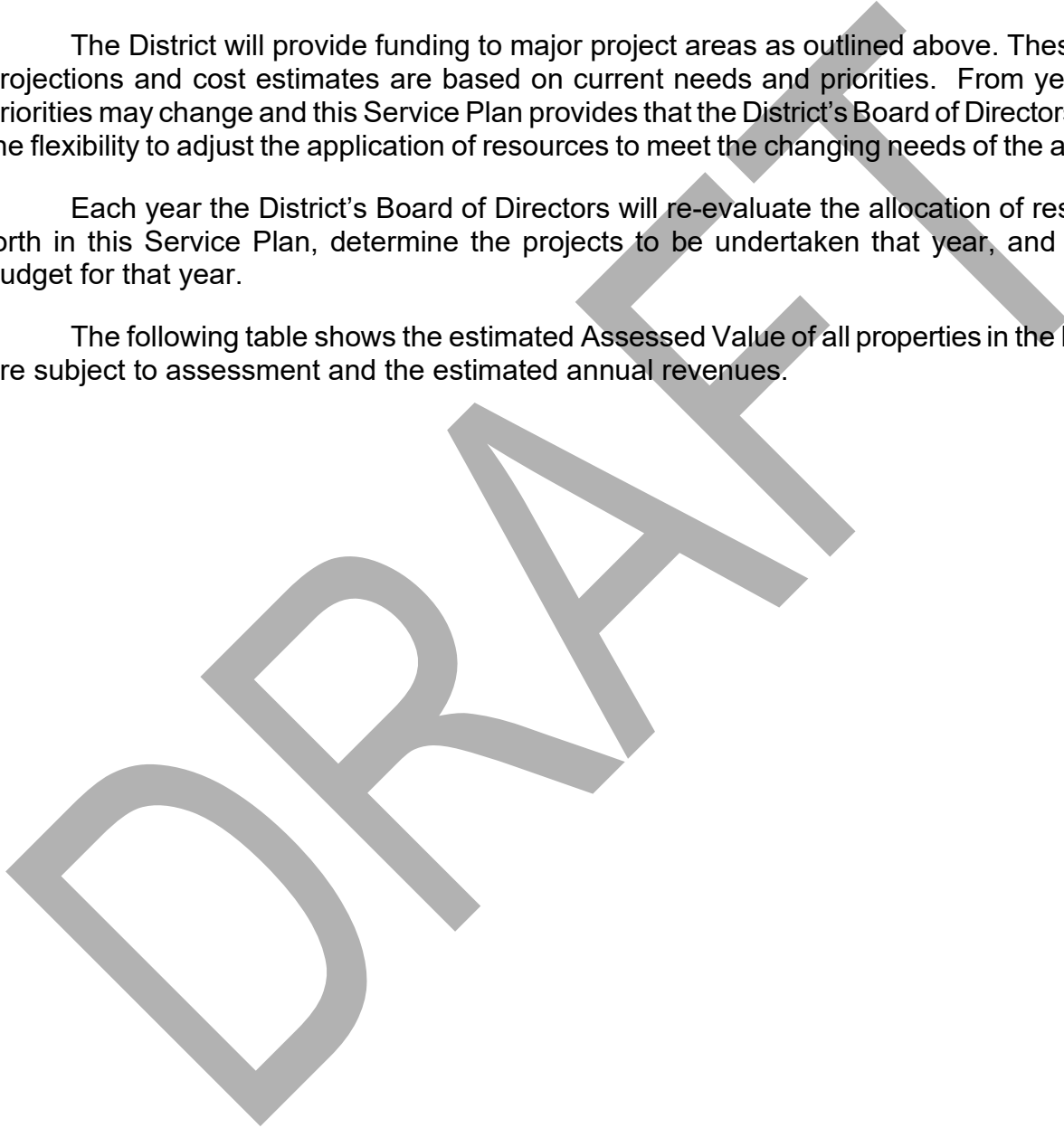
The Board and District Staff will strive to continue to seek out and apply for grants from various funding sources to assist in its efforts to redevelop and revitalize Midtown.

PROPOSED ASSESSMENT, REVENUES AND EXPENDITURES

The District will provide funding to major project areas as outlined above. These revenue projections and cost estimates are based on current needs and priorities. From year to year, priorities may change and this Service Plan provides that the District's Board of Directors will retain the flexibility to adjust the application of resources to meet the changing needs of the area.

Each year the District's Board of Directors will re-evaluate the allocation of resources set forth in this Service Plan, determine the projects to be undertaken that year, and approve a budget for that year.

The following table shows the estimated Assessed Value of all properties in the District that are subject to assessment and the estimated annual revenues.



| YEAR | RATE | ESTIMATED ASSESSED VALUE ¹ | ESTIMATED PROJECTED LEVY | ESTIMATED COLLECTIONS @ 95% |
|------|--------|---------------------------------------|--------------------------|-----------------------------|
| 2025 | 0.1181 | 2,976,968,092 | 3,515,799.32 | 3,340,009.35 |
| 2026 | 0.1181 | 3,066,277,135 | 3,621,273.30 | 3,440,209.63 |
| 2027 | 0.1181 | 3,158,265,449 | 3,729,911.50 | 3,543,415.92 |
| 2028 | 0.1181 | 3,253,013,413 | 3,841,808.84 | 3,649,718.40 |
| 2029 | 0.1181 | 3,350,603,815 | 3,957,063.11 | 3,759,209.95 |
| 2030 | 0.1181 | 3,451,121,930 | 4,075,775.00 | 3,871,986.25 |
| 2031 | 0.1181 | 3,554,655,587 | 4,198,048.25 | 3,988,145.84 |
| 2032 | 0.1181 | 3,661,295,255 | 4,323,989.70 | 4,107,790.21 |
| 3033 | 0.1181 | 3,771,134,113 | 4,453,709.39 | 4,231,023.92 |
| 3034 | 0.1181 | 3,884,268,136 | 4,587,320.67 | 4,357,954.64 |
| | | 34,127,602,925 | 40,304,699.08 | 38,289,464.11 |
| | | | | |

¹ 2025 Assessed Value is based on potential HCAD values; for subsequent years, estimated assessed value growth is assumed at a modest 3% increase year over year with a 95% annual collection rate. For purposes of this table, the Assessment Rate is held at a constant .1181¢ per \$100 of assessed property value. These projections were created using historical data developed by Equi-Tax, Inc.

The following table shows the projected annual estimated expenditures for the services and improvements authorized under this Service Plan. Please be aware that the Board of Directors and the community build a new annual budget based on stakeholder input and potential funding that could be available.

| SERVICE AND IMPROVEMENT | YEAR 1 2025 | YEAR 2 2026 | YEAR 3 2027 | YEAR 4 2028 | YEAR 5 2029 | YEAR 6 2030 | YEAR 7 2031 | YEAR 8 2032 | YEAR 9 2033 | YEAR 10 2034 | 10-YEAR TOTAL |
|--|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|-------------------------|--------------------------|
| Public Safety | 1,035,403 | 1,066,465 | 1,098,459 | 1,131,413 | 1,165,355 | 1,200,316 | 1,236,325 | 1,273,415 | 1,311,617 | 1,350,966 | 11,869,734 |
| Services and Maintenance | 1,135,603 | 1,169,671 | 1,204,761 | 1,240,904 | 1,278,131 | 1,316,475 | 1,355,970 | 1,396,649 | 1,438,548 | 1,481,705 | 13,018,418 |
| Marketing | 100,200 | 103,206 | 106,302 | 109,492 | 112,776 | 116,160 | 119,644 | 123,234 | 126,931 | 130,739 | 1,148,684 |
| Economic Development | 66,800 | 68,804 | 70,868 | 72,994 | 75,184 | 77,440 | 79,763 | 82,156 | 84,620 | 87,159 | 765,789 |
| Cultural Arts & Entertainment | 267,201 | 275,217 | 283,473 | 291,977 | 300,737 | 309,759 | 319,052 | 328,623 | 338,482 | 348,636 | 3,063,157 |
| Urban Planning | 100,200 | 103,206 | 106,302 | 109,492 | 112,776 | 116,160 | 119,644 | 123,234 | 126,931 | 130,739 | 1,148,684 |
| Administration | 601,202 | 619,238 | 637,815 | 656,949 | 676,658 | 696,958 | 717,866 | 739,402 | 761,584 | 784,432 | 6,892,104 |
| Capital Reserves | 33,400 | 34,402 | 35,434 | 36,497 | 37,592 | 38,720 | 39,881 | 41,078 | 42,310 | 43,580 | 382,895 |
| Estimated Yearly Total | 3,340,009 | 3,440,210 | 3,543,416 | 3,649,718 | 3,759,210 | 3,871,986 | 3,988,146 | 4,107,790 | 4,231,024 | 4,357,955 | 38,289,464 |

Assessment

Upon adoption of this Service Plan, the total assessment for this Service Plan will be levied in Year 1 (2025), and then billed in ten annual installments. Annual installments of the Assessment will become due and payable in the same manner as ad valorem taxes in accordance with Chapter 31, Texas Tax Code, as amended. Delinquent payments will be subject to additional charges in accordance with the Texas Tax Code.

The District proposes to have the Board annually evaluate the need for and advisability of the services and improvement projects authorized under this Service Plan to determine the specific services and projects within the Service Plan that will be undertaken the following year. The Board will then approve a budget for the following year consistent with the yearly plan and set the assessment rate for such year, taking into consideration the value of the property subject to assessment and the revenue that the assessment rate will produce. If assessment revenues or other sources of funds are not sufficient to cover the estimated annual costs of this Service Plan, the District will adjust the annual budget to reflect this circumstance. Similarly, if revenues exceed projections, the Board may allocate those additional revenues to the various program categories.

As this Service Plan is ten years in length, it is probable that the service needs in each of the major categories will change, particularly as District objectives are met. Therefore, this Service Plan allows the Board the flexibility to apply the assessment revenue to the major categories of services in varying percentages.

Rate of Assessment

The rate of assessment for this Service Plan will be levied in October 2024 and used to fund projects for 2025. The assessment will be based on 2024 certified taxable values provided by the Harris County Appraisal District ("HCAD"). In subsequent years, the District will assess property based on the then current year's *certified assessed value* as determined by HCAD. Therefore, an individual property owner's assessment may vary each year. Under this Service Plan, the Board may vary the rate of assessment each year. The Board reserves the right to increase or decrease the rate of assessment to pay the costs of improvement projects; provided that the rate of assessment may not exceed \$0.15 per \$100 of valuation. The Board reserves the right, and intends at this time, to set the assessment rate at a rate lower than the maximum rate that could be set during the ten years of this Service Plan.

The District's approach will be to provide services and improvements on a pay-as-you-go basis with assessments made to fund projects in the following year. If the Board determines that projects are needed which cannot be financed on this basis, a public hearing will be called to determine whether the property owners subject to assessment support the sale of bonds or other debt financing.

Annexation of Property into District

Any land annexed into the District (which may only be done in accordance with Chapter 375, Texas Local Government Code, as amended) will be added to the District's assessment roll at the value shown on the rolls of HCAD during the year in which the land is annexed into the District and added to the District's assessment roll.

Exemptions

Pursuant to the Act, the following types of property are exempt from assessment unless the owner consents:

1. Property of municipalities, counties, other political subdivisions;
2. Property owned by organizations of purely public charity and organizations exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code;
3. Property 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;
4. Property 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 purpose;
5. Recreational or scenic use property that meets the requirements of Chapter 375.163, Texas Local Government Code, as amended.
6. Property owned by a utility; and
7. All other property exempt from assessment by the Act, as the Act may be amended from time to time.

The Board has granted homestead, age 65 or older and disabled exemptions for properties subject to assessment in the past and expects to continue to grant such exemptions during the term of this Service Plan.

CONCLUSION

The successful delivery of the proposed services is anticipated to add value to all properties within the District. Residential and commercial property owners, business owners, and tenants will be able to collectively leverage greater resources, resulting in increased levels of service and an enhanced public awareness and image for the District. An improved Midtown benefits property owners, business owners and tenants directly and also the Houston metropolitan region at large.

Before the District can implement this Service Plan, it must receive petitions signed by either: twenty-five (25) persons who own land in the District or the owners of a majority of the assessed value of real property in the District. A public hearing will be held following receipt of such petitions, after which the District's Board of Directors will consider approval of this Service Plan and the levy of an assessment.

Exhibit A

District Boundary Map

(See Attached)

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