

State of Downtown

Led by the construction of Discovery Green and Houston Pavilions, nearly \$3 billion of downtown development activity is planned. Following the nearly \$4 billion of activity that began in the mid 1990s, this second wave of redevelopment is underway with over 30 projects including civic buildings, commercial office towers, residential and infrastructure. Nearly \$600 million is currently under construction.

Discovery Green will open in early 2008 as a highly programmed public urban park featuring two Schiller Del Grande Group restaurants, over an acre of lake, a green lawn, lush gardens, library reading room, interactive fountains, children's play area and dog runs. The park is operated by the nonprofit Discovery Green Conservancy, Inc., which worked in conjunction with the City of Houston to develop the project. Discovery Green will set a new standard of public green space for Houston.

Opening in October 2008, Houston Pavilions will provide long-desired soft goods retail as well as exciting dining and entertainment venues and 200,000 square feet of office space. Developed by William Denton and Geoffery Jones, the

360,000-square-foot, \$170 million retail project covers three blocks starting at Dallas at Main. Anchored by House of Blues and Lucky Strike, restaurants & bars include McCormick & Schmick's, Mia Bella, Antica Osteria, Red Cat Jazz Café, Tuscany, Yao's Restaurant & Lounge, and Pete's Dueling Piano Bar. Retailers include a Forever 21 signature store, BCBG, Journey's Shoes, Books-A-Million, and others. The Main Street Market Square Redevelopment Authority and the Downtown District are public sector funding partners.

Downtown Houston is being redefined as areas around the new Discovery Green, a re-emerging east-west corridor, and the west side continue to become more active. For the first time in 25 years, downtown is experiencing new residential development. The Finger Companies is constructing the 37-story, 346-unit residential tower, One Park Place, immediately west of Discovery Green.

This is sparking interest in additional downtown residential development; at least two more tower projects are in development stages. Downtown's diverse nature as a place to live, work, and play continues to strengthen. Just look at the recent development activity and accomplishments of note:

The Big Picture:

- 2007 ~ \$3 billion development activity*
- \$600 million currently under construction
- More than 30 projects in development

* Compared to ~ \$4 billion in the mid-1990s

Milestones and Openings:

- March 2008 - Discovery Green
- May 2008 - Central Library re-opens
- May 2008 - Jamail Skatepark
- Mid 2008 - Sacred Heart Co-Cathedral
- October 2008 - Houston Pavilions
- Spring 2009 - One Park Place

Arts and Culture:

- Central Library re-opens in May 2008
- Campaign is under way to restore and expand the Julia Ideson Library

Sports and entertainment

- \$8.4 million spent annually downtown
- Convention, sports and leisure visitation is up 130%

Government and Civic:

- Harris County - over \$400 million in civil and criminal justice facilities

Education:

- University of Houston Downtown opens College of Business at the new Shea Street Building
- Incarnate Word Academy expands Campus and Fine Arts building

Hospitality:

- 4,772 hotel rooms in 15 properties
- 2 hotels recently announced
- 3 hotels in planning stage

Residential:

- More than 11,200 new residential units within a 2-mile radius of Main Street Square
- 39 residential properties within downtown

Recreation:

- Free public skatepark is under construction
- The \$15-million 23-acre Sabine to Bagby Promenade has won numerous accolades since opening in 2006
- Redevelopment of Allen's Landing underway

Streets & Public Spaces:

- 1,500 new on-street parking spaces
- 2,000 new street trees
- 12 fountains
- New street lighting
- New wayfinding system
- 70% of blocks in downtown have been rebuilt through a \$500-million-infrastructure investment by City of Houston, METRO, TxDOT, Downtown District, Central Houston

Retail:

- Houston Pavilions will open with multiple dining and retail options
- A "Culinary District" is envisioned for Houston's Historic District

Worship:

- Catholic Cathedral under construction
- Episcopal Diocesan office moved downtown

Office:

- 4 million square feet of Class A space in planning stage
- Gross general rates pushing \$40 per square foot

