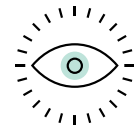




2016 - 2030

PLAN

SERVICE | IMPROVEMENT | ASSESSMENT



ABOUT THE DISTRICT

This plan sets forth a vision, a mission, goals to be achieved, services to be rendered, and improvements to be made in support of the property owners within the Spring Branch District. It also outlines costs and a proposal for funding.

\ THE MISSION \

To attract public and private investment, provide professional management to the area and enhance the economic well-being of the community. In order to assist with this mission, the District is empowered to finance projects and plans related to public safety, business and economic development, mobility and transportation, education, and beautification. The District also leverages local resources, public and private, to enhance the business environment and quality of life in the area.

IN CREATING AND CONTINUING A MANAGEMENT DISTRICT, PROPERTY OWNERS SEEK TO:

- Organize themselves to pursue a common vision.
- Create capital investment, services, improvements, and supplement them where needed.
- Render continuous, focused, and professional management of the area's needs.
- Provide cost-effective funding mechanisms for improvements.
- Advance the District as a superior place to conduct business, invest, live, work, and visit.

THE DISTRICT'S BOARD OF DIRECTORS PURSUES THESE GOALS THROUGH A VARIETY OF PROGRAMS AND PROJECTS FOCUSED ON THREE AREAS:

1. Business and Economic Development.
2. Public Safety and Security.
3. Mobility, Environmental and Urban Design, and Visual Improvements.

\ OUR STORY \ The First Ten Years

Created in 2005, the Spring Branch District is now home to over 118,000 residents and 5,000 businesses, with 63,000 employees. The District is administered by an all-volunteer Board of Directors and managed on a daily basis by a professional management team and executive director. The Board of Directors believes that by being proactive, we as a community, can shape the places where we live and work. The District has spent the past ten years working to redefine and reimagine Spring Branch, by funding projects and programs related to Business, Economic Development and Marketing, Public Safety and Security, Mobility, Environmental and Urban Design, and Visual Improvements.

VISIT OUR WEBSITE

To see what we're doing, view upcoming events, find real estate brokers, or explore the District, visit www.SBMD.org

*Reconstruction of Long Point:
Improving the flow of traffic in
the area. One of the key points of
the District's comprehensive plan
is to maximize Long Point's
role as a "Main Street"
connecting major shopping,
dining, and residential centers
within our community.*



*Marketing Campaign:
Providing a unique and creative
advertising solution targeted
towards gaining new
businesses and
future area residents.*



*Community Days:
Providing Public Safety
awareness by bringing
public security and
families together.*



Business & Economic Development



\ GROWTH \

Over the past 10 years, growth in the Spring Branch economy has been strong.

Retail expenditures have increased 38% and now amount to \$1.8 billion each year.

Median household incomes have increased 29%.

Median home values have increased more than 36%.

In 2010, we hosted our **5th Anniversary State of the District** event and developers took notice of the changes! As the news spread, developers began purchasing property throughout the community for commercial and residential uses.

On the east side of Beltway 8, between Kempwood and Clay Road, **Hines** will build the West Point Corporate Center, which is expected to have up to 2.5 million square feet of office space plus hotel, retail, and possibly multi-family developments. **BlackSwan Investment Partners** purchased the site of the former Spring Branch Hospital, which was demolished to make way for a new project to be announced.

The District is also one of the hottest areas of Houston for new residential development. More than 22 single-family subdivisions are under construction in the District. One subdivision of particular significance for many in the community is the **David Weekley Homes** development on the 8-acre former flea market property at Long Point and Hillendahl Road. This investment by Weekley Homes in the District highlights the renaissance that is occurring in Spring Branch like no other single project. And even more new housing can be expected to be developed on selected sites in the District due to the extremely limited number of vacant properties. **Homebuilders** have now begun acquiring and tearing down aging apartment complexes and replacing them with new 3-story single-family or townhomes. New homes in the District range in price from \$175,000 to well over \$1 million and the District radio and billboard campaigns remind everyone to **“Quit the Commuting”** and move to the heart of it all – Spring Branch.



Mobility, Environmental & Urban Design & Visual Improvements

In 2009 the District began a complete rebranding of the area with new street signage and entry way monumentation which was completed in 2010. A facelift was also given to 41 of the District esplanades. The District partnered with the city of Houston to fund enhanced intersection improvements along Long Point. To date, the Board of Directors has invested over \$11M in branding, wayfinding, mobility, and visual improvement projects.

The District has implemented a graffiti abatement program which has been wildly successful. Through this partnership, over 6,700 instances of graffiti have been removed from Spring Branch private and public property.

Public Safety & Security Services

Security is more than maintaining an area free of crime – it also means the ability to invest, live, and work comfortably. The District initiated its ambitious **Public Safety Program** in 2007 by developing a holistic approach consisting of both traditional and non-traditional methods to decrease criminal activity and improve security and confidence in the District. These methods began by contracting with the Harris County Constables who, over the course of eight years, provided the District with over 250,000 security interactions. The Constables were instrumental in allowing the District to enter a transitional period of safety maintenance through **S.E.A.L. Security**.

In partnership with the **Houston Apartment Association**, the District implemented a **Rental Credit Reporting** program for multi-family property owners to better screen potential residents. This program, coupled with the District's **Multi-Family Community Day** program, and local apartment-based Boy Scout troops, provides for a multi-layered approach to preventing an environment conducive to crime.

The District, in partnership with the County Attorney's office, also assists in the investigation and prosecution of businesses permitting criminal behavior.



Houston Apartment Association



Continuing the Mission 2016-2030

Business. Economic Development. Marketing.

The District will:

1. Implement the new **2015-2030 Comprehensive Plan.**
2. Enhance programs and projects that support existing business owners in their efforts to grow and prosper, especially those owning small-to-medium-sized enterprises that contribute to the community's well-being.
3. Continue outreach to businesses via the Business Ambassador Program and expand the Business Retention, Expansion, and Relocation Program.
4. Provide broad support to maintaining all types of desirable businesses in the District to attract quality new investment.
5. Enhance marketing and outreach activities via the District website and social media and create campaigns which encourage public support and patronage of local businesses.

Public Safety Services.

The District will:

1. Proactively patrol the District's commercial areas to reduce criminal opportunities and enhance communication between business owners, the police, and community as a whole.
2. Evaluate and, as needed, increase **Mobile Video Camera** placement to deter crime in commercial corridors.
3. Compile and maintain a database for storing and analyzing crime data; use data to implement targeted programs and projects.
4. Continue the street light reporting program with **CenterPoint Energy**, the City of Houston, retail electric providers, and others to increase and maintain consistent street lighting in public areas.
5. On behalf of property owners, advocate for regional security needs with county, city, educational, state, and federal law enforcement agencies.



Mobility. Environmental & Urban Design. Visual Improvement.

The District will:

1. Work with the area neighborhood coalitions, super neighborhood groups, and civic associations to promote support for deed restriction enforcement and neighborhood maintenance standards.
2. Increase efforts toward code enforcement for nuisance abatement, including illegal dumping, abandoned vehicles, overgrown lots, animal leash laws, vehicle parking on yards, repair or demolition of abandoned structures, maintenance of sidewalks and rights-of-way adjacent to sidewalks, especially school routes.
3. Support and maintain public art projects in the District such as the painting of mini-murals and other art projects in public spaces.
4. Continue supplemental mowing, trash pick-up, and bandit sign removal on public rights-of-way program.

Project Staffing & Administration. *The District will:*

1. Efficiently utilize human and financial resources to accomplish the 15-year ***Service, Improvement, and Assessment Plan***.
2. Advocate for the District's legitimate share of city, county, and state resources.
3. Accurately reflect the costs of providing services in each program area through a carefully monitored cost allocation system.
4. Provide third party annual financial audits that protect the financial integrity of the District and help ensure the most efficient use of resources.
5. Ensure compliance with the Texas Public Information Act, Open Meetings Act, Public Funds Investment Act, and all other applicable state, federal, and local laws and regulations.
6. Maintain an efficient level of technology to ensure the fullest utilization of all available resources.
7. Monitor, evaluate, and adjust administrative systems and procedures to assure maximum benefit on revenues received by the District from property owner assessments, grants, contracts, and other financial resources.

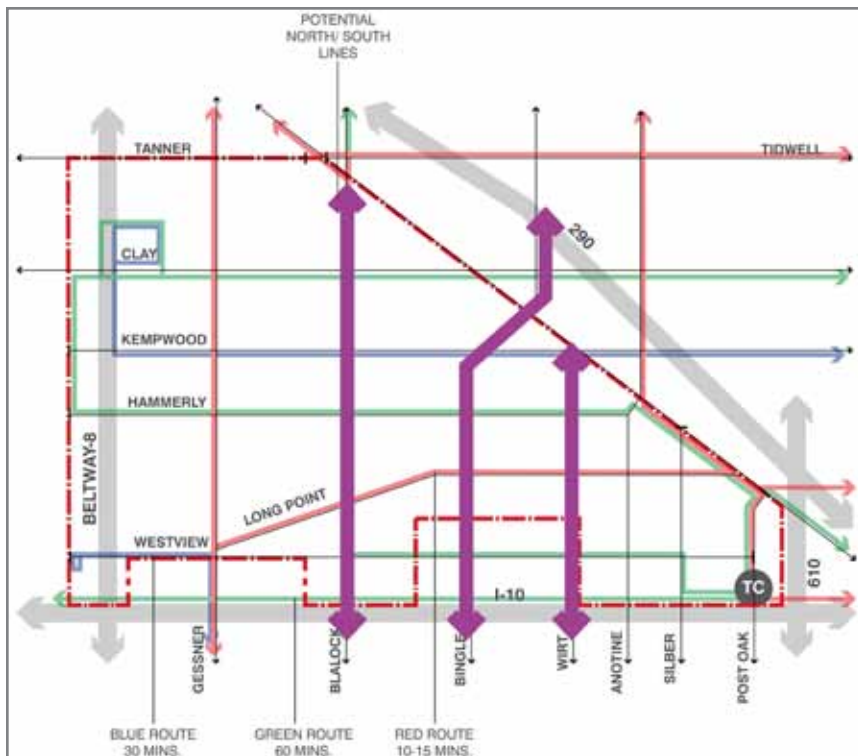
THE 2016-2030 BUDGET



The District will provide funding to the five major program areas as outlined below. These figures are general projections based on needs and priorities anticipated today. From year to year, priorities will change, and this plan provides that the District's Board of Directors will have 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 plan, assess projects and services, and approve a budget for that year. Following is the projected average annual expenditure for the services authorized under this **Service, Improvement, and Assessment Plan**.*

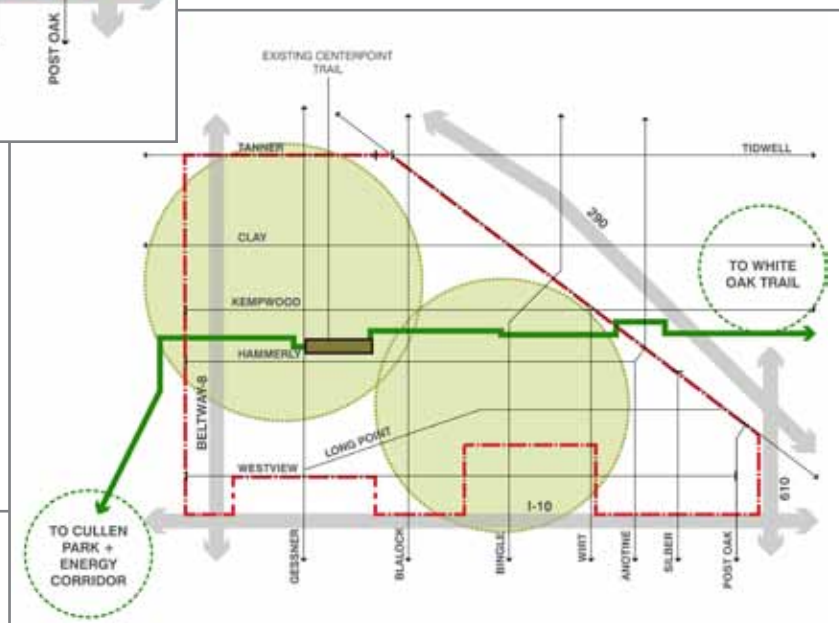
SERVICE AREA	PROJECTED		% OF TOTAL
	AVG. ANNUAL EXPENDITURES	15 YEAR TOTAL	
Comprehensive Safety Initiatives Contract Safety Program • Nuisance Abatement Services • Apartment Life Initiatives • Mobile Cameras • Project Management	\$720,000.00	\$10,800,000.00	20%
Mobility & Transportation Mobility Planning • Bike/Pedestrian Implementation • Street Sign Maintenance • Monument Maintenance Paver Maintenance • Bus Shelter Enhancements • Curb Repair • Project Management	\$540,000.00	\$8,100,000.00	15%
Environmental & Urban Design Right of Way Maintenance • Graffiti Abatement • Median Enhancements • Flood Mitigation Planning • Project Management	\$1,080,000.00	\$16,200,000.00	30%
Business & Economic Development Economic Development Initiatives • Land Banking • Marketing and Branding • Project Management	\$720,000.00	\$10,800,000.00	20%
Administration & Regulatory Services District Management • Legal Services • Annual Audit Services • Bookkeeping • Assessment Management Services Long Range Planning • Community Development	\$540,000.00	\$8,100,000.00	15%
Total	\$3,600,000	\$54,000,000.0	100%



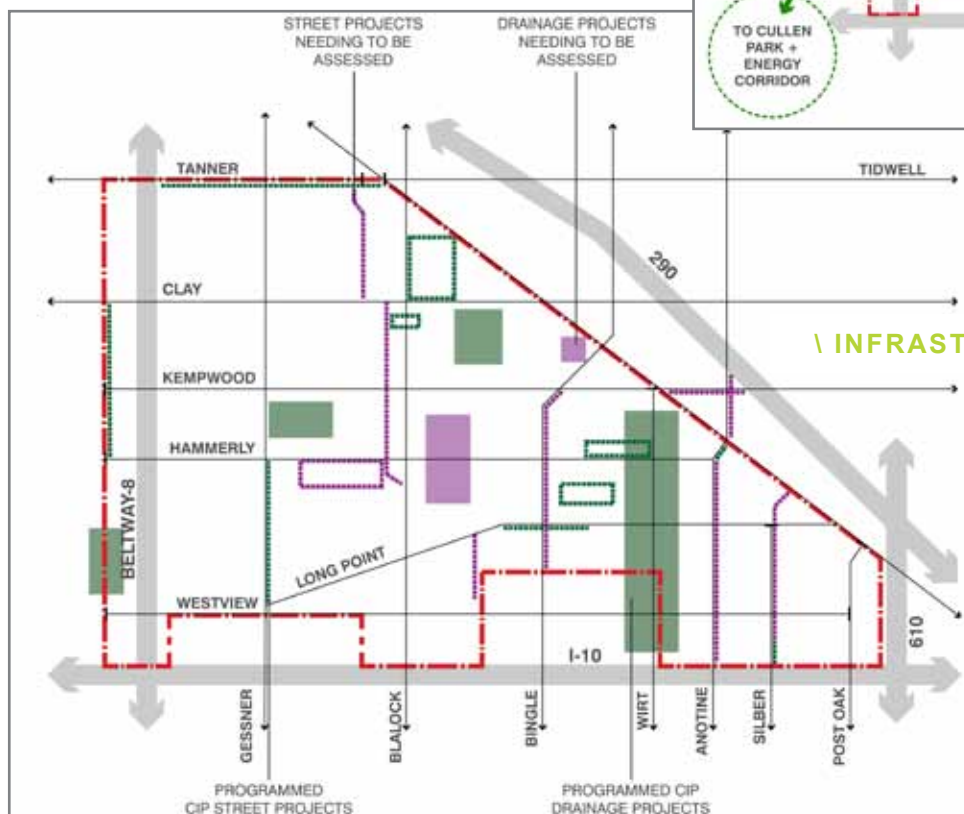
\ MOBILITY & TRANSIT \

- - Potential North/South Lines
- - Blue Route = 30 Minutes
- - Green Route = 60 Minutes
- - Red Route = 10 to 15 Minutes

\ PARKS & TRAILS \



\ INFRASTRUCTURE IMPROVEMENTS \



ASSESSMENT PLAN: FINANCING THE VISION



To attract public and private investment, provide professional management to the area and enhance the economic well-being of the community. In order to assist with this mission, the District is empowered to finance projects and plans related to public safety, business and economic development, mobility and transportation, education, flood and storm water control, and beautification. The District also leverages local resources, public and private, to enhance the business environment and quality of life in the area.

MORE DETAILED INFORMATION ON THE SERVICE, IMPROVEMENT, AND ASSESSMENT PLAN

PROPERTY SUBJECT TO ASSESSMENT.

The property subject to assessment will be the land and improvements of the commercial property owners within the boundaries of the District. The following property will be exempt from assessment: single-family detached residential, duplexes, triplexes, quadraplexes, condominiums, municipalities, counties, other political subdivisions, entities exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code, public utilities, and recreational property or scenic use property that meets the requirements of Section 375.163, Texas Local Government Code. Equipment and inventory are not subject to assessment.

ANNUAL BUDGETS AND ASSESSMENT RATES.

The Board of Directors will annually evaluate the need for and advisability of the services authorized under this ***Service, Improvement, and Assessment Plan*** to determine the specific projects within it that will be undertaken the following year. The Board will then set and approve a budget for the following year consistent with the annual plan, taking into consideration the value of the property subject to assessment and the revenue that the assessment rate will produce.

As this plan is fifteen 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, Improvement, and Assessment Plan*** allows the Board of Directors the flexibility to apply the assessment revenue to the major categories of services in varying percentages.

The District proposes to set the initial rate of assessment at \$0.10 per \$100 valuation for each year of the ***Service, Improvement and Assessment Plan*** based on the taxable property value as certified by HCAD with respect to that calendar year. The assessment will be made after the District's tax rolls are certified by HCAD each year to generate funds for implementation of the ***Service, Improvement, and Assessment Plan*** in the following year. The assessment roll will be revised and amended as necessary to accommodate certified valuation changes or additions made by HCAD from time to time. This would mean that a property subject to assessment valued by HCAD at \$1 million in any given year would pay an assessment of \$1,000 to fund services and improvements if the rate of assessment were \$0.10 per \$100 valuation.

Pursuant to this ***Service, Improvement, and Assessment Plan***, the District Board of Directors is proposing a one-time assessment due and payable on an annual basis over the fifteen year life of the Plan.

CAP ON THE AMOUNT OF INDIVIDUAL PROPERTY ASSESSMENTS. The plan provides that no property may be assessed an amount in any year of this plan that exceeds twice the amount such property was assessed for projects in the first year of the ***Service, Improvement, and Assessment Plan*** (2016), plus any value added by improvements or new construction on such property as assessed by HCAD.

BASIS FOR ASSESSMENT.

In each year of the plan, the assessment will be based on the HCAD certified taxable value for each property in such year as established by HCAD. This means that an individual property owner's assessment may vary each year.

NEW CONSTRUCTION AND IMPROVEMENTS.

New construction and improvements as assessed by HCAD and any property annexed into the District, if any, will be added to the assessment roll at the value set by HCAD. The Board will prepare a supplemental assessment roll for such property and levy assessments on such property for the specific benefits to be received by the services and improvements to be provided by the District. Such new construction in the District and annexations, if any, will generate new revenue. The average expenditures projected above assume a 2% growth in value per year. Over the years, it will also be necessary for the Board of Directors to consider the effects of inflation and to factor it into the District's budgets. If inflation remains low or values increase more than 2% per year, the Board anticipates the growth in assessment revenue from new construction will cover inflation during the fifteen-year period and allow the District to provide most, if not all, of the services contemplated hereunder. If revenues exceed projections, the Board may allocate those additional revenues to each program category.

Assessments would become due and payable and become delinquent and incur penalties and interest in accordance with the provisions relating to ad valorem taxation contained in the Texas Tax Code. Assessments will also be subject to the recapture provisions, which apply to change in use of agricultural land in accordance with the Texas Tax Code.

The delivery of the services and improvements is anticipated to add value to all properties within the District. The District property owners 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 District benefits property owners directly and also the Houston metropolitan region at large. A boundary map of the District is on the back.

CREDIT AGAINST CERTAIN PROPERTY OWNERS' ASSOCIATION ASSESSMENTS. The purposes of the District are served when groups of property owners take upon themselves the goals and functions that would otherwise be carried out by the District. In some instances, the financial efforts of associations of the owners of assessable property in the District duplicate the services or projects of the District, thereby allowing the District to focus its financial efforts on other property. In such event, a property owners' association representing property subject to assessment by the District may petition the District's Board for a credit against a District assessment if such duplication is established to the satisfaction of the Board. The petition must be received on or before 15 days prior to the date the budget for the following year is finalized by the Board to allow the Board to accommodate a valid petition. In the alternative, the Board may allow a credit applicable to the entire Plan or the balance thereof. The credit shall be determined calculating the amount of the petitioner's self-assessment representing the duplicated efforts, and providing a corresponding offset against the applicable District annual assessment.

If you have any questions, or wish to set up a personal visit with Spring Branch District please call the District Administrator at 713.595.1209.



- 9610 Long Point Suite 100 Houston, TX 77055
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- **SBMD.org**



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