



The Woodlands Township Performance Analysis **Outreach Summary**

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In June, July and August, 2011, PSA began an initial outreach effort with stakeholders and residents to solicit feedback on how the current Township governance structure excels, where it is deficient, and issues that must be explored regarding future service delivery. The feedback from this initial outreach effort is summarized in the following report analyzing the current performance of the Township and identifying any current and future performance gaps of the Township.

Outreach Program

As part of this effort, PSA worked with the Board of Directors to develop an outreach program to solicit feedback from stakeholders and citizens through interviews and discussion groups. All interviews and discussion groups were facilitated and moderated by PSA with no observation or participation from Township Directors or staff. Participants were told their feedback would be summarized in a report, but their names would not be associated with comments offered.

Using feedback and direction from the Board, the following key service providers and stakeholders were indentified for initial interviews: CenterPoint, Economic Development Partnership, Entergy, Joint Powers Agency, Montgomery County Precinct 2 Commissioner, Montgomery County Precinct 3 Commissioner, Road Utility District #1, Woodlands' State Representative, Woodlands' State Senator, San Jacinto River Authority, South Montgomery County Chamber of Commerce, and The Woodlands Development Company. Several other stakeholders and entities were contacted by The Woodlands' leadership to inform them of the process and enlist their support and cooperation.

Also as part of the process approved by the Board, PSA arranged for several discussion groups, including meetings with Village Association Presidents (or their designee), major employers, and retailers. This initial stage of outreach also solicited feedback from The Woodlands residents using randomly selected participants from Harris and Montgomery county voter rolls. This is an effective strategy in attaining feedback from a diverse and unique cross-section of residents and was used successfully as part of Phases II and III of the previous governance effort.

However, while managing the responses from invited individuals to the two resident discussion groups, PSA learned the invitation had been replicated by another party and independently distributed. In turn, dozens of individuals responded with interest to participate. Because of the enthusiasm of these willing participants, PSA elected to add a third discussion group to accommodate interest and randomly selected 15 of these residents to participate in the added discussion group. While this discussion group was not part of the approved outreach program, feedback provided by this third group is included in the appendix for reference.

Areas the Township Governance Model Excels

TRANSITION

When participants were asked about the transition to the Township, responses often included the word “seamless”. Participants reported a smooth transition from the Community Associations and Town Center Improvement District to the Township and often noted that it was likely “unnoticeable” to most residents. Many participants remarked that the Township serves as a single point of contact and reduces fragmentation of service delivery and governance in The Woodlands while offering a more formalized governance structure.

HIGH QUALITY SERVICES AND AMENITIES

Residents and stakeholders agree that the type and quality of services and amenities offered in The Woodlands was often the reason they elected to move (and stay) in the community. The parks and pathway system and recreational programming offered were routinely cited as premier community amenities, as was The Woodlands Fire Department. Participants acknowledge and endorse the improvements in community policing and law enforcement.

QUALITY OF LIFE

Participants routinely identified The Woodlands unmatched quality of life as something the Township stewards.

RESPONSIVENESS

Participants noted that the Township is responsive to resident and stakeholder concerns. Many noted the Board of Directors provides a forum for issues to be heard, and as one participant noted, communicating up-front what they as a Board can and cannot do to address the issue.

HIGH QUALITY STAFFING

Residents and stakeholders often remarked at the high quality of staffing within the Township and the leadership that staff provides to support the thriving community.

Deficiencies of the Township Governance Model

ORDINANCE MAKING AUTHORITY

The resounding deficiency participants identified of the current Township governance structure was its inability to make ordinances and local law. The lack of ordinance making authority was especially a concern to participants when considering the enforcement of covenants and deed restrictions. While many acknowledged the importance of the covenants and deed restrictions, many recognize compliance is largely voluntary and the Township has little power when it comes to enforcement capacity. Participants acknowledged the aging of the community and questioned whether the covenants and deed restrictions would be enough to ensure reinvestment and rehabilitation to sustain the community. While ordinance protections provide another layer of local rule making, ordinances are only as effective as the enforcement strategy and are not a universal remedy for resolving local matters.

Future Community Challenges

DEVELOPER LEAVING

Many participants acknowledge the contributions of The Woodlands Development Company, including community marketing, infrastructure development, community planning, and investment in amenities; as the Developer's investment and interests in the community diminish, so will these contributions and other entities must inherent those roles.

COMMUNITY INFRASTRUCTURE AND REHABILITATION

Participants recognize the community is aging and there is considerable concern over redevelopment, rehabilitation and maintenance of the community to prevent deterioration and to maintain the reputation for high standards in The Woodlands.

WATER

The recent drought has elevated the concerns over the transitioning water policies of Texas, and most participants recognize that a future community challenge will be addressing surface water conversion mandates and the growing concern for a diminishing resource.

MOBILITY AND TRANSIT

Participants noted that traffic into, out of, and within The Woodlands is growing; as development within and around The Woodlands continues, so will the traffic concerns. Many noted mobility and transit alternatives to move residents within the community (without the need of a car), as well as in to/out of The Woodlands, should be explored.

COMMUNITY APATHY

Participants responded that residents are happy, and a consequence of this happiness in The Woodlands is apathy: voter turnout is low, volunteerism is declining and citizen engagement is meager. The challenge, participants noted, will be to communicate and impart the importance of key decisions, including any on future governance, so the community's voice is truly heard and implemented.

LEADERSHIP SUCCESSION

Several respondents noted that while leadership throughout The Woodlands is strong today, there is a lack of leadership development and grooming occurring for the future. Participants suggested looking to the Village Associations and developing programs to cultivate future leadership.

GROWTH

While many consider The Woodlands to be nearing buildout, with residential development concentrated in the eighth and final Village, continued growth around The Woodlands will also impact the community. Ensuring a continuation of smart and strategic development will be important to the community's future.

EXPANDING CULTURAL AMENITIES

Participants noted that as the community matures, arts and cultural amenities (including museums and performance companies/halls) will need to be expanded to compete with other thriving community centers and to address the desires of residents.

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APPENDIX A: VILLAGE ASSOCIATION PRESIDENTS (OR DESIGNEE) DISCUSSION
GROUP NOTES

June 23, 2011

What has changed since the Township was formed (in 2007) and fully implemented (on January 1, 2010)?

Transition went so smoothly (in terms of quality of life)—it was transparent; basically, life is unchanged.

There was some concern that there would be disruption in service delivery, but it was seamless—residents weren't impacted at all.

Some of the challenges will be the service contracts that are expiring, like waste disposal. It's clear that the Directors are having trouble coming to consensus, many with a specific agenda that doesn't necessarily represent their constituents. This will be a continued challenge.

What does the Township do well?

Their attempt at communication is excellent, although sometimes it's not *received* (because people don't read the Magazine); they do a great job getting info out.

Not always; the law enforcement meetings were cut back to quarterly meetings, and they said that all the information is online, but we lose information when we don't meet as often and thus, we can't respond to constituent questions.

We have a deputy come to every Village Association meeting and have great, consistent information provided. We use the opportunity at these meetings to provide feedback.

The law enforcement meetings are more policy-level; however, we/the committee did vote to cut back to a quarterly meeting (although there were some dissenters); we/the committee can revisit that decisions at any time.

The continuation of high quality services and amenities, and the commitment to keep the property tax at or lower than the (Community Associations) assessment rate previously.

They do a great job at hearing resident concerns, allowing issues to come forward and communicating up-front what they as a Board can and cannot do about the situation.

The Township has helped with transparency. It's easier to have one point of contact (especially for uninformed residents).

Openness of governance, information specifically on the web, and people call you back when you ask for information. Law enforcement is good, too.

As part of Harris County, the Township has done a great job at making us feel part of The Woodlands. I should note that the Harris County Constable needs to be acknowledged as part of the law enforcement activity, not just MCSO. The Township has been responsive to constituent comments and issues.

This will be a challenge for me: I've become used to the Montgomery County system, and I'll have to learn the Harris County system (since I'm moving from Cochran's Crossing to Creekside soon). We'll have to make a special effort to make sure Creekside feels part of The Woodlands, and that nobody is separated by county or ISD boundaries.

Financial responsibility is great. I lobbied for a lower tax rate, but when I go through the budget and see how they are spending the money, I'm totally comfortable with how they are using it.

We're informed; if you asked the majority of residents, 90% would disagree.

The attitude survey completed by the Township certainly demonstrates satisfaction on service delivery.

We have thousands of people here now, but why do we have such a small sample for the survey (3,000)? The Township can do a better job at providing access to a survey online. Board is hesitant to using web-based tools.

Are there any current deficiencies?

Not sure if they can fix it, but what keeps coming up in Sterling Ridge, whenever there is construction activity, is that they want a hearing so they can have access to the project. Because the Developer handles projects, there is concern about the inability for constituents to influence the process [like there would be for rezoning a property in a city].

In transitioning roadways, there is a grey area where the Developer says they've transitioned it to the county, but the county says they won't do anything for a year. The roundabout is a problem—people don't know how to use it (driving backwards); it would be nice for the Township to help advocate in this circumstance.

Constituent services could be improved: even if it's not a Township issue, staff should help facilitate solving the problem with the correct jurisdiction. Because we're not a city, we don't have ordinance making authority (which would allow a hearing), but residents need to have more access and information.

What are some of the future challenges that face the community?

One of the biggest problems is our inability to enforce covenants. We have no recourse other than to send letters and put a lien on their home (which is a LONG process). Unless we have the ability to fine people and enforce covenants, we'll see continued deterioration.

There are some concerns that the DSC isn't accountable to the residents because they're an appointed board. This goes to overall accountability concerns. Also, the MUD system is so fragmented. We all have a JPA that serves the MUDs, but nobody holds JPA accountable. We should think about consolidating the MUDs to create some consistency.

The consequences of buildout and the development company moving on—the impact isn't minor.

We have to consider that the future (incorporated or not) will have problems of its own. As a city, it'll be a cumbersome bureaucracy and maybe our relationships and service delivery won't be as good; but unincorporated, we retain some of the same problems already outlined. My concern is once we're built out, we have rehabilitation issues—while assessed valuation is going up now because new buildings are infilling, those properties will eventually decline and we may be faced with some financial issues.

Water and law enforcement.

I wonder how far a volunteer board can oversee \$80 million budgets—they're spending a lot of time and energy. Same with the DSC. If they're a paid public official, they have an office and they'd responsible for their constituency and allows for a different kind of director.

Once there is some turnover on the Board, there is a challenge in the loss of institutional knowledge and those younger people coming in will have a huge learning curve.

There is a leadership succession issue here [a lack of future leadership].

There was once a citizen's academy—that wouldn't be a bad idea to have again (it went away with the Associations).

Do you feel the Township is well-equipped to address these challenges?

There isn't a single answer; in some cases things are being handled well (i.e. SJRA's plan is being implemented for surface water), but future leadership isn't even being addressed—it needs to be!

Not many people know that the water rights are owned by the Developer and we need to get permission to build a well from the Developer.

The Township needs to take a more active role in paying attention to what's going on in the Village Associations and working with the Village Associations to develop leadership. I realize that some of the Directors have other things going on, but I see the same two Directors at every meeting—not the other five. Leadership cultivation can happen in the Village.

The problem with the two Directors that show up is that they have their own opinion and they want to share it.

Yes. Don and his staff do an amazing job. The Directors do a terrific job—they all have their hearts in The Woodlands. They're all dedicated enough to handle whatever hurdle, and the current structure is capable to handle it. If the leadership changes, this may not continue.

I don't think we've fully transitioned yet from the old system to the new system. DSC needs to transition to become more of a resident-focused group. I think we might be a bit pre-mature; maybe we don't know how well the Township is working yet. Not sure if we've been doing this long enough to know and are settled enough to understand how it's working. We've been woefully understaffed in law enforcement, and the Township has listened and has been flexible enough to come up with creative, effective solutions.

What happens when the developer leaves? What kind of void will be left in the community? What will need to be replaced when they leave (services and activities)?

The Township has begun to think about that, listing the activities that will need to be addressed and to determine the future service delivery and budget impact. It is a gradual phase-out.

As long as the Township has a plan to figure out how to handle those voids, it will be better because it's fewer people to deal with (everything going to the Township, less confusion).

I don't think the Developer will ever be gone completely, because lots of commercial interests exist. I can't imagine them just packing up and moving away. The battles will be different down the road, which might become "us vs. them".

The Developer has a history of changing leadership/ownership, and their mission might change.

...but those ownership changes have been fairly transparent.

The Development Company is not the "big, bad company man"; they are the ones who've provided such a great community. When they leave, it won't be bad either; it will just be a new transition.

The Development Company set a very high standard for them and for us, and the challenge for the community will be what standard will we set...and can we achieve it!

If I was the Developer I'd be concerned that the standards aren't being maintained.

What are things we shouldn't compromise in a governance solution?

PUBLIC SAFETY (police and fire)

Tax burden—that the overall cost of living is relative and doesn't go up.

Careful what you wish for, if we incorporate, expenses will increase because we lose county services.

The “soul” of The Woodlands—parks, recreation, the quality of life; we do not want to give that up no matter what.

What I like the most is our uniqueness—I love that we aren't a city and that nobody else has what we have.

There is a peacefulness here—we have some disagreements, but compared to everywhere else, we agree much more than we disagree. I'd hate to become acrimonious. The level of friction is low.

To me, not having any “date certain” to make a decision is good. It may be “do nothing”. I'm concerned about the emotional thing, with people just saying we need to incorporate because “xxx” ...

There are some things that happen in 2014 that occur because of the transition (appointments from the DSC from the Developer to residential control, for example); we need to consider those pieces as well and consider those issues.

I understand that the whole purpose is to come up with a plan; our problem is that we need to inform residents that incorporation might be good, but that there are other options. It may be that we phase things in (police first, MUD consolidation next, etc.), and we'll be better prepared to make that final incorporation decision. I'd much rather come up with a plan that talks to phasing and milestones than to just decide to incorporate.

What brought us together before was not options, but the fear of annexation. And people don't have that fear anymore. It just “looks different” now. There was a lack of trust, too; the hybrid wasn't trusted because people just didn't know what it would do...now we have a track record to review.

So if I hear you correctly, the county would love us to incorporate?

Not so sure; we provide for the law enforcement entirely, they don't provide anything otherwise. It's a symbiotic relationship.

There would be a significant impact on the county; they'd have to decrease their size.

How would you suggest involving the Village Associations?

Village town hall meetings; come to the Village Association meetings or hold special Village Association meetings.

Help us get the word out.

Doesn't have to have a meeting, use text messaging/online activity/Facebook/etc. The more you can incorporate these technologies the better.

Use money to communicate and advertise meetings...if they want to get the word out and educate their constituency, they need to spend money.

The [previous Phase II Governance] weekend forums were dynamite—you had 400-500 people and they were great.

What people are hungry for are facts; I can't make a decision or have an opinion without the facts—that's when we should have the big push to inform the constituency.

Coming to the Village Association meetings is good, but getting the word out to the community is important. Everyone gets a water bill—there is a spot there to communicate information. Not everyone reads the Magazine or Villager.

I don't look at my water bill.

Develop a dedicated website that is "Woodlands-neutral"; lots of people want incorporation just because they could control the Developer. A neutral site is important.

Have supporting discussion boards online.

Online discussion boards are not a good idea!

If you really want people to come you need to send every home a letter/flyer to communicate what/when/how. You can supplement with newspapers, Magazine, etc. Hit them 2 or 3 times.

Even if you do every communication means, people are happy, and we as a group don't show up unless we're upset.

That's why I think you do need to reach out to all the groups: formal groups that exist and have a desire to touch organizations that have active individuals.

I think it's an important distinction *to be asked to come and voluntarily not coming and not being asked and all of the sudden you are incorporated.*

Don't forget PTO, Boy Scouts, church leadership, etc.

Other questions/comments?

Can we do more analysis that evaluates if there is anything more we can do to help enforce covenants—I'd like to exhaust all efforts to figure out if we can do something, anything, not just incorporation.

Can MUDs be consolidated?

APPENDIX B: RETAIL/HOSPITALITY INTEREST DISCUSSION GROUP NOTES

July 21, 2011

What has changed since the Township was formed (in 2007) and fully implemented (on January 1, 2010)?

For the Pavilion, I feel like there has been a larger push to be a tourist destination in the last few years.

We're seeing a large increase in Hispanic residents; as turmoil in Mexico increases, people are coming to The Woodlands (and only The Woodlands). Many Mexicans consider The Woodlands "the safest community." It started as vacation homes, but more and more wanted to stay and move here permanently. So many countries and cultures are represented in The Woodlands that people come here and feel safe. Everything here "works" and is kept well.

I'm from Argentina, and the first six months I hated it—I cried myself to sleep. But suddenly there was a click and the whole community came out. People would hear my accent and start saying "...do you have a pediatrician, an OBGYN, ..." People would give me their cell phone numbers offering to help. Nobody was born and raised in The Woodlands—everyone is from everywhere. This is Disney World; the surroundings are amazing; it's just easy to fit in. As a mom, as a business person, as a wife—it's perfect. It's just a welcoming community—village, city...whatever it is!

Safety and security have improved. You see a lot more cop cars around. The Township has increased it and security is better.

People didn't know who to go to before (service delivery was so fragmented). The Chamber has now established a process on how and who to get approvals for new businesses. The Township is very pro-business right now. All of the institutions work together well, probably because of personalities who all are vested for the best of the community.

I don't think anyone really knows it's the Township as the governance entity; they think it's magic. But, really, does it matter if they know or not?

I actually think that's a negative [that people don't know about the Township]; if the community hadn't gone out to communicate the importance of the 2007 vote to keep what we have, I worry we could have become Houston!

What does the Township do well?

We have good leadership (political); our legislators are deeply entrenched in The Woodlands.

A number of things are working here and they're working for a reason. Having "zoning" is a key to success; it's the only place in the region with "zoning." Those rules that were put in place really work. The Chamber is a strong institution for the good of The Woodlands. Interfaith is a key component in the community. The fact that you have strategic growth and not helter-skelter activity is important. The Township area has exploded; since 2001 we've added 100s of restaurants and they're all full! A lot of thoughtful, strategic things have happened. Will these institutions be encumbered or hampered if we have to become a city? Everything is working now.

You just don't "need" anything, especially in the last 10 years. You have everything here; going to Houston is like a "field trip."

It's easier to get things done here in Montgomery County; I have other restaurants in Houston, and I'm selling them off! The red tape in Shenandoah—for a little city—was immense; they were not business friendly.

Are there any current deficiencies?

No public transportation.

I've heard that in communities where they bring in public transportation, like buses, crime has increased.

The Township has been very supportive to the hotel industry. Transportation is an issue for visitors, and we've had to beef-up our valet service.

If the Developer had control of more ownership of buildings (like they used to) we wouldn't have as many vacancies (especially in key locations).

No deregulation of energy here in The Woodlands.

The Woodlands isn't a recognized post office location (it's listed as Spring).

The one thing we're missing here is cultural aspects: theater, opera, ballet, museum, etc. I hope with growth that will come.

From your perspective, what future challenges face the community?

Traffic. Woodlands Parkway is terrible.

We really need taxis and to regulate taxis.

Growth.

Closed streets (i.e. Market Street) have become challenging; it's great to have wonderful concerts, but people can't get in/out, especially during the concert; parking garage fills regardless of "no event parking" sign.

Lack of things for our teenagers to do. They can go to the mall or movies, but there isn't any place for them to go hang out. There is a gap in high school—there isn't a place for them just to hang out. In some places there are signs that say unaccompanied children can't be around (Market Street) after 7 pm!

Would changes in the Township's governance structure impact you? If so, how?

We don't really know what change might mean so we can't really tell you.

From your perspective, what things should the Township consider before making changes to its current governance structure?

Seems to me you'll have to incorporate eventually, to have a strong regulatory government (as the Developer leaves), but you want to wait as long as possible because it will require a hike in taxes.

Things cost money. And, since nobody wants to leave or give up an inch of quality of life, they'll complain, but pay.

If this collection of entities is working (Chamber, Township, etc.) then we can't miss sight of that.

What would be the business community's tolerance to an increased tax rate (incorporation)?

There is a price for exclusivity and people are always willing to pay for The Woodlands because they know its quality. If you don't start charging for quality, then people take it for granted.

If you're getting what you're paying for, then it's not a bad thing to pay to be here. The cost keeps only *quality* businesses here. The return on my investment here is valuable.

Where else would you meet with a competitor across the street and give them advice on how to succeed?! Only in The Woodlands!

What kind of void will the Developer leave; is the Township positioned to fill that void?

People don't really know what the Developer does, so maybe we need to start to think about what will happen when the Developer isn't here to put in pavers in roads.

Who'll take over transportation planning and get us TxDOT and federal funding for projects?

I would think there is enough time for the Developer to work with the Township to facilitate a transition.

How should the business community be involved in this process?

Communication—email, etc.

Give participants choices; don't allow debate and unbridled vision.

Be transparent.

Work with the Village Associations.

Use the Chamber.

What's the one or two things you don't want to lose?

Quality life (3)

Exclusivity (2)

Marketing

Amenities—parks, bike paths, entertainment, etc. (2)

Public safety

Quality education

APPENDIX C: MAJOR EMPLOYER DISCUSSION GROUP NOTES

July 21, 2011

What is your understanding of The Woodlands Township as a governance structure? Said otherwise, how do you understand the Township to operate as a local governmental entity?

They're a special entity created by legislation. They operate through an at-large Board of seven Directors. They have a "city manager" and the members of the board are basically like a city council. They provide all the services within the Township (fire, maintenance, contract trash, parks, contract additional police, ad valorem tax, etc.)

The Township cannot create ordinances/laws.

What has changed since the Township was formed (in 2007) and fully implemented (on January 1, 2010)?

We used to have Community Associations and those have all been turned over to the Township. There are still RDRCs, but all obligations have been turned over to the Township.

There is now one place to go to. One entity. One body. It's much easier.

Residents haven't noticed the transition as much; they're oblivious that they have more law enforcement officers now and more of a centralized government.

You can deduct your property taxes now (which you could not do previously with the assessments).

Businesses did recognize a 1% increase in sales tax.

Directors are "at large"; nobody is "representing" their "Village"—I think that's positive!

What does the Township do well?

Maintenance.

Fire department is first class and they are very good disaster planning. The Township does an excellent job at negotiating contracts (trash, law enforcement). They have very capable people in management. I'm very pleased.

Parks system is great! The amount of green space and parks is great. We have a completely connected pathway system.

Law enforcement contract has been managed well.

Consolidating Township facilities at the Split Rock facility will be great.

The Township communicates what we need to know very effectively.

They are very approachable. They address issues when raised and are responsive.

Are there any current deficiencies?

No taxi service.

From your perspective, what future challenges face the community?

Public safety.

Mobility. Traffic inside The Woodlands is enormous, but you can only add so many more lanes. Within the Town Center (with high density residential), more growth will occur.

Transit—getting people into The Woodlands. Many of our employees (averaging 30%) commute *into* the community.

Parking.

Maintaining our quality of life. We all moved here for a reason, and it was for the unmatched quality of life to live and to work here. Is this the Township responsibility? It needs to be the responsibility of someone.

Without the ability to enforce our own laws and have local control...that might be a challenge.

Water.

Keep the right pro-business environment. We need to be careful that we don't go the other way. Business is the heartbeat of The Woodlands and why we're so economically strong...it benefits everybody.

We have a great medical community that has attracted great people.

We have a great ISD and tremendous private schools.

We also have a lot of diversity, but some are concerned that we're not racially diverse enough.

Would changes in the Township's governance structure would impact you? If so, how?

Cost. Taxes. Too much of a burden will move folks out of The Woodlands.

You want to be smart enough to have the right strategy and plan to ensure that infrastructure is continually maintained instead of waiting for a crisis with a small tax base and major improvement needs.

What attracted big companies to move here anyway?

Cost; cheaper and better than Houston and Greenspoint. The Woodlands had so much to attract employees.

Untapped area—we could attract people quickly. Airport access is great; we get folks in/out easily. And, there are plenty of places to entertain.

We moved from Greenspoint screaming...we're delighted to be here!

The Woodlands is great, but there are surrounding complimentary communities that people can live in and come from, too (Imperial Oaks, Magnolia, etc.)

From your perspective, what things should the Township consider before making changes to its current governance structure?

There is a misconception that there are more sales taxes to be had, or that alcohol taxes alone will pay for incorporation.

If you incorporate, you have to take on *all* the required responsibilities (permitting, inspection, etc.) You need the staff and infrastructure to accommodate this.

I don't want an environment that is prohibitive to growth or the change/renovation of business/office complexes.

We have a great relationship with law enforcement; I don't want to see that change.

Bureaucracy—it will grow with a city. Politics—it will get worse if it's a city structure. It can get really messy.

Impact of city "districting" that have to be approved by the Department of Justice; that will change the way leadership works if we become a city.

Our world is simple now—no business licenses, permitting, etc. like you would have to have in a city.

Where, in our already constrained footprint, will you put a jail, a court system, etc.?

What would be the business community's tolerance to an increased tax rate (incorporation)?

Depends on how it compares with surrounding areas and other campuses.

I think people in The Woodlands are willing to pay more for amenities, but not too much more.

What kind of void will the Developer leave; is the Township positioned to fill that void?

Those things have already been transitioned over in the past few years to the Township.

Future parks—will the Township be responsible?

That's the transition I'm *least* worried about.

I think the Developer has high standards; I'm worried that the Board won't always feel that same way.

Public art. The sculptures and public art throughout the community wouldn't be possible through the Township; the Developer was able to do that.

How should the business community be involved in this process?

Periodic, small meetings are good; large public events I'm not as interested in (but they would be entertaining!)

As long as we can maintain what we have, nobody cares if we're a Township or a city.

I don't think we really have a problem, except this "date". As long as our structure supports economic development and a healthy business climate, I don't know if I really want anything to change. And, it's not that I'm against change, but I think we're in a pretty good spot. Why create headaches and cost when we don't need to? You want a structure that is responsive to growth and forward-thinking.

I'm fearful that 2,500 uninformed voters can decide our future; that apathy will result in something we don't want.

The business community needs to be a part of this discussion.

What are the one or two things you don't want to lose and would impact your business the most?

Quality of life (x7)

Perception

Security

Quality of community and cost of doing business

"Keep the bubble"

Economic viability

APPENDIX D: RESIDENT DISCUSSION GROUP #1 NOTES

July 21, 2011

What has changed since the Township was formed (in 2007) and fully implemented (on January 1, 2010)?

Transition was seamless.

This place isn't taken care of as well as it used to be. I see a lot of covenant violations that don't get addressed.

What does the Township do well?

When they say they're going to do something it happens. Widening of Woodlands Parkway happened quickly and fairly painlessly.

In The Woodlands, if you don't hear complaints, things are probably good.

I'm a big fan of a township; I grew up in one and wanted to stay in one. It's a more efficient model.

Are there any current deficiencies?

We're not keeping the community as nice as we used to; nobody is picking up trash; why don't people have pride in their community? We need to further support programs like adopt-a-path and Green Day.

May need to rename it the "Semi-Woodlands"; there are fewer and fewer trees.

Traffic control; timing of lights; too many 4-way stops; overabundance of protected green turns (most residents don't know what that means and sit and wait). We do not have an efficient circulation system.

It takes too long to get in the back of The Woodlands.

This is the first community I've lived in that doesn't have an adult swimming facility. The Woodlands Athletic Center swimming pool is a huge loss; it was managed poorly and the Developer looked only at dollar signs and ended up more concerned about selling the property. A problem The Woodlands has is the profit motivation of the Developer.

Few before/after school programs, especially which accommodate single or working parent families.

This community began as a middle class community; the average income has gone up considerably and is continuing to grow. Things are becoming unaffordable.

Crime; going to The Woodlands mall wasn't a big deal, but for women now, it's something they're aware of.

Need more variety and diversity of retail outlets; need less chain and more unique options.

What are some future challenges that face the community?

Aging population, particularly if people stay here after their children leave for college.

Traffic; any east/west thoroughfare is going to be a nightmare.

Lack of public transportation; Woodlands Express works for those "8-5" employees going downtown, but that's it and it's *only* for those working *downtown*.

Growth; stress on infrastructure and services.

Aging infrastructure.

Crime.

Businesses turn over fast; nobody has a business plan that works.

Bigness brings issues: traffic, crime.

I don't think the governing body has any desire to do what George Mitchell had in mind; they simply have no interest.

Do you feel the Township is well-equipped to address these challenges?

I don't know.

My gut feeling is no, but I can't tell you why.

I don't know the extent to which the county is influencing things, like our parks.

Sure. The Township can have their own police department if they want; the Township can also bond for other organizations, such as MUDs.

What happens when the developer leaves? What kind of void will be in the community? What will need to be replaced when they leave (services and activities)?

My impression: good riddance!

Costs will go up because the Township will be responsible for new infrastructure and they'll have to take over marketing.

Without a developer with interests in this community, they're not bringing in businesses, etc.

They'll leave when they don't think there is any more money to be made.

What are things we shouldn't compromise in a governance solution?

The temptation to build high rises. Buildings are getting taller and taller in The Woodlands.

A goal of George Mitchell's was to have high-tech jobs and businesses; we need to be careful that goal is maintained.

I don't want this place to be called The Woodlands and there to be no trees. Each new neighborhood they build they're taking more trees.

Limit the big box stores (grocery, etc.) A lot of people moved here because these weren't here.

There have been compromises in the quality and type of bike paths and pathways; it seems the products are becoming too expensive for whoever putting them in.

This began as a community, and community means small town. We should take "community" off the website and start to limit things around here. We need to limit retail. We've gotten away from the vision.

I personally would rather pay higher taxes and not have that stuff (like companies, businesses, lots of retail, etc.); I value peace and quiet and raising a family in a great area.

I think the original vision of The Woodlands was that people lived, worked, shopped and were entertained here. Mr. Mitchell wanted this to be a community that people didn't leave to go into Houston. I want to keep that.

Public safety.

Maintaining the zoning; not having lewd establishments.

Whenever I say I'm from "The Woodlands", people say "Oooo—I know The Woodlands!" I don't want to lose that!

How can we best communicate with/inform residents regarding future governance?

It's hard here; we have tons of families and they have so much to worry about.

Work through select groups of people.

Send a letter in the mail rather than using a newspaper advertisement.

Send a personal invitation to a small meeting rather than to a huge forum. I may be more willing to participate if I feel I have a chance to be heard.

Use Village Association meetings.

You need a champion in each subdivision.

Use MUD bills.

Identify one person on each street/subdivision to communicate information.

Create concise ONE PAGE communication pieces—make it simple! Put additional info on a website.

Setting up a table where people frequent (church, health clubs, etc.)

APPENDIX E: RESIDENT DISCUSSION GROUP #2 NOTES

July 23, 2011

What is your understanding of how the Township works?

I thought I had a good understanding of the Township until we had to pay Houston not to annex us!

I think we had an advantage over Kingwood because we had good leadership.

No, I don't have a good understanding of the Township.

I always think of townships as "small"; we're too big to be a township.

What has changed since the Township was formed (in 2007) and fully implemented (on January 1, 2010)?

I think people are pretty happy; people have a few gripes, but most people really are happy with how things are going on. I don't think people really want to spend any more time or money doing something different (in terms of governance).

People may complain about their assessments, but not about the property tax they pay.

I think the Township could do more with the Village Associations.

I don't see any real issues; the policing is better and the trash gets picked up. Plus, we have a first class fire department.

People complain about "not knowing what's going on", but there is so much information on what's going on it's amazing. The Township publishes everything; their meetings are open. I find it puzzling when I hear people say "I don't know what's happening" when you get a Community Magazine every month and when I can go to a website and see the budget and how they're spending revenues.

I bet 99% of people don't have a clue that there was a transition.

I haven't seen any changes

Since the transition, my garbage day has changed; Friday's are convenient for me.

What does the Township do well?

Lots of information: newspaper, telephone directory, Community Magazine, etc.

Law enforcement is really good; they come to every Village Association meeting to give us updates and a lot of times it's our residents/kids responsible for the crime.

Are there any current deficiencies?

We've wanted to have some home improvements, but to get permission to cut down one tree is ridiculously difficult.

Transit—I'm used to getting on a train and getting somewhere, but here, I have to drive if I want to go anywhere.

I find that the people here have lots of expectations for services, but nobody is really willing to help out, especially in terms of providing social services.

I understand that if you bring a bus structure here you're going to get "other people" getting off the bus, but you can only get around The Woodlands using a car. It's obvious that they don't want to bring those people in.

RDRC's are tough; I'd like to see more broad-minded people on RDRC's. I think the covenants need to be revisited and remove those things that just don't "fit" anymore. Having trees too close to the homes is a problem; we shouldn't have so many trees in the yards. I know there is a group of fanatics in The Woodlands that never want to cut a tree, but we really need to get reasonable.

Covenants need to be responsive to new products and technologies; The Woodlands will eventually be sued if the covenants aren't updated.

There just aren't enough people willing to take the time to contribute to the community. Elections have no requirements for candidates and no committee to vet the candidates.

What are some of the future challenges that face the community?

People are too apathetic.

Growth.

Economy, but that's really beyond The Woodlands control.

Keep good, qualified people here. The wage scale is low; I don't think they pay employees enough—it's like teachers. They could do more for their employees. The former manager would brag about coming in under budget, but it's because they wouldn't fill positions or pay them enough. If you look, there's a lot of turnover and that's a problem. Using comparable cities like Tomball, Willis, New Caney, etc. is ridiculous; The Woodlands provides a high level of service and needs a complimentary level of staff.

You do need to compensate people for their jobs; you want to keep people happy and bring competent people here.

Zoning!

Empty store fronts in the village centers.

Redevelopment—Grogan’s Mill and Panther Creek have a lot of very old homes and those communities are deteriorating. Something is going to have to be done to improve and repair those homes, that right now, are mainly populated by modest income families who really can’t afford to make those improvements. We have enough pride in our community where we can make sure that the infrastructure is maintained and that those communities are maintained as it’s in the best interest of everyone, especially million dollar homeowners.

What happens when the developer leaves? What kind of void will be left in the community? What will need to be replaced when they leave (services and activities)?

There’s always going to be some land that needs to be managed (vacant or otherwise).

When are they going to leave? When there isn’t any money left to make? Or when they’re just done? Will they donate the land or sell it to the Township?

I’d hate to think we’d have to incorporate just to handle the Developer leaving because incorporating is going to be expensive!

We’ll lose the marketing of the community.

What are things we shouldn’t compromise in a governance solution?

Maintenance of the community. Public safety (police and fire). Morale seems to be fairly good, especially upper management; I’d hate to see that go away. I would hate to see it too bureaucratic. I would hate for it to become political and partisan. I just like it the way it is. The people who come out to participate and dedicate their time now really care about the community.

The Woodlands is everything you’d like it to be; pathways/trails, enthusiasm, safety and security, etc. This needs to stay.

How can we best communicate/inform residents regarding future governance?

Short of incentives, I don’t know how to get people out. They’ll start coming if people hear their taxes are going up.

Small group meetings are good; anything more than 10-15 people gets out of control.

Use Village Association meetings.

Other questions/comments?

I feel that it's difficult to contribute if you have already "involved" people in these sorts of meetings; I just get beat down by their enthusiasm.

If we incorporate, the mayor and council will want to get paid.

APPENDIX F: RESIDENT DISCUSSION GROUP #3 NOTES*

July 23, 2011

**Discussion group added to accommodate self-selected participants. These comments are included separately for information purposes only.*

What is your understanding of how the Township operates?

My understanding is that they are governed by State law and cannot enforce restrictions like zoning.

I'd like to think I have a good understanding, but when the change came from the Associations to the Township, I couldn't tell the difference. I guess it seems a little disjointed. I don't know who you call or how the leadership really works.

Coordination between the Village Associations and the Board is something I'm disappointed by. I don't see a lot of coordination and communication between the Township and the Village Associations.

What has changed since the Township was formed (in 2007) and fully implemented (on January 1, 2010)?

Many significant changes. The Villages lack representation on the Board of Directors, and therefore, the Villages don't get to influence the process like they used to. Previously there was multiple representation from each Village.

Checks and balances. There was a land use change within my community, and basically, there will be a cemetery for up to 1,000 people in our backyard and we weren't even provided a plan! The columbarium will generate \$1.7 m if all the spaces are filled and churches don't even pay taxes! We weren't notified of the columbarium and it was voted through without us knowing. The Board appointed the people who approved it, but then said their hands were tied.

I'm totally unsatisfied about what's going on. It cost us \$26 million in extra taxes for the change which hasn't been explained to us appropriately. They don't answer or don't care about the extra taxes we've paid. When you move you lose a year of taxes and nobody cares.

I liked the community better when Mr. Mitchell owned it.

What does the Township do well?

Parks and recreation. I think they keep the playground equipment well maintained, and when something is antiquated, they update it. When trees have fallen, they are courteous and address it right away.

Parks service is better than anywhere I've been. I also saw crews cleaning up the right of way and the roads this morning on my way into this meeting; you don't see that anywhere.

Trash service is very responsive.

Pathways are great.

If you go to the websites to see parks and recreation, there is a long questionnaire to fill out about what you want (ball fields, etc.). I'm surprised that so little response was provided. That was a good effort by the parks department.

Open records requests are followed and they're better than before. I'm appreciative of that.

Our fire department is great, responsive; I've been lucky never to have to use them.

Law enforcement is really good; significant improvement and they're responsive.

I see so many police cars around.

Level of professionalism amongst fire department is great; I think they're in the top 1% in the country.

I just learned that there is an emergency training center for the fire fighters and it's pretty amazing; it's clear they're keeping their firefighters trained very well.

The amenities do keep the value of our homes up.

Are there any current deficiencies?

I feel like they can communicate better. Even if I read The Villager, I don't know what's going on; if I had known there was a parks and recreation questionnaire, I would have filled it out. I do get an email from a Board member that provides updates on activities, but there could be better communication.

My major concern and why I wanted to be here today is regarding representation of the people in the Villages; it seems disjointed and not like it used to be. As we get larger, we're going to have a group of people leading us and making decisions that we don't know about. Why are we paying taxes for those boats? I find out information too late (via the Villager) and didn't know anything about the parks and recreation questionnaire. We need to have access to someone and we need to have better communication.

The boats are not a profitable venture; nobody would want to come in to take that over.

Pools operate at a loss and they cost us all sorts of money; so what do you do, get rid of pools? It's a toss-up.

I feel like we should operate our amenities at a profit, or at minimum, break even.

It seems like our tax dollars are used to build something that a private entity eventually gets to take the benefit from—that is until there's a problem, then we have to take it back. If we're going to pay to build sports fields, we're going to need to make sure it's profitable for *us* (not the softball club or the soccer club).

We need to evaluate what we're subsidizing closely!

One of the weaknesses we have is that we have no control over noise.

Not everyone has the same amenities in The Woodlands, but we all pay the same tax. This is wrong.

The lack of ordinance making authority is a problem; specifically, we're "hoping" people won't shoot off fireworks, but we can't really put a ban on it locally.

The DSC process is completely flawed. Each Village should have one representative. The DSC operates in a way that if there is an issue that comes in, the Developer can veto the process (especially for commercial projects). The DSC has to change and there has to be an appeal process that goes to the Board of Directors.

The Township has no authority over the DSC—they are the "Supreme Court". The Development Company sets the rules.

The Corporation runs The Woodlands, period.

The land owner/Howard Hughes can do whatever they want.

We have no control over land use; that's a major flaw. The land use can be changed by the Developer. The *community* needs to control land use!

We've been ignored on the columbarium issue.

We have dual taxation: we have to pay the county and the Township to get things done. That technique gives us no control for how the county uses the taxes. Although we can prioritize taxes for the Township, the Township takes taxation on percentage and has built-in inflation. Township will always raise taxes based on a fixed inflation, not on valuation. The county controls their money the same way, but they do it countywide.

The Woodlands has to pay for maintenance outside of The Woodlands [via county tax]!
This is a huge gap.

I think property value should stay unchanged until you decide to sell; your property value should never increase until you have an agreement for someone to pay 'x' for it.

Our parks are visited by lots of outside people who don't respect them and trash them. The Township has no control except for damaged property, but we're paying to maintain these parks. Our taxes are going to anyone and everyone who wants to use them!

We have a business-centric organization in the Township because of the roots of the government, and for that reason, we have programs that are highly protected. This is a weakness, that we're business-centric. Residents have much less of a say, but it's a community of *90,000 people*; this is a big gap.

This was always a hometown, and to watch what it's become...to have the shopping is great, but at times it feels like the Township gives priority to businesses over residents (and maybe that's because of who's on the Board.) My priority is my residential life and my family.

The literature talks about benefiting the residents, but you see all of the decisions made to favor the businesses.

We were promised trolleys for *people*, but now you only see those for *businesses*.

I've become aware of a Panther Creek issue in a neighborhood area that backs to Research Forest. Originally the master plan called for one story offices, but then, the sports complex (Villa Sports) went in with a 27' slide. Because it's a commercial interest, the commercial development standards allowed it. We have residential standards and commercial standards, but we don't have standards for when residential and commercial meet.

It seems like things changed when Mitchell sold. There is an emphasis on commercial. The Board is stacked and rubber-stamping what they're doing. There's no discussion. There's no hometown feel left anymore. We need representation of the residents.

Absentee ownership (Howard Hughes).

Because the Township doesn't have control over the roads, the Chamber has closed meetings and closed discussions on what can happen with the roads. We also have taxation on businesses for large bonds on the road system, and the residents indirectly pay that tax but have no influence over how the roads are built.

It's too bad we can't go back and say we don't like the three lane roads—that's a serious mistake. I feel six lane roads (Woodlands Parkway) takes away from the community.

Many of the things the Board of Directors are doing they shouldn't be doing and there are many things they aren't doing that they should be dealing with. The Township should be handling these things without having to farm things out to consultants and management folks all the time.

I hear things that certain Directors aren't able to access the [accounting] books; that's a problem.

What are some future challenges that face the community?

Technology.

Land use changes.

Competition. The business community is going to be in some tough competition outside of The Woodlands that will compete directly. The Woodlands can be duplicated by anyone. The Woodlands does not have a vision for the future to use its strengths to mitigate completion.

Traffic.

Change from home ownership to renters; my street is approximately 40% renters and that creates some problems.

If we become a city of our own, we're going to have to assume the police department and streets and we're going to have to pay for those.

What is the national government going to do? If it's going to crash and future financial problems come, we may have some things we'll need to address.

The Board of Directors is made up of volunteers, and whatever you think of them, they put in a lot of time. I see a time in the future when we're not going to get high caliber volunteers and we'll have to pay a stipend or salary.

Replacing leadership in the community; the lack of structure means volunteering is falling off. Some volunteers aren't even *volunteers* (i.e. DSC appointees).

Transparency and the interrelationship between the Developer, Chamber and the Board. There are things going on there that lead to suspicion. That's a problem that will only get worse.

I worry about community apathy. When we voted to become a Township, not a great number of people came out to vote on it. If we're presenting options again to people, I worry that a small amount of people will decide our future. That's a real challenge...at least to go vote!

We need more truly upper level graduate courses through to PhD here at Lone Star without having to go to University of Houston or Rice; specifically in engineering. We have all of these engineering-based employers and they're all moving here.

The Township is really great at studies and we spend a lot of money on them; maybe we should do studies and see if some of our poorly attended pools should be closed or improved with a lazy river, etc.

Do you feel the Township is well-equipped to address these challenges?

No they aren't.

I don't see a good process. The public is only allowed to speak at a specific portion of the meeting, but if there's a mistake later in the meeting, the residents can't contribute. There is no process to clarify errors.

What happens when the developer leaves? What kind of void will be in the community? What will need to be replaced when they leave (services and activities)?

There are a number of things they sponsor within the community, so that's at the top of the list that will have to be moved over to the new community. Arbor Day and giving out trees, wild flowers; those sponsorships are a big issue and hopefully corporations will pick up the tab.

I'm not worried about the development costs; they'll be recouped when they sell a property and that is a business proposition.

When we asked to see the master plan, we were told that it was private and couldn't be shown.

If there is an empty lot across from you, you should know what it's supposed to be; that affects the community. How do you maintain the master plan if you don't have access to it?

We don't know how to answer the question if we don't understand the master plan.

We should look at other communities who have had its developer leave.

What are things we shouldn't compromise in a governance solution?

Hometown feel. Don't want to lose the "Ooo, you live in The Woodlands!"

Good reputation for schools. The public schools are just as good as the private schools. Education-wise we're good. The location of The Woodlands in proximity to colleges and universities is great.

I don't want to see us move to where the only two governance options are: city or stay the same. I'm disappointed that we haven't been innovative or come up with something really great or even better than city. I think we have a real opportunity here.

Let's not mess with our parks and pathways, our cleanliness...we got that right. That's what keeps our property values high.

Put the trees back when things develop—both residential and commercial.

The trees.

I would hate to see a big reduction in the enforcement of residential standards; you can see deterioration in neighborhoods where homes in communities next door are converting into businesses. We have a great thing here—a beautiful community—and I don't want to lose that.

Pools and parks; see what the rehabilitation needs are to fit the community [or neighborhood].

Preservation of wildlife in the community; preservation of the forest.

Strength of volunteers; the Village Associations have a lot to do with that.

How can we best communicate/inform residents regarding future governance?

Use the Village Associations.

Hold big public meetings (like Phase II of governance) that are publicized.

Have traditional forms of communication and social media. New avenues that people can find information and forward it.

The people who have time to spend in the community should be the first people you should talk to and should have the most influence.

Other questions/comments?

Maybe we should look at something different; maybe we do want something unique.

I think that a lot of people think we have to do something in 2014, but it has to be communicated that it's the first, not *only*, time to do something.

The demographics of The Woodlands have changed; you find many, many people who have no voting influence on the Township. We lost this as voting from residents to voting as a citizen. We have Mexican neighborhoods who can't vote.

Hundreds of communities are run and operate on a township basis (up north, New England, etc.); there is a threshold to feasibly running a township, and The Woodlands is too big to be run as a township. Most townships are rural or were rural at one time. Once the population reaches 50,000 or so, they become a city. It would be interesting to see what makes northern townships switch to become a city.

I think our sole motivator is to be something *other than* Houston or Conroe.

I wonder if Tommy Williams knew about the Exxon deal with Harris County? They must have planned it. What kind of bribery went on that made Exxon stay in Harris County sticking us with paying for their schools in Harris County?

I don't like a foreign company coming in (Howard Hughes).

Do we have a dollar amount on how much [the Developer transition] will be? That would be nice to know.