SAN ANTONIO DOWNTOWN PUBLIC IMPROVEMENT DISTRICT DRAFT SERVICE AND ASSESSMENT PLAN FOR FISCAL YEARS 2018-2022

I. INTRODUCTION

This Service and Assessment Plan (the "Plan") is prepared in conformance with Public Improvement District Assessment Act, Texas Local Government Code, Ann. Sec. 372.001, et seq., as amended (the "Act"). The Plan is for five years commencing October 1, 2017 and will continue to be updated annually as required in the above referenced legislation.

II. BOUNDARIES

The boundaries of the San Antonio Downtown Public Improvement District (the "District") are indicated on the map included as **Exhibit A**.

III. IMPROVEMENTS AND/OR SUPPLEMENTAL SERVICES PLAN

The objective of the Plan is to support property owners and businesses within the District by enhancing the experience of downtown area residents, employees, and visitors (local and out of town,). This support will meet the needs of pedestrians and accommodate multi-modal transit options where they are in effect. The District accomplishes these objectives by supplementing existing City of San Antonio (the "City") services to assure a cleaner, safer, friendlier, and more vibrant and active overall environment. The Plan anticipates that the City will continue to provide at least its current level of services throughout the District. The District may contract for some services while hiring its own employees for others.

For FY2018, the Plan also provides enhanced support within the District to help the City achieve its goals for the Tricentennial Celebration, the NCAA Final Four and the annual FIESTA celebration in 2018. Collectively, downtown will play host to a variety of events and activities within or adjacent to the District. In addition to City events, Centro has partnered with the International Downtown Association to bring their 64th Annual Conference and Tradeshow to San Antonio in the Fall of 2018. The services outlined in this Plan will be on display to more than 800 U.S and international representatives from place-management organizations who provide similar services in cities around the country and internationally. .

The District is managed by the Centro Public Improvement District (formerly the Centro San Antonio Management Corporation), a 501(c)(4) non-profit Texas corporation (the "Corporation"), pursuant to a contract with the City of San Antonio entitled Contract for Improvements and/or Services in the San Antonio Public Improvement District in the Downtown Area (the "Management Agreement"). The Advisory Board of Directors (the "Board") will meet at least twice annually, and may meet more frequently to assure

performance of its duties, and will be directed in the conduct of its affairs by Roberts Rules of Order as well as its Articles of Incorporation and by-laws. The Board is constituted by its formal action taken at the organizational meeting held on June 29, 1999. Any vacancy on the Board that may occur will be filled by the Board with individuals with comparable demographic characteristics as the person who vacated the Board. The President and CEO of Centro San Antonio, Inc., which provides management services to the Corporation, shall serve as the President and CEO of the Corporation and will serve on the Board as an ex- officio, non-voting member. The regularly scheduled Board meetings will be held in San Antonio at the Centro San Antonio Office, 110 Broadway Street, Suite 230 or as otherwise notified. The Board meets three times per year, with meetings planned for December, March and August.

The Plan includes reimbursements for direct costs associated with the delivery of: supplemental core services for the downtown experience, which include maintenance, beautification & landscaping, hospitality ambassador services, and outreach and security. They also include programs and other services such as marketing and promotion of the District, community events and programs, economic development activities that include business retention and recruitment activities, project management, planning and research initiatives, and a Capital Improvements Program (CIP) that consists of small capital projects and other special projects of short duration. The plan also includes reimbursement of costs for management of the District. Initiatives to be included in the FY2018 plan are more specifically described in the following pages. All budget amounts are rounded to the nearest thousand.

YEAR ONE PLAN (October 1, 2017 – September 30, 2018)
(See Table 1)

CORE SERVICES – DOWNTOWN EXPERIENCE
The Corporation has budgeted **$3,234,000** to provide the core services detailed below, and will deliver said services through existing contracts with Block-by-Block for maintenance and hospitality ambassador services; Benchmark Landscaping for beautification & landscaping services; Haven for Hope and others noted below for outreach services, and San Antonio Police Department for supplemental security services. Descriptions of each of these programs are listed as follows.

1. All field operations personnel ("Ambassadors"), including the employees of third-party contractors as noted above, will wear a uniform design while on duty that distinctly identifies them as working for and providing services within the District.
    a. The Corporation's designated uniforms consist of shorts, short-sleeve shirts and hats for summer months, and long pants, jackets and rain-suits or ponchos for cooler months and wet weather.
    b. In order to promote the Tricentennial and the new District brand identity, there will be modifications to the uniform to incorporate those marks. The costs for updated uniforms are included in the operating budgets outlined in this section. Where feasible, equipment such as rolling trash bins, trucks, sweepers or other vehicles that the Corporation or the contractor may provide will be identified with the new District and/or Tricentennial marks.

The budget for core services is allocated as follows:

MAINTENANCE

The Corporation has budgeted **$1,727,000** for direct expenses associated with the Maintenance program, and has entered into agreements with subcontractors to provide the following maintenance services in the District during FY2018 (see **Exhibit B** for estimated service zones). The Corporation will retain supervisory authority over subcontracted personnel and an operations manager to assure that services are performed in accordance with the Management Agreement and all applicable laws. Maintenance to be performed within the District will include: Sidewalk Maintenance, "Gateway" Clean-up Program, Pressure Washing Services and Graffiti Abatement.

1. **Sidewalk Maintenance**:

   a. Utilizing ambassador crews circulating throughout the District, sidewalks within the District will be inspected and swept to remove litter. Sidewalk maintenance personnel equipped with brooms, dustpans, rolling trash bins, and two-way communication devices will perform a variety of maintenance activities throughout the District.

   b. The proposed budget reflects an adjustment in hours during critical periods and at key locations to provide enhanced maintenance services for Tricentennial celebrations and the NCAA Final Four. (See the subareas shown in Exhibit B)

      The plan is for the Ambassador crews to:

      i. Inspect sidewalks within the District's public right-of-ways (including parks) for needed maintenance and report to the Operations Center.

      ii. Coordinate with the Manager of PID Operations to request through the City's designated representative that City crews provide needed maintenance to identified areas.

      iii. Sweep sidewalks within the District's public right-of-ways, removing litter and placing in appropriate trash receptacles.

      iv. Inspect sidewalks within the District public right-of-ways, remove weeds, graffiti tag, and gum spots from sidewalks. Duties may be adjusted when weather or special events interrupt standard work schedules. This service may also be accomplished utilizing volunteer service labor or adult probation labor services.

      v. Request that the Operations Center dispatch other District crews to address other maintenance issues not covered under Ambassadors service.

      vi. Two sidewalk vacuum sweeping machines will continue to circulate throughout the District, sweeping and vacuuming sidewalks to supplement the City sidewalk-cleaning schedule. Work crews will provide services within the District from 6:00 a.m. to 10:00 p.m. Monday thru Sunday (various shifts), (except for seasonal adjustments, special events or holidays when expanded or reduced hours may apply). The budget includes five cross-trained supervisors and 1-2 cross-trained project managers working a combined total of 240 hours each week. The District owned light-duty truck will be used for street trash bag pick up in coordination with COSA's Solid Waste Dept. and the Center City Development and Operations Office.

      vii. The Corporation does not intend to empty existing trash & recycling receptacles

in the public right-of-ways unless that receptacle is over half-full or an overflow situation exists. If either condition is present, the trash receptacle is emptied, re-bagged and the full bag is placed in the receptacle for pick-up by City and/or District crews.

2. **"Gateway" Entry Clean-Up Program**: In FY2017, the District launched a new program to provide maintenance, beautification and outreach services at six "Gateway" entry corridors into downtown. The services rotated on a weekly basis between the following six Gateways: Martin & I-35, San Pedro & I-35, Lexington & I-35, Atlanta & I-35, Brooklyn & I-37 and McCullough & I-37. For FY2018 we intend to add the following gateway clean up areas to the current services:

3. **Pressure Washing:** Seven 2-member crews will circulate throughout the District, inspecting and washing sidewalks utilizing power washing equipment, to supplement the City sidewalk washing schedule;

   a. The proposed budget reflects a plan to provide sidewalk-washing services an average of 640 hours per week in selected areas in public right-of-ways throughout the District. The locations and frequency of service shall depend on weather, season of the year and the need for such services. All areas within the District will be periodically inspected for sidewalk washing and scheduling. Power-washing equipment will not block vehicular traffic or impede pedestrian traffic at any time during peak weekday traffic hours.

   b. Five 2-member crews operate truck and trailer pressure-washing vehicles Sunday thru Thursday from 9:00 pm till 6:00 am; focusing on bus stops and surrounding locations along transit and heavily used pedestrian corridors within the District. This initiative will include two new pressure washing vehicles to replace or augment old units, and provide additional equipment needed to focus on key District areas and Houston street for the Tri-Centennial and NCAA Final Four Celebrations.

   c. Two 2-member crews will operate Friday and Saturday from 9:00pm to 6:00am focusing on bus stops and surrounding locations along transit and heavily used pedestrian corridors within the District. The 2-member crews are supervised by one of the five cross-trained supervisors. The trucks and trailers units are leased from District sub-contractors.

   d. The sixth and seventh 2-member crews work Monday thru Sunday from 6:00 am till 3:00 pm, pressure washing sidewalks removing stains, spills, graffiti and bird droppings throughout the District.
   New for FY2018: There will be a special focus of pressure washing on Houston Street within the District. The overnight pressure washing team will work to clean all sidewalks and areas of the actual street where additional attention is required. With the approval of the City we will direct teams to pressure wash the cobblestones on the street level in overnight services.

4. **Graffiti Abatement:** Inspect for and remove graffiti from public areas in the District (including street furniture, benches, drinking fountains, fountains, public art, street planters, trash receptacles, recycling receptacles, other public streetscape improvements, pedestrian

lighting, signage, equipment and signal cabinets, kiosks, and other related improvements in public areas) and coordinate with the City's graffiti removal program. The District will attempt to remove graffiti within a 24-hour period from the time of discovery. Graffiti includes paint, handbills and stickers, but does not include scratched or etched surfaces;

a. The Ambassador crews will provide limited graffiti abatement of small tags, stickers, handbills and posters from painted and metal surfaces on a n on-going basis as they perform litter pick-up.
b. The District will report the graffiti and coordinate with the designated City representative to determine how and by what means the graffiti can be abated. The District will also report graffiti on private and public leased and/or vacant property to be addressed pursuant to the City graffiti ordinance.

5. **Bird Abatement:** The FY2018 budget reflects plans to extend and modify the Corporation's "Grackle and Pigeon Relocation Programs." The combined budget for these programs is $100,000 for FY2018. The programs have been successful since the inception, and further efforts to track the grackle roosting patterns and pigeon return activity should reduce the daily demand for power washing on many of the District's sidewalks.

6. The Corporation shall maintain all District vehicles in a first-class operable state and safely handle the day-to-day operation of all vehicles which includes fueling and arranging for a mechanical and safety inspection of each vehicle both annually and before the vehicle is placed in service. Third-party certified vehicle inspections shall be conducted both before any vehicle is placed in service by Corporation or subcontractor of Corporation and annually, for mechanical and safety compliance as well as all other applicable rules, safety standards, regulations and laws.

BEAUTIFICATION & LANDSCAPING

The Corporation has budgeted **$331,000** for this program and has entered into an agreement with a sub-contractor to provide the following services in the District during FY2018 (see **Exhibit C** for coverage areas). The Corporation will maintain supervisory authority over subcontracted personnel and an operations manager to assure that services are performed in accordance with the Management Agreement and all applicable laws.

1. **Beautification & Landscaping Services –** Install and maintain approved supplemental landscaping and planters in the District as follows:

   a. This Plan assumes that all supplemental landscaping and planters installed in the District will be done with the approval of the City's Historic Design and Review Commission (HDRC).

   b. All landscape/streetscape improvements installed in the District from FY2000 thru FY2017, shall continue to be maintained as defined below. Care will be taken to avoid impeding vehicular and pedestrian traffic when maintaining these improvements. Days and hours of service will be restricted as described for additional improvements listed below. The planters are located on light poles, stair rails and in large pot clusters throughout the District boundary.

   c. The service will include installation, planting and annual maintenance (watering, fertilizing, pruning, wound treating and disease control). The light-pole planters and

stair rail planters will be replanted three times during the year. The small plants in the sidewalk clusters will also be replanted three times during the year. All dead or stolen plants will be replaced on an as-required basis. A three to a five-person crew will circulate throughout the District and any additional contract areas to maintain these improvements on a daily basis or as required.

i. The FY2018 operational plan calls for a focus on the existing large pot clusters throughout the District to accommodate more plant material to provide a higher quality aesthetic experience.

d. The Corporation will continue to maintain and water the three planters on Convention Plaza at the Streetcar Station belonging to the City of San Antonio.

e. The Corporation may install supplemental plant materials and may water in planters and planting beds in other City parks, along the Riverwalk, or in the public right-of-way if sufficient budget funds are available and the City approves the work.

f. The Corporation will advise the City's designated representative in a timely manner of the need for capital improvements, replacements, repairs and/or relocations of City landscaping/streetscape improvements or other City property in the District.

HOSPITALITY AMBASSADOR SERVICES

The Corporation has budgeted **$775,000** for a Hospitality Service program and has entered into an agreement with a sub-contractor to provide the following services within the District during FY2018 (see **Exhibit D** for estimated coverage areas). The Corporation will retain supervisory authority over subcontracted personnel and an operations/services manager to assure that services are performed in accordance with subcontracts, the Management Agreement and all applicable laws.

1. **Hospitality Ambassador Teams ("HAT") will be trained to provide information, directions, render assistance, and observe and report undesirable conditions;**

   a. The Corporation and/or its designated sub-contractor will maintain and conduct a specially developed program for HAT's consisting of both classroom and in-field training in such subject areas such as: personal conduct, CPR and First Aid certification, public relations, downtown directions (attractions, bus/trolley stops, bus route/schedule information), effective communications, and use of equipment. The Corporation requests that the City, through various departments, continue to cooperate and assist in the training of HAT (SAPD Foot & Bicycle Patrol, SAPD Park Police, SAFD, EMS, COSA City Attorney's office, etc.) and VIA Metropolitan Transit.

   b. HAT's will be equipped with two-way communication capability.

   c. The Corporation will purchase and/or lease two-way radios for all HAT's to carry and use while on duty in the District. HAT's will be in contact with the District

   d. Operations Center and other District and City service providers through the operations center.

   e. HAT's will not be, or function as, deputized law enforcement officers. They will work in close coordination with public and private law enforcement individuals and agencies

within and surrounding the District to report observed incidences of anti-social behavior.

f. HAT's will circulate throughout the District in assigned sub-areas shown in Exhibit D. The schedule will fluctuate to meet daily, seasonal or special event needs and conditions;

g. Crews will provide services within the District from 6:00am until 10:00pm, every day, Monday thru Sunday (various shifts), (excluding for seasonal adjustments, special events or holidays when expanded or reduced hours may apply). There will also be additional HAT's on duty during all shifts at key high-pedestrian traffic intersections in the District. Personnel and assignments may vary depending on time-of-day, weather, season, special events, holidays or public activity. In addition, 1-2 cross-trained project manager or one of the five cross-trained supervisors of the HAT and one person assigned to staff the Operations Center will be on duty at all times.

h. The proposed budget reflects an enhancement to this program to ensure sufficient coverage at key locations to support the Tri-Centennial celebrations and NCAA Final Four.

i. The Corporation will discuss with the City's designated representative the appropriate levels of public law enforcement (foot and bicycle patrols, police cruisers, park police, etc.) within the District;

j. HAT will staff the Centro Information Center/Public Restroom Facility in the River Bend Garage located at 210 N. Presa. One HSS will be on duty at or in the vicinity of the facility from 10:00 a.m. until 9:00 p.m. seven days a week with the exception of certain holidays.

OUTREACH & SECURITY PROGRAMS: The Corporation has budgeted **$233,000** for two existing programs and one proposed new pilot program to enhance the pedestrian experience by engaging with people who are experiencing homelessness and individuals exhibiting anti-social behavior.

1. Outreach Program (Enhanced): In FY2017, the Corporation reached an agreement with Haven for Hope to supply two dedicated outreach specialists to provide dedicated services within the District on weekdays and during daylight hours. As a result of the success of this program, Haven for Hope and the Corporation will enter into an agreement to expand the Outreach Program to include weekend and evening coverage. The budget includes an additional outreach specialist to support the expanded hours of operation. The three Outreach Specialists will conduct outreach and engagement to identified individuals utilizing strength based case management, motivational interviewing and harm reduction concepts. The team will continue to work with local law enforcement agencies on strategies to address people that exhibit anti-social behavior. They will also provide advocacy and hands on assistance for the homeless by securing benefits, mental health services, housing programs, shelter, medical services, emergency services and facilitating transportation to Haven for Hope. The Outreach Specialists will complete coordinated assessment documentation and maintain accurate and timely records to facilitate homeless, access to community resources.

2. Supplemental Bike Patrol Hours: The Corporation plans to extend an agreement with the

San Antonio Police Department (SAPD) to supplement the downtown Bike Patrol schedule to include two additional hours each morning in areas within the District where there is a perceived lack of sufficient security. Two Off-Duty Bike Patrol officers will work two hours each morning, seven days a week in areas where pedestrians often encounter aggressive panhandling.

3. "Giving Help" Anti-Panhandling Pilot Program (New): In FY2017, the Corporation proposed a pilot program to address complaints from property owners, businesses, residents and visitors about aggressive panhandling within certain geographic locations in the District. After discussions with the City, SAPD and proposed service providers, the pilot was deferred. Subject to City staff, SAPD and City Council approval, the Corporation plans to launch the pilot program in FY2018 in partnership with the South Alamo Regional Alliance for the Homeless (SARAH) and two social service agencies with experience in outreach efforts. The Corporation will retain a third-party safety consultant to assist with program development and implementation:
   a. The pilot will be conducted for 90-120 days at four locations where data shows that panhandling and aggressive panhandling activity occurs with frequency.
   b. Two individuals from each partner agency will man a donation station and use signage and information materials to encourage pedestrians to make a gift as an alternative to giving directly to panhandlers on the street
   c. Hours of operation will vary based on scheduled events and activities in the pilot area, but are expected to run a four days per week with daytime and evening hours
   d. The Corporation will work with the City, SAPD, SARAH and the social service agencies on a communications plan to support the pilot program
   e. The Corporation will handle all administrative functions, including collecting donations from the locations, processing them through a bank partner, and distributing collected funds to the participating agencies.

DISTRICT OPERATIONS CENTER

The Corporation has budgeted **$168,000** for direct expenses associated with management oversite of District Operation and office space for District Operations as further defined in the Plan, and will provide the following operational services:

1. An operations center for the District's administrative and management personnel and its subcontractor's employees and equipment, as necessary. The Operations Center, currently located at 219 E. Travis in the District, includes approximately 2,600 square feet of office space and 1,700 square feet of storage space located. Space is utilized to coordinate delivery of "Maintenance", Landscaping / Streetscaping", "Hospitality" and "Outreach and Security." Services. The Operations Center includes equipment and supplies storage space, a briefing center/workroom, a shared kitchen/breakroom, lockers and access to restrooms and dressing rooms.
   a. A Manager of PID Operations, as called for in the Corporation's management agreement with Centro San Antonio, to oversee and monitor the daily operation of the district, supervise and monitor sub-contractors that provide staffing to deliver District

services and programs, and provide management support for other employees of the Corporation as applicable.

b. Advise the City in a timely manner of any problems with City-owned equipment or facilities in the District directly observed by a district representative or if the district receives a documented report from a third party.

PROGRAMS AND OTHER SERVICES

The Corporation has budgeted **$684,000** for direct expenses, including staffing to provide strategic oversight and management support associated with the following programs designed to benefit the District:

1. **ECONOMIC DEVELOPMENT- BUSINESS RETENTION, RECRUITMENT & EXPANSIONPROGRAM:** The Corporation has budgeted **$186,000** for the development of an enhanced business retention and recruitment program focused on downtown, and intends to collaborate with the Economic Development Foundation, the City's Economic Development Department and the San Antonio Chamber of Commerce in this area. The plan contemplates the following services:

   a. Continued use of a property owner survey to support the ongoing development and management of a property inventory database to track occupied and vacant commercial, retail and residential space. The information tracked will include: property ownership, broker information, and tenant mix with industry classification. Information can be used to provide semi-annual and quarterly update reports on key metrics.

   b. Licensing of a new data source for property and tenant information that has broader capabilities than the current source that the Corporation uses for these activities.

   c. The Program also contemplates a partnership with the San Antonio Economic Development Foundation on their SA Connect mapping tool which is currently under development.

   d. Final Development and distribution of marketing materials to support the Houston Street retail segmentation strategy developed in FY2015-16. Will also provide marketing support to promote the searchable, web-based mapping tool developed in FY2016 that prospective tenants, brokers and investors can use to search for specific property types within the District.

      (1) Staff support from the Vice President of Innovation and Strategic Alliances to coordinate with other entities on development and implementation of recruitment and retention strategies. Will also support retail recruitment efforts for Houston Street.

   e. Additional staff support from the Director of Member Engagement and the Director of Community and Governmental Relations (existing position), will interact with and cultivate stronger relationships with local businesses and property owners within and adjacent to the District.

      (2) The plan also includes resources that will be earmarked for events and educational programs to support the business recruitment and retention efforts.

2. **MARKETING PROMOTION & EVENT PROGRAMMING:** The Corporation has budgeted $498,000 for the launch and ongoing promotion of the new Centro brand developed during FY2017. The marketing, communications and public relations campaign to support the Centro brand will be managed by staff with support from designated marketing and creative agencies that will be tasked with developing execution elements as noted below:

   a. Construction and ongoing promotion of dedicated downtown web platforms (websites) to function as the foundation of the brand's digital platform. Includes development and execution of strategies to enhance the website's ranking on key search engines as a means to drive traffic. Also includes establishing metrics.

   b. Create and execute digital social media strategies using a variety of social media platforms to support promotion of the brand and key activities within and surrounding the District. Includes tracking social media engagement using appropriate and recognized measurement tools.

   c. Production of a consumer facing video to be widely distributed through a variety of traditional and social media channels. Production of a series of video-based stories to be housed on the downtown brand website.

   d. Design and production of other marketing materials to support the brand campaign; including the purchase and distribution of branded merchandise.

   e. Production and promotion of a series of brand launch and ongoing promotional events to build awareness for the Downtown brand and drive interaction.

   f. Development and execution of a communications and public relations strategy to mobilize the broader community to become more engaged with and active in the District.

   g. Commissioning of artists to create public murals in areas within and surrounding the District to promote the District and downtown brand. Work will be coordinated with the City.

PROJECT MANAGEMENT, PLANNING AND RESEARCH

With the City's focus on implementation of the SA Tomorrow Comprehensive Plan and the launch of the related Regional Center and Community Plans, the Corporation recognizes the need to have sufficient personnel resources to support these key planning initiatives. Additionally, areas within and adjacent to the District will see significant public sector investment, which through the 2017-2022 bond program, will require coordination with property owners and businesses in areas such as Zona Cultural and the Broadway Cultural Corridor.

The Corporation has budgeted **$295,000** for existing staff resources that provide strategic support, project management oversight and research support for the following key initiatives (See Special Projects Section Below):

1. The Downtown Regional Center Plan: Working with the City Planning Department through a Memorandum of Understanding, the Corporation will provide strategic analysis and guidance in three key areas:

   a. Economic and Fiscal Impact through a "Build Out" Analysis
   b. Incentive Program and Housing Market Updates
   c. Development and implementation of a robust public engagement process

2. Houston Street Initiative: a proposed collaboration with the International Downtown Association and the San Antonio Chapters of the American Institute of Architects (AIA) and the Urban Land Institute (ULI) to create a vision for Houston Street as San Antonio's "Main Street". The initiative will include:
   a. Convening of an expert panel to conduct a site review and make recommendations
   b. One or more design charrettes coordinated through AIA and ULI

3. Zona Cultural Revitalization Plan Implementation:
   a. Establishment of a management organization to oversee the ongoing development of the Cultural District
   b. Support for key initiatives within the plan, including public art installation, district brand identity and marketing, and public space event activation

4. Broadway Cultural Corridor and Zona Cultural Bond Projects
   a. Provide project management support during the design and pre-construction phases of these projects, which were approved by voters in the 2017-2022 bond program.
   b. Convene and facilitate key stakeholders and City representatives to maintain open lines of communication on design issues, project planning, community engagement and business disruption planning

5. The budget also includes annual licensing costs for the pedestrian technology installed in FY2016.

CONTINGENCY

The Corporation has budgeted $100,000 for contingency within the District. These funds shall be used within the PID at the Corporation's discretion and with approval of the designated City representative.

CAPITAL IMPROVEMENT PROGRAM (CIP)

The Corporation has budgeted **$365,000** for small capital projects and one-time, short duration special projects that are either a continuation from FY2017 or planned for FY2018.

1. Capital Projects: **The Corporation has budgeted** $150,000 **for small capital projects within the District as highlighted below:**
   a. Continuation of downtown ornamental lighting programs.
   b. Collaboration with the City to provide financial support for the procurement of one Downtown Public Restroom at a location to be mutually agreed to by the City and the District.

2. Other Projects: **The Corporation has budgeted** $215,000 **for other projects within the District, as noted in the section of this Plan entitled "Project Management, Planning & Research)** which **may require the use of professional service firms with expertise to support the following initiatives:**
   a. Downtown Regional Center Plan
   b. Houston Street Initiative

c. Zona Cultural Revitalization Plan

MANAGEMENT/ADMINISTRATION:
The Corporation has entered into a management agreement with Centro San Antonio, a 501(c)(3) non- profit Texas Corporation, to provide the following management and administrative services related to operations of the District as defined by the Management Agreement. The District has budgeted **$774,000** for Management Fees:

1. Provide executive support to oversee and monitor the services and programs provided by the District, and to ensure that adequate controls are in place for District operations and financial management of the District.
2. Provide administrative support staff to perform key functions including: clerical, accounting and bookkeeping, human resources, and legal.
3. Provide reports to the City concerning operations of the District as required by the Management Agreement.
4. Recruit, hire, pay and supervise the work force that the Corporation will utilize to furnish the services and programs defined in the Plan, and enter into contracts with subcontractors, as the Corporation deems appropriate, to provide District services and programs as defined in the Plan.
5. Monitor the performance of said subcontractors and ensure that adequate controls are in place related to the delivery of said services and programs.
6. Provide office space for the District's administrative and management personnel as necessary.
   a. The Corporation currently occupies office space and share office services with Centro San Antonio at 110 Broadway Street, Suite 230 in San Antonio.
7. Maintain consistent communication with the City's designated representative and staff at other City departments concerning issues that may have an impact within the District.
8. Participate in private or public meetings concerning operation and activities related to the District.
9. Abide by the process defined in the Management Agreement for the selection of subcontractors. The Corporation may choose to continue to utilize the services of existing contractors to provide the services and programs as defined in the Plan.
10. Assist the City by providing information about District improvements and/or supplemental services related to potential downtown development proposals and projects.
11. Function as an Information Center for all matters relating to the operation of the District.
12. Provide a recommended and updated *Service and Assessment Plan* to the City of San Antonio's designated representative annually, and quarterly reports on District activities.

OTHER SERVICES:
The Corporation may at some time during FY2018 provide additional services and/or participate in additional programs not currently contemplated, but that could be of benefit to properties located within the District. Said additional services would be subject to approval by the Corporation's Board of Directors. A Program Reserve Fund, as described below, has been established in the budget for this purpose, and any unused funds remaining in this budget item at the end of the year will be placed in an investment account for use on future projects, to be approved by the Board.

PROGRAM RESERVE:
In FY2006, the Corporation established a Program Reserve Fund to establish an account to be used for special projects. On an annual basis $25,000 has been contributed to this fund. In FY2018 an additional $25,000 has been budgeted for the Program Reserve Fund. Projects that the Program Reserve Fund could fund would require the approval of the Corporation's Board of Directors and the City's designated representative.

OTHER DISTRICT REVENUE:
Outside of the private assessments collected by the City and used to reimburse the Corporation for the cost of services defined in this Service and Assessment Plan, the District receives revenue from other sources:

1. Public assessment from the City of San Antonio as required by State statute as the municipality that established the District.
2. Per an inter-local agreement between the City and VIA Metropolitan Transit ("VIA"), VIA provides funds annually to the District for services provided by the District on behalf of VIA. (Estimated to be $301,000 for FY2018)
3. Funds from the City per an agreement the City has with the management company for the Majestic and Empire Theatres (Estimated to be $18,000 for FY2018).
4. The Contractor shall provide two sidewalk power washing crews in addition to such services included in the Plan. The crews shall operate Sunday-Thursday from 9:00 p.m.-6:00 a.m. The invoices for such additional power washing services shall be separate from services furnished under the Plan, shall not be paid with PID funds and are subject to annual budgetary appropriation by City Council (Estimated to be $244,000 for FY2018).
5. The Corporation is also allocating $25,000 from the PID Program Reserve to support the "Giving Help" Anti-Panhandling Pilot Program.
6. Additionally, the Corporation, through a direct agreement with the entity noted below, receives voluntary contributions to the District for services to be provided within the District Boundaries. The Corporation receives these payments directly and will disburse these funds to cover the costs of services to be provided. A voluntary contribution of $150,000 will be received under an agreement between the Corporation and Christus Santa Rosa Health System on behalf of the Children's Hospital of San Antonio.

Table 1 – FY2018 Budget

PROJECTED BEGINNING BALANCE		1,416,000
REVENUES		
	Assessments (Private)	4,245,000
	Assessments (City and CPS)	291,000
	Contracts and Other Revenue	301,000
	Interest on Deposits	32,000
	Delinquent Payments, Penalties & Interest	43,000
	Allocation from PID Board Program Reserve	25,000
	Voluntary Assessments	150,000
TOTAL REVENUE		5,087,000
AMOUNT AVAILABLE		6,503,000
CORE SERVICE EXPENDITURES		
	Maintenance	1,727,000
	Landscaping/Streetscaping	331,000
	Hospitality Services	775,000
	Outreach & Security	233,000
	District Operations Center	168,000
	Business Retention, Recruitment, Expansion	186,000
	Branding and Marketing	498,000
	Planning & Research	295,000
	Contingency	100,000
	Management/Administration	774,000
CORE SERVICE TOTAL		5,087,000
CAPITAL EXPENDITURES		
	Capital Projects	150,000
	Special Projects	215,000
	Program Reserve	25,000
CAPITAL TOTAL		390,000
TOTAL EXPENDITURES		5,477,000
PROJECTED ENDING BALANCE		1,026,000

FISCAL FORECAST FOR YEARS TWO TO FIVE (Oct. 1, 2018 – Sept. 30, 2022)
This fiscal forecast assumes that the Corporation, at a minimum, will continue to provide the programs and services as defined in this FY2018 Service and Assessment Plan. The projections are based on the assumptions noted below. A new budget will be established each year that will be based on the assessment rate, assessed valuation, assessment collections and services to be delivered. The remaining fund balance from each year will be carried forward for use as the beginning balance in the following year. **(See Table 2 on next page)**

In the event that the District is not re-authorized in the last year of this Plan, property of the Corporation and District will be sold and funds from the sale of property added to any remaining fund balances. The remaining fund balance will first be used to pay for expenses necessary to dissolve the District, and any remaining funds will be used as mutually agreed upon by the City and the Corporation's Board of Directors.

The Corporation may provide additional services and/or programs other than those described above when desired and directed by the Board of Directors and agreed to by the City.

Table 2: Projected Budget (FY2019 – FY2022)

	FY2019	FY2020	FY2021	FY2022
PROJECTED BEGINNING BALANCE	1,026,000	876,060	823,255	805,698
REVENUES				
Assessments (Private)	4,351,125	4,459,903	4,571,401	4,685,686
Assessments (City and CPS)	298,275	305,732	313,375	321,210
Contracts and Other Revenue	308,525	316,238	324,144	332,248
Interest on Deposits	32,800	33,620	34,461	35,322
Delinquent Payments and P&I	44,075	45,177	46,306	47,464
Allocation from PID Board Reserve	-	-	-	-
Voluntary Assessments	150,000	150,000	150,000	150,000
TOTAL REVENUE	5,184,800	5,310,670	5,439,687	5,571,929
AMOUNT AVAILABLE	6,210,800	6,186,730	6,262,942	6,377,627
CORE SERVICE EXPENDITURES				
Maintenance	1,761,540	1,796,771	1,832,706	1,869,360
Beautification & Landscaping	337,620	344,372	351,260	358,285
Hospitality Ambassador Services	790,500	806,310	822,436	838,885
Outreach & Security	237,660	242,413	247,261	252,207
District Operations Center	171,360	174,787	178,283	181,849
Business Retention, Recruitment, Expansion	189,720	193,514	197,385	201,332
Marketing, Promotion & Events	507,960	518,119	528,482	539,051
Project Management, Planning & Research	300,900	306,918	313,056	319,317
Contingency	98,000	100,000	100,000	100,000
Management/Administration	789,480	805,270	821,375	837,802
CORE SERVICE TOTAL	5,184,740	5,288,475	5,392,244	5,498,089
CAPITAL EXPENDITURES				
Capital Projects	75,000	50,000	40,000	50,000
Special Projects	50,000	-	-	-
Program Reserve	25,000	25,000	25,000	25,000
CAPITAL TOTAL	150,000	75,000	65,000	75,000
TOTAL EXPENDITURES	5,334,740	5,363,475	5,457,244	5,573,089
PROJECTED ENDING BALANCE	876,060	823,255	805,698	804,537

Revenue Forecast: Projects annual revenue increases of two and one-half percent per year in Public and Private Assessments.

Expense Forecast: Expenses for all categories are projected to increase by two percent in Years Two through Five. Capital projects allocations are reduced and special projects phased out in order to maintain a fund balance to cover approximately 90 days of core service operations.

Description of FY2018 Assessment Calculation:
The assessment year will be concurrent with the City's Tax Year, January 1, through December 31. The Assessment levy against private property (based on $.15/$100 of assessed valuation for all properties except for residential condominiums which will be based on $.09/$100 of assessed valuation) is estimated in Year One to be **$4,376,000**. For budgeting purposes, a 3% reduction is forecast to address late payments and refunds from prior year's settlements. IN FY2017, such settlements reduced assessment payments by nearly $112,000. This adjustment translates to a budget assessment level of approximately **$4,245,000**. The assessment levy on private properties is expected to grow at an approximate rate of 2.5% per year each year thereafter through FY2022.

Each commercial property in the District is to be assessed based on the valuation on the property as determined by the Bexar Appraisal District while each residential property in the District is to be assessed based on the valuation on the property as determined by the San Antonio Independent School District and as certified by the City of San Antonio Tax Assessor/Collector. Notice of the levy of assessment is to be given as provided in Section 372.001 in the Act. The Assessment Levy Statement will be sent to each property owner in the District and the assessment levy will be due and payable at the same time property taxes are due and payable to the City of San Antonio Treasury. Penalty and interest will accrue on delinquent accounts in accordance with ad valorem penalty and interest schedules of the City of San Antonio. Payments become delinquent as of February 1st after assessment is levied. Interest on any delinquent installment shall be added to each subsequent installment until all delinquent installments are paid.

Of the **968** property accounts in the District, **213** are certified as exempt, leaving **755** accounts to be assessed in FY2018. **680** accounts in the District are certified to date for a value of **$2,870,670,528** for the 2018 assessment year. The remaining **75** accounts in the District, which are not yet certified, have a prior year value of **$87,764,695**. This Plan assumes that the uncertified accounts will at least remain at the prior year value. When the value of the certified accounts is added to the prior year value of the uncertified accounts, the total value of private properties in the District is **$2,958,435,223**.

The value of taxable properties, when combined with City Exempt property values totaling **$177,540,000** (City & CPS), provides a total valuation of the District upon which to base the assessment for FY2018 of **$3,135,975,223**. The valuations on which the Budget is based in this plan for the remaining years of the current district's authorization are estimated to be sufficient to provide the improvements and/or services as described above in this Plan.

EXHIBIT A: FY2018 PID MAP

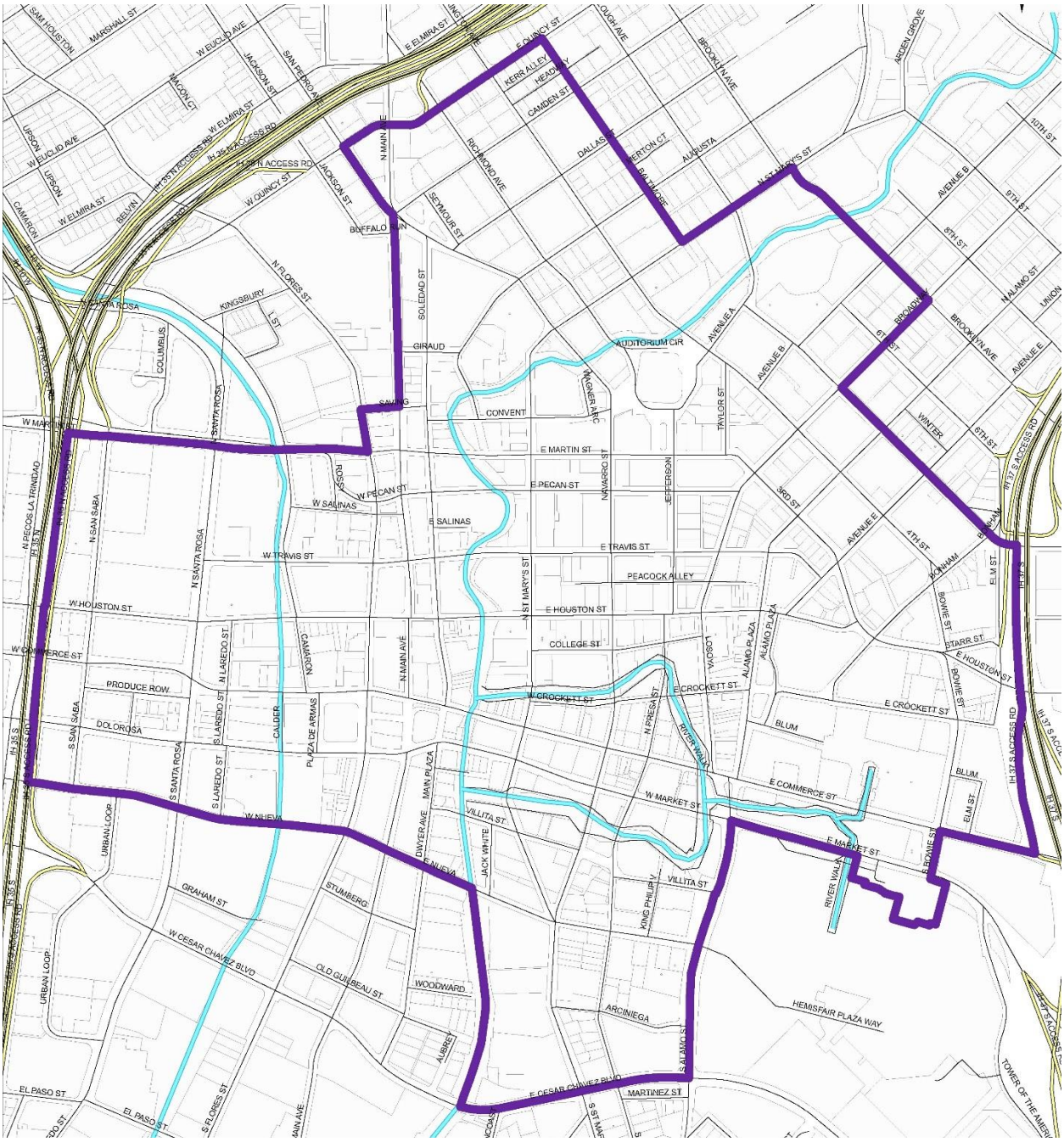


Exhibit B

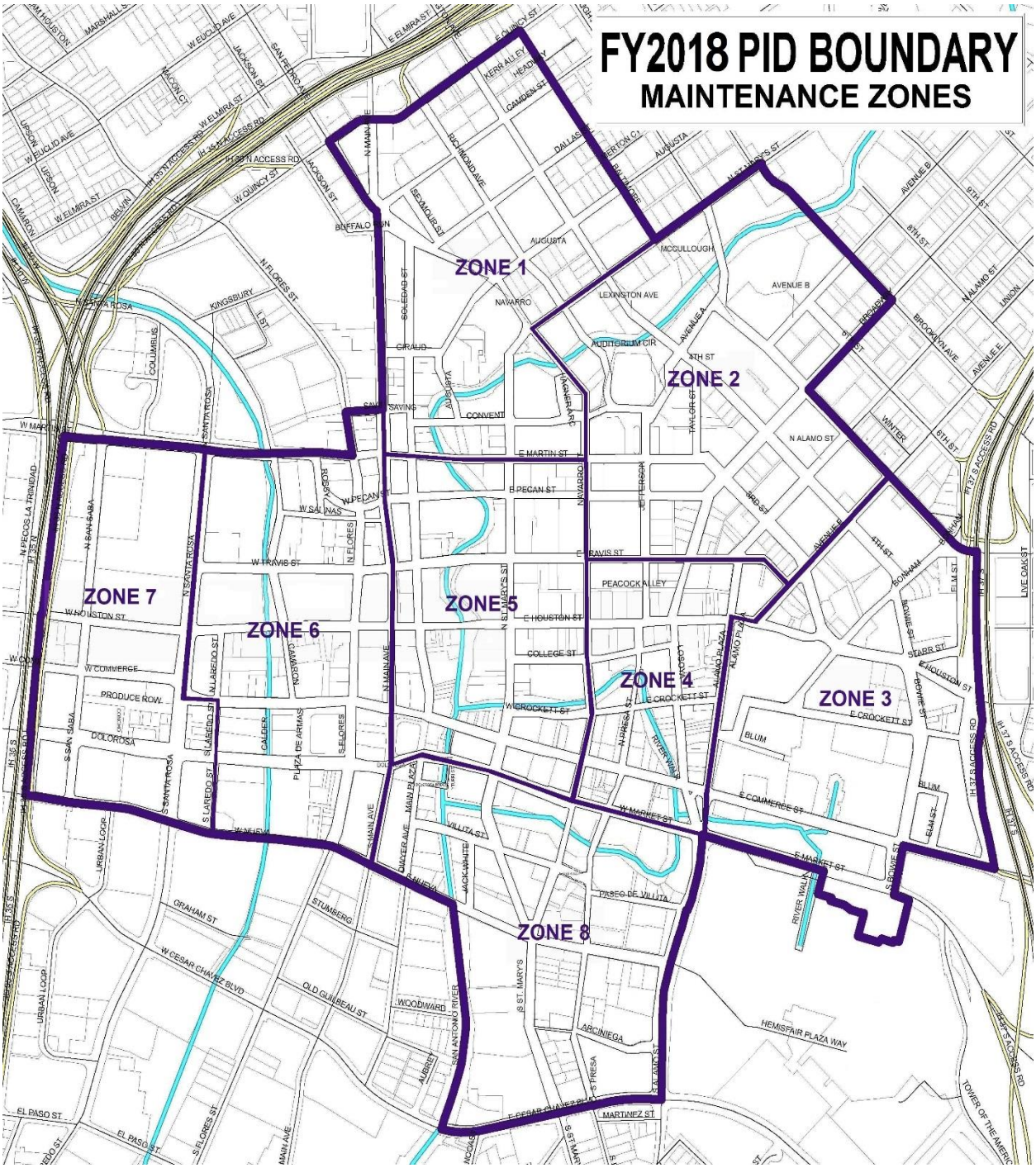

FY2018 PID BOUNDARY
MAINTENANCE ZONES
ZONE 1
ZONE 2
ZONE 3
ZONE 4
ZONE 5
ZONE 6
ZONE 7
ZONE 8

Exhibit C: FY2018 PID Landscaping Service Map

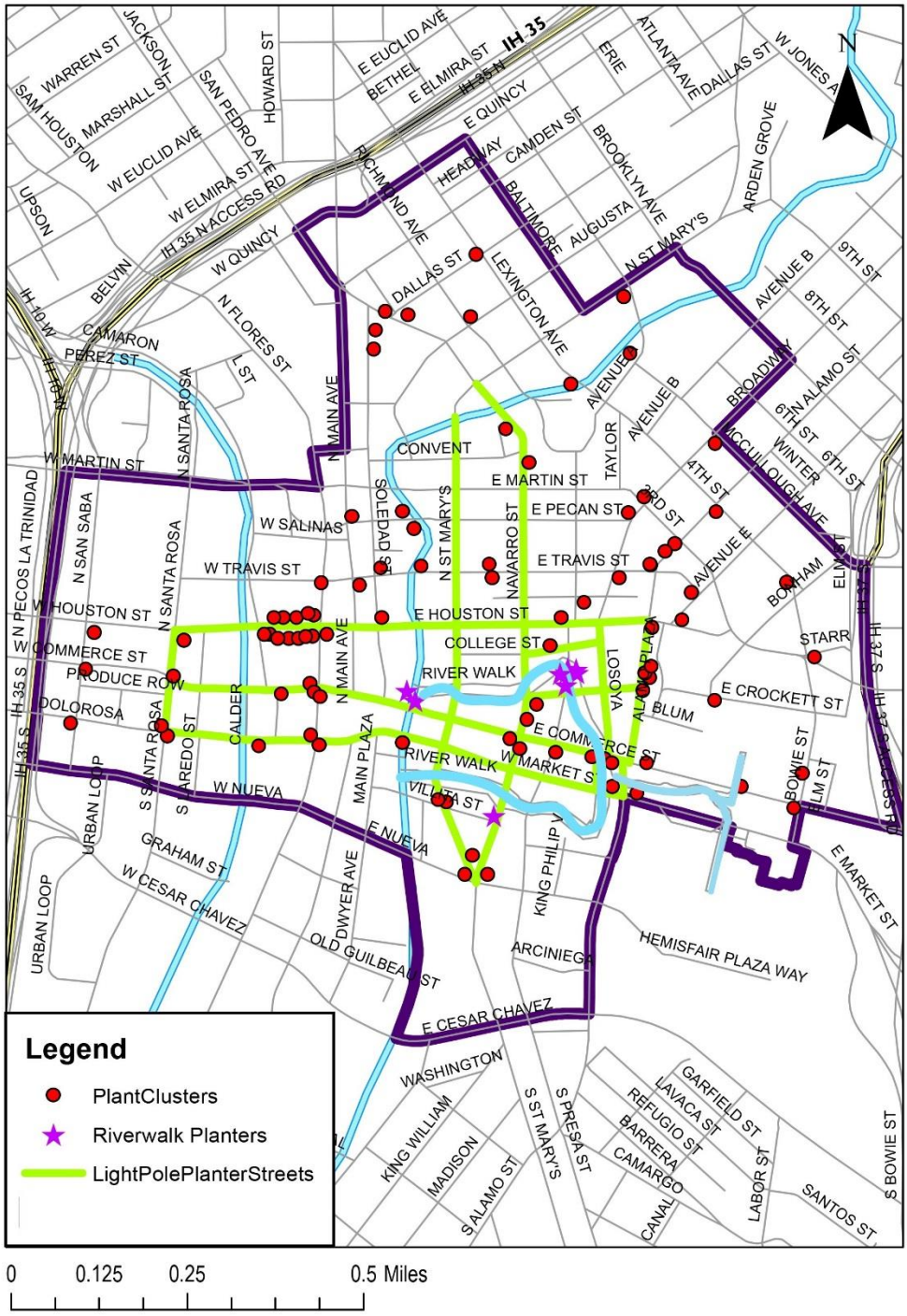
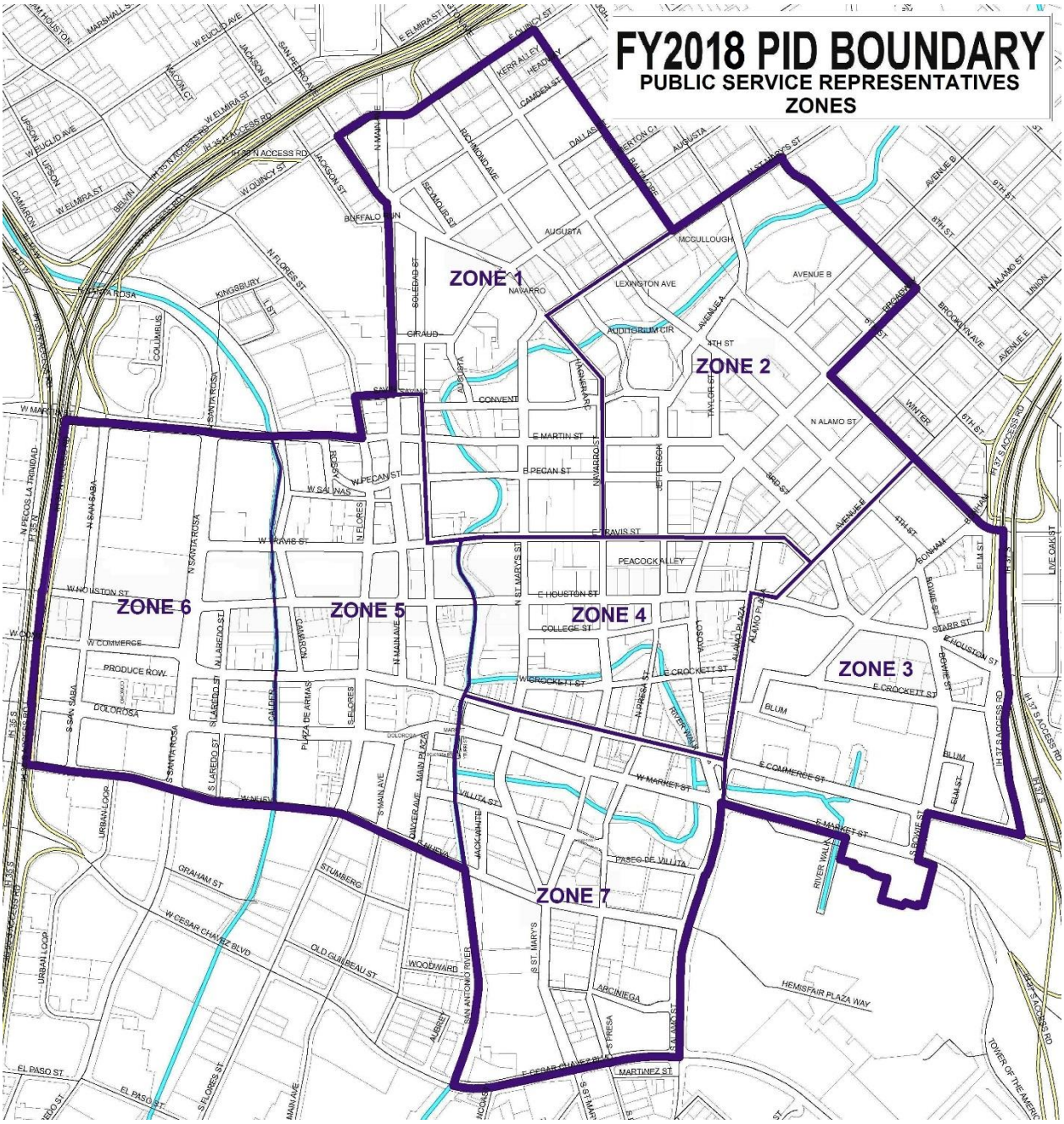


Exhibit D


FY2018 PID BOUNDARY
PUBLIC SERVICE REPRESENTATIVES
ZONES
ZONE 1
ZONE 2
ZONE 3
ZONE 4
ZONE 5
ZONE 6
ZONE 7