THE WACO FIRST DOCTRINE

A Comprehensive Plan

for the 12-Block Historic Core

A three-year build plan, integrated funding apparatus, and Silicon Valley-class technology overlay for the activation of Downtown Waco's Austin Avenue, Franklin Avenue, and Washington Avenue corridors between 4th and 8th Streets.

PREPARED BY

The property owners, merchants, and residents of the

Historic Entertainment District

PRESENTED TO

The Waco City Council

The PID #1 Board of Directors

The TIRZ #1 Board

The citizens of Waco, Texas

AUSTIN AVENUE · 4TH–8TH STREETS · FRANKLIN–WASHINGTON · 2026

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The Plan in One Page

Three years. Twelve blocks. One historic spine. The full vision, compressed.

The Three-Year Arc

YR	PHASE	CAPITAL	WHAT LANDS
1	RESET	$7.8M	Governance reform · Pink Zone permitting · Franklin two-way restored 4th–18th · Ambassadors live · Saturday Night Market
2	ACTIVATE	$22.4M	Brazos Mist · Luxury parklets · Facade restorations · Wi-Fi 7 + OpenRoaming · AI Co-Pilot for merchants · BearBucks · Creative Waco art corridor opens
3	COMPOUND	$16.1M	Carbon-neutral district pledge · Self-funding operations · Innovation Challenge · Peripheral districts arrive into a working Core

The Eight Council Asks

01. Match the peripheral-investment precedent at 1:1 parity (~$8.9M City over 3 yrs)
02. Activate TIRZ #1 increment for direct Core allocation
03. Adopt the PID-First Vendor Ordinance under TLGC §372 / §252.022(a)(9)
04. Designate the 12-block Core as a Pink Zone
05. Restore Franklin to two-way operation 4th–18th by Year 1 Q2
06. Authorize the Eduroam / OpenRoaming / district microgrid extension

07. Sign the Baylor Student Life MOU governing the Third Space

08. Authorize the Quarterly Transparency Dashboard — non-negotiable

The Annual Recurring Impact

BENEFICIARY	ANNUAL RECURRING AT FULL BUILD-OUT
State of Texas — sales-tax capture	$17.9M
Waco ISD — property-value preservation	$6.3M
City of Waco — General Fund efficiency	$6.2M
TIRZ #1 — private-development attraction	$3.1M
TOTAL	$33.6M annually, indefinitely

THE BOTTOM LINE

$8.9M City match. $46.3M total stack. $33.6M annual recurring impact at full build-out. ROI: ~1.4× within the three-year build window; ~8× to 10× annually thereafter, indefinitely.

PART I

EXECUTIVE SUMMARY

What follows is a comprehensive, fully-funded, three-year plan to activate Downtown Waco's 12-block historic core. It is structured to be implementable from the date of Council adoption.

The Waco First Doctrine establishes that Downtown Waco's economic resilience rests on a single contiguous twelve-block area: the corridor bounded by 4th Street to the north, 8th Street to the south, Franklin Avenue to the east, and Washington Avenue to the west, with Austin Avenue running through the center as the commercial spine. Within this footprint sits the highest concentration of PID-paying merchants, pedestrian-scale building stock, and existing private investment in the entire downtown. It is also the area receiving the least proportional share of the City's adopted Strategic Roadmap capital deployment.

This document proposes a comprehensive correction. It is organized around four deliverables that operate in concert: (1) a three-year, quarter-by-quarter build plan that sequences governance reform, hardscape construction, and operational scale-up; (2) a complete funding apparatus that draws on the PID assessment, the TIRZ #1 increment, the Hotel Occupancy Tax, federal and state grants, and a private capital layer — with the City matching the deployment 1:1 at the same scale of public commitment it has already established as a funding precedent on the periphery; (3) a Silicon Valley-class technology overlay across the entire 12-block district designed to integrate the Baylor student body, the local merchant base, and the visitor economy into a single data-rich, AI-augmented place; and (4) a governance and accountability framework anchored on the Public Improvement District as the operational backbone of every event, contract, and activation.

The Five Outcomes

By the end of the third year, the plan delivers:

- A walkable, climate-conditioned, and lit core with continuous awning and tree canopy on Austin Avenue, restored two-way traffic and calmed geometry on Franklin Avenue, and a mature shade and art corridor on Washington Avenue.
- An integrated technology stack — Wi-Fi 7 mesh, OpenRoaming federation, a real-time digital twin, AI-adaptive signal control, an IoT environmental sensor mesh, an AI co-pilot service for every PID merchant, and a public transparency dashboard — that makes these twelve blocks the most-wired downtown core of any mid-sized American city.
- A formal Baylor partnership that extends Eduroam through the public realm, accepts BearBucks at PID merchants, co-programs a minimum of two events per month during the academic year, and operates the district as a designated living-lab for Baylor research.
- A self-sustaining operating model funded by the rising TIRZ #1 increment and the PID assessment, with City General Fund support phased out by Year 3 — exactly as the City's own "Burning Platform" trajectory contemplates.
- A projected $33.6M in annual recurring economic impact distributed across the State of Texas (sales tax capture), Waco ISD (property value preservation), the City of Waco (General Fund efficiency), and the TIRZ #1 (private development attraction).

The Total Capital Ask

The plan calls for a three-year capital deployment of approximately $46 million across all funding sources. The operator side — PID #1 assessments, TIRZ #1 increment, HOT-eligible programming, and the 10% property owner co-pay on the facade match — carries roughly half. The City match, federal grants, and private capital layer carry the remainder. The full stack follows.

FUNDING SOURCE	THREE-YEAR TOTAL	ROLE
PID #1 assessments (operations)	$11.7M	Ambassadors, cleaning, programming, events, operator share of facade match
TIRZ #1 increment (capital)	$9.4M	Brazos Mist backbone, gateway bollards, lighting, parklets, anti-drag-racing geometry
Hotel Occupancy Tax (programming)	$2.8M	Quarterly signature festivals, marketing engine, digital wayfinding

FUNDING SOURCE	THREE-YEAR TOTAL	ROLE
Property owner 10% co-pay (private)	$1.6M	Skin-in-the-game owner contribution to the 90/10 facade match
Federal grants (USDOT SMART, RAISE, EDA)	$5.1M	Tech overlay, mobility intelligence, broadband expansion
State grants (TxDOT TAP, TPWD, Texas Enterprise)	$2.3M	Streetscape, parks, business incentives
Private capital (CDFI, anchor investor, opp zones)	$4.5M	Stage 2 Accelerator loan pool, innovation challenge prize fund
City of Waco match (the central ask)	$8.9M	Engineering/permitting absorbed, capital match on facade pool, infrastructure parity
TOTAL	$46.3M	Across three years, fully sourced and documented

The Specific Council Asks

Eight Council actions, in order. Each is detailed in Part XII with sample ordinance language and implementation timelines. None individually is unprecedented. What is unprecedented is doing all eight at once, in twelve blocks, on a published timeline.

1. Match the cumulative public-investment precedent of the peripheral districts at 1:1 parity for the Core, in a multi-year capital appropriation totaling approximately $8.9M.
2. Activate the TIRZ #1 increment for direct allocation to Core operations and capital, by Council resolution.
3. Adopt the PID-First Vendor Ordinance, codifying local preference under TLGC §372 and §252.022(a)(9) for all PID-funded contracts.
4. Designate the 12-block Core as a Pink Zone, with administrative-COA permitting, fee waivers for sub-4,000-sq-ft projects, and IEBC Chapter 12 adopted for historic rehabs.
5. Direct Public Works to restore Franklin Avenue between 4th and 8th to two-way operation by end of Year 1, Quarter 2.
6. Authorize the Eduroam / OpenRoaming network extension and execute the supporting MOU with Baylor University and a selected wireless integrator.

7. Sign the Baylor Student Life MOU governing the third-space co-programming, BearBucks integration, and living-lab research partnership.
8. Authorize the Quarterly Transparency Dashboard publishing all PID-funded expenditures with vendor name, service type, amount, and PID-domicile status.

THE BOTTOM LINE

The Strategic Roadmap is a supply-side strategy — admirable, ambitious, and right. Waco First is the demand-side companion. It builds the foot traffic, the safety, the dwell time, and the investor confidence that every other phase of the Roadmap depends on. The two are not in competition. They are the same plan, executed by different hands.

PART II

THE PREMISE & THE INFLECTION POINT

Waco does not need another vision document. It needs an instruction manual for the next thousand days. This is that manual.

Where Waco Stands

Waco enters 2026 in a position that, on paper, looks like a triumph. The city's population grew approximately 1.0 to 1.2 percent annually for the past five years to 146,608 (2024 estimate), with a 2026 projection near 149,640. Eight new foreign-direct-investment companies arrived between 2020 and 2024, totaling $888 million in capital investment, 2.2 million square feet of new construction, and 794 new jobs. Hotel occupancy across the city's 4,000-room inventory ranges 49.1 to 69.1 percent across fiscal years tracked. FY2025 Hotel Occupancy Tax revenue is targeted at approximately $7.19 million — the fifth consecutive year of HOT revenue increases. Waco MSA direct travel spending reached $765 million in 2023, supporting 6,100 direct jobs and generating $71 million in direct tax receipts. In October 2024 Waco was designated the first "Tourism Friendly Texas Certified Community" by Travel Texas.

Crime is at a thirty-year low. The Waco Police Department year-end briefing of February 2025 reported total crime down 11 percent year-over-year, with violent crime down 2 percent and nonviolent crime down 9 percent. Crime is down approximately 30 percent since 2021, the lowest since reliable counting began in the early 1990s. Police staffing stands at 264 of 295 authorized sworn officers, with starting salary at $70,229 and lateral starting at $77,525.

The City has paired this momentum with extraordinary capital deployment. Resolution 2024-463, adopted June 18, 2024, established the Strategic Roadmap — a phased $1.4 billion plan across approximately 100 acres surrounding City Hall, organized into the Barron's Branch, Waco Square, Mary Avenue, Riverfront, and Ballpark districts. Hunt Development Group was selected as Master Developer in March 2024. The consolidated Form-Based Code, drafted by the consultant team of Hunt Companies, Goebel Partners, Overland Partners, EBF Development, and Design Studio, was released January 27, 2026, with Planning Commission review underway and final adoption anticipated spring 2026. The Phase

1A enabling infrastructure for Barron's Branch represents a $167 million public investment funded primarily through TIRZ #1 incremental revenues and a residential utility-fee increase. In October 2025 the Council approved $32.2 million to acquire the Indian Spring Middle School campus. Groundbreaking for Barron's Branch Phase 1A is anticipated later in 2026.

The Inflection

But this surface tells only half the story. The same Strategic Roadmap that envisions a billion-dollar future explicitly acknowledges that current market metrics — rent per square foot, absorption rates, and pedestrian foot traffic — do not yet justify high-density vertical construction in downtown Waco. The Roadmap's response is public "first-mover" investment to de-risk the environment for subsequent private development. That logic is sound, and it deserves support.

What the Roadmap does not address is the demand side. A billion dollars of physical infrastructure, deployed onto an empty Tuesday core, produces a billion-dollar downtown that no one walks through on Tuesday. Magnolia Market at the Silos drew 825,281 visitors in 2023 — down from a peak of approximately 1.6 million in 2017. City-operated attractions — Mammoth, the Waco Zoo, the Texas Ranger Hall of Fame — drew approximately 491,608 combined visitors in FY2023. Tourism remains heavily concentrated in a four-to-five-block radius around the Silos. The Strategic Roadmap's own stated intent is to extend visitor dwell time across the broader downtown core. The Core District is the geography where that extension must occur. Without an activated Core, the Roadmap's enabling infrastructure produces empty buildings.

> *A billion dollars of physical infrastructure, deployed onto an empty Tuesday core, produces a billion-dollar downtown that no one walks through on Tuesday.*

Several specific structural risks compound this vulnerability. PID #1 assessment revenue growth has stagnated at approximately 1.14 percent annually while service costs have risen 4 to 6 percent. The PID's own boundary excludes the Magnolia Silos and Balcones Distilling, despite those two anchors generating the majority of district foot traffic — creating a free-rider dynamic where the legacy merchants on Austin Avenue effectively subsidize the cleanup, security, and infrastructure wear-and-tear caused by visitors to two non-contributing destinations. The City's adopted FY2026 budget contains a five-year, level phase-out of Outside Agency funding, decreasing discretionary support from $1.812 million in FY2025 to zero by FY2030. For City Center Waco, the existing downtown management organization operating on roughly $164,000 to $230,000 annually in management fees, this is an existential trajectory. Without a structural reset, downtown management becomes administratively insolvent at exactly the moment the Strategic Roadmap demands it scale to manage a billion-dollar district. The reset is not optional. It is the precondition for everything else in this plan, and it requires creating a new, transparent, city-affiliated operating body — independent of the Greater Waco Chamber of Commerce, whose governance and transparency record is incompatible with the level of public accountability this plan requires.

What Is Already Working

The Core has not been waiting for permission. It has been building. The Hippodrome Theatre is open and expanding, with Maria Mezcaleria adding more than 1,000 square feet. The AC Hotel Waco Downtown opened in April 2024. Hotel Herringbone is in development. Webster Market opened a 54,000-square-foot venue in October 2025. Union Hall food hall and River Square Center anchor the southern edge. Catalyst Phase 1 is operational and Catalyst Phase 2 — the Graduate Hotels property of at least 110 rooms — is projected for January 2027. The Brazos Commons Drury Plaza Hotel, a 160-unit component of a $129 million project, is also in the pipeline. The Strategic Roadmap Phase 2 envisions a 350-room headquarters hotel at four-star service level. The Waco MPO's Six-to-Fix program installed the first parklet on Washington Avenue in February 2026 with $1.2 million in federal funding. The Waco Riverwalk extension is scheduled for completion in mid-2026.

Waco's commercial sector since 2020 has been described by Turner Brothers Real Estate, in their Summer 2024 Recap, as experiencing significant growth driven by an influx of new businesses. The private commitment is real. The private commitment has, in fact, run ahead of the public commitment.

What This Plan Argues

The Waco First Doctrine, applied operationally, makes a single argument: the City should now do for the historic core what it has rightly done for the periphery. It should match the existing private commitment with a public commitment of equivalent scale, deployed on a published three-year timeline, with a transparent funding apparatus and an operationally serious management structure. The result is not just a better-looking Austin Avenue. The result is the proof-of-market that every other phase of the Strategic Roadmap depends on for political durability and private-investor confidence.

What follows in Parts III through XII is the detailed instruction manual for that argument.

PART III

THE 12-BLOCK HISTORIC CORE: A PROFILE

Twelve blocks. Three avenues. Five cross-streets. The exact geography of what this plan protects and what this plan builds.

Geographic and Historic Context

The Core sits at the geographic center of every conversation about downtown Waco. North of the Core: City Hall, the McLennan County Courthouse, the civic and administrative anchors. South: the Magnolia Silos and the gravitational pull of approximately 825,000 annual visitors as of 2023. East: the Brazos River, the Foster Pavilion, and the new Riverwalk extension. West: the Baylor University campus and a student population of 20,626 (Fall 2024). Every flow that matters to downtown — civic, retail, tourist, student, residential — crosses the Core. As of this writing, every one of those flows is currently passing through, not stopping.

Historically, this twelve-block area is the original commercial spine of Waco. During the city's late-19th and early-20th-century period — the era Waco was known as the "Athens of Texas" — Austin Avenue, Franklin Avenue, and Washington Avenue between 4th and 8th Streets housed the dense masonry rows that defined Texas's most important inland commercial city. The building stock that survives — the Hippodrome (1914), the buildings around the Suspension Bridge approach, the Austin Avenue rows — is the surviving physical fabric of that era. It is, definitionally, irreplaceable. No amount of new construction on the periphery can manufacture the building stock that already exists in the Core.

The Boundary, Defined

The plan governs only the area within the following exact boundary. Improvements outside this boundary are outside the scope of this document, regardless of merit:

- North edge: 4th Street, between Franklin Avenue and Washington Avenue.

- South edge: 8th Street, between Franklin Avenue and Washington Avenue.
- East edge: Franklin Avenue, between 4th Street and 8th Street.
- West edge: Washington Avenue, between 4th Street and 8th Street.
- Commercial spine: Austin Avenue, running through the center between Franklin and Washington for the full length between 4th and 8th.
- Cross-street connectors: 4th, 5th, 6th, 7th, and 8th Streets between Franklin and Washington.

Total footprint: approximately twelve city blocks (four block columns wide between 4th and 8th, three corridor stripes between Franklin and Washington). Total area: approximately 0.16 square miles. Total length of Austin Avenue activation zone: approximately 0.5 miles. The entire plan fits within a 5-minute walk (1,320 feet, or one-quarter mile) from any point inside it.

Walkability Logic

Urban-economic research is unambiguous on a single point: walkable commercial districts generate dramatically more activity per dollar of investment than dispersed retail strips. Below the quarter-mile threshold, pedestrian activity compounds — one anchor draws a visitor to an adjacent business at marginal effort. Above the quarter-mile threshold, pedestrian activity dissipates — each new destination requires a new car trip. The Core's twelve blocks fit, by design, inside the compounding zone. This is not an aesthetic choice. It is a structural one.

THE CONCENTRATION PREMIUM

Strong Towns analysis of mid-sized American downtowns consistently demonstrates that the highest-yielding tax assets in a city's portfolio are the historic, mixed-use cores — measured as tax revenue per acre. A vacant historic storefront in the Core generates more potential tax yield, with infrastructure already in place, than a new big-box on the suburban fringe. By allowing Core vacancy to persist while subsidizing greenfield development, the City actively suppresses its highest-yielding tax assets.

The Existing Investment Base

The Core is not a blank slate. It is a place that private capital has been actively building for the past decade, often without public partnership at the scale extended to the periphery. The current operating inventory inside the boundary includes:

- Anchors: Hippodrome Theatre · AC Marriott Waco Downtown · Hotel Herringbone (in development) · Union Hall food hall · River Square Center (80+ shops) · Webster Market (54,000 sq ft, opened Oct 2025) · Catalyst Phase 1 garage (393 spaces, 150 public).
- Independents: dozens of locally owned restaurants, boutiques, distilleries, coffee houses, salons, and service businesses, each paying the PID #1 assessment of $0.10 per $100 of assessed valuation.
- Infrastructure: a one-way couplet on Franklin Avenue pending two-way restoration; the first parklet on Washington Avenue installed via the Waco MPO's Six-to-Fix Program in February 2026; the Suspension Bridge approach as the eastern terminus.
- Hospitality pipeline within or directly adjacent: Catalyst Phase 2 Graduate Hotels (110+ rooms, projected January 2027); Brazos Commons Drury Plaza Hotel (160 units within a $129M project); Strategic Roadmap Phase 2 headquarters hotel (350 rooms, four-star).
- Mobility infrastructure: the 9-mile Futuristic Mobility Corridor approved September 2025 by Council along Taylor Street, Franklin Avenue, and Highway 84, supported by $1.4 million in U.S. DOT SMART grant funding and a UT-Austin research partnership. This corridor directly traverses the Core.

Cumulatively, the private capital deployed inside or directly serving the Core in the past five years runs into the high tens of millions. That is the scale of skin already in the game. This plan's central financial argument is that the public commitment, on the same scale already extended to peripheral districts that have yet to break ground, must now match what the private side has already built.

Concentration vs. Dispersal: The Strategic Choice

The City's instinct in recent years, following the Strategic Roadmap and the TIRZ #4 expansion, has been to disperse public investment across a wide perimeter. That is reasonable for the supply-side, long-horizon components of growth. It is incompatible with the demand-side activation needed to make any of those investments pay back within a politically durable timeframe.

Every comparable city that achieved sustained downtown revitalization in the past two decades — Greenville, South Carolina; Chattanooga, Tennessee; Detroit's Midtown corridor; Pearl District in San Antonio; Asheville, North Carolina — followed the same pattern: concentrated investment in a single walkable core area before expanding to adjacent districts. The pattern is not coincidental. It is the only pattern that consistently produces private-investor confidence at scale. Investors do not invest in plans. They invest in markets they can walk through. The Core is the only place in downtown Waco that can be walked through today and read as a market.

> *Investors do not invest in plans. They invest in markets they can walk through.*

PART IV

THE THREE-YEAR PLAN: RESET, ACTIVATE, COMPOUND

Thirty-six months. Three phases. Each phase carries the next. Every milestone dated, every dollar sourced, every decision point identified.

The plan is sequenced around a single philosophical commitment: the early wins must be visible, durable, and politically defensible within the twelve months following Council adoption. Without a visible reset in Year 1, there is no political durability for the capital deployment in Year 2, and no operational maturity for the self-sustaining model that takes over in Year 3. The phasing below is non-negotiable.

Year 1 — RESET (Months 1–12)

Year 1 is governance, ground rules, and the first physical reset. It requires almost no new capital construction. It requires Council action, ordinance adoption, the hiring of the management team, and the immediate engineering work to restore Franklin Avenue to two-way operation. By the end of Year 1, anyone walking through downtown should be able to identify by sight that something has fundamentally changed.

Q1 — Foundation (Months 1–3)

- Council adopts the Waco First Comprehensive Plan as the operational framework for Core District activation, with the understanding that subsequent ordinances and resolutions will follow the milestones in this document.
- Council passes the PID-First Vendor Ordinance, codifying local preference for PID-funded contracts under TLGC §372 and §252.022(a)(9).

- Council passes the Pink Zone Designation Ordinance creating the regulatory overlay for the 12-block Core: administrative COA permitting, fee waivers for sub-4,000-sq-ft commercial projects, IEBC Chapter 12 adoption for historic rehabs, and a 10-business-day review SLA for standard ground-floor uses.
- Council resolution activates the TIRZ #1 increment for direct deployment to Core capital and operations, on a published schedule running through 2032 (TIRZ #1 statutory expiration).
- Downtown Waco Authority (DWA) formally constituted as a new, independent, city-affiliated district management body — modeled on Philadelphia's Center City District and the Downtown Tempe Authority. City Center Waco is absorbed into the DWA. The DWA operates with shared services from Destination Waco (the City's official CVB), but is governed by an independent board appointed by Council, with PID #1 Board, TIRZ #1 Board, property owner, and merchant representation. The Greater Waco Chamber of Commerce is not in the operating chain of the DWA.
- The Strategic Five hired or in finalist interviews: Director of Urban Vitality, Public Realm Superintendent, Retail & Recruitment Specialist, Events & Activation Coordinator, and Director of Local Business Capital and Compliance (the dedicated concierge for funding, permitting, and tax-credit navigation). Total compensation envelope: $475,000.
- Quarterly Transparency Dashboard launched at a public URL, populated with all PID and TIRZ expenditure data going back two fiscal years.
- Initial parcel-by-parcel inspection of every ground-floor space in the 12-block Core completed by the DWA's Retail Specialist; results published as the District Activation Scorecard.

Q2 — Reset on the Ground (Months 4–6)

- Franklin Avenue restored to two-way operation across the full corridor between 4th Street and 18th Street. This closes the operationally critical gap: Franklin already runs two-way between 4th and University Parks Drive to the north, and Franklin runs two-way south of 18th Street. The current one-way segment between 4th and 18th is the corridor's only break. Restoring it produces a continuous, coherent two-way Franklin from University Parks all the way through downtown — eliminating the abrupt directional transitions that currently cause confusion, broadside collisions, and the after-hours drag-racing dynamic. Through-traffic redirected to I-35 via numbered-street on-ramps and Waco Drive via updated wayfinding signage on all approaches.
- Raised crosswalks installed at every Franklin intersection (4th, 5th, 6th, 7th, 8th); decorative gateway bollards installed at Franklin's district edges (4th and 8th).
- Anti-drag-racing geometry installed: chicanes at 5th and 6th, speed tables at 5th/Franklin and 6th/Franklin, raised median islands at remaining intersections. The straight-line acceleration corridor that has plagued Franklin is structurally eliminated.

- Ambassador program launched: 4 FTE plus 2 PT evening/weekend uniformed hospitality and safety ambassadors patrolling the Core from 7 AM to 11 PM daily. Reporting via mobile app to the Public Realm Superintendent.
- Cleaning service contract activated: 2 FTE clean crew plus 1 FTE supervisor with daily power-washing schedule, 24-hour graffiti removal SLA, and weekly tree-well maintenance.
- Initial dark-spot lighting audit completed across the entire Core; remediation prioritized for Q3.

Q3 — Programming and Permitting (Months 7–9)

- First Saturday Night Market launched on Austin Avenue using temporary closure infrastructure (gateway bollards completed in Q4). Target attendance: 1,500 to 3,000 in the launch quarter.
- Vacancy Activation Package launched as a Baylor-partnered real-world business incubator. Pop-up licensing for vacant ground-floor spaces (30 to 90 day terms) with reduced rent agreements via willing landlords and City fee waivers. The operational backbone of each pop-up is provided by the Baylor Hankamer School of Business (consulting team of MBA and undergraduate students for business plan, financials, POS setup, marketing strategy) and the Baylor Department of Art Design Collaboration (branding, signage, interior merchandising, photography). Each pop-up becomes an academic-credit experiential learning placement for the Baylor students; each pop-up operator receives a small-business launch package built by professionals-in-training under Baylor faculty supervision. The DWA coordinates the program and tracks outcomes; the universities run it.
- Storefront Improvement Assessment program operational: free one-page reports identifying FBC-compliant improvements, cost estimates, and grant eligibility for every existing business in the 12-block Core.
- Pink Zone permitting fully operational with 10-business-day review SLA. First wave of fee-waived projects under construction.
- Lighting remediation: minimum 3 foot-candles at sidewalk level achieved on every Core block face. Alleys and parking areas brought to 1.5 foot-candle minimum.

Q4 — Visible Reset (Months 10–12)

- Gateway closure bollard system installed at Austin Avenue at 4th and at 8th. Austin can now be closed to vehicle traffic in 30 minutes for events and reopened just as quickly.
- First Saturday Night Market scaled to full Austin closure. Target: 3,000 to 6,000 attendance.
- Monthly Expanded Farmers and Craft Market launched on Austin Avenue. Strict vendor rules: PID-domiciled prepared-food only; outside food trucks not permitted; craft and farm-direct goods without restriction.

- Eduroam / OpenRoaming MOU signed with Baylor University and selected wireless integrator. Network design phase complete.
- BearBucks pilot launched at first 10 PID-domiciled merchants.
- Year 1 KPI report published: ambassador incident logs, foot-traffic baseline, PID vendor spend percentages, vacancy reduction, citizen sentiment survey results.

YEAR 1 CAPITAL DEPLOYMENT

Approximately $7.8M total. PID #1 operating: $3.5M. TIRZ #1 capital (Franklin reset, gateway bollards, lighting remediation, anti-drag-racing geometry): $2.6M. HOT-eligible programming launch: $0.6M. City match (engineering, permitting absorbed, Public Works Franklin reset): $1.1M. End of Year 1: the entire operational and regulatory framework is live, and the most dangerous corridor in the Core is structurally calmed.

Year 2 — ACTIVATE (Months 13–24)

Year 2 is the capital build. Year 1 created the framework; Year 2 fills the framework with hardware. The Brazos Mist cooling backbone goes in. The Austin Avenue facade restoration begins. The technology overlay deploys. The Baylor integration scales.

Q5 — The Capital Build Begins (Months 13–15)

- Brazos Mist cooling system installation begins on Austin Avenue, block by block from 4th to 8th. High-pressure pump stations at the two ends, distribution lines integrated into the streetscape framework, nozzles integrated into windbreaks, lamp standards, and parklet structures.
- 90/10 Facade Restoration Match Pool fully funded and operational. First wave of Austin Avenue facade projects in design with the City-retained structural engineering firm. Pre-approved storefront, awning, and signage packages available at zero cost to the property owner.
- Wi-Fi 7 backbone deployment begins. Fiber to every Core block, carrier-grade access points on lamp standards and building facades. Phase 1 of the OpenRoaming federation goes live.
- First Stage 2 Accelerator cohort selected: 8 to 12 PID-domiciled businesses receiving combined growth grants of $250K to $400K, plus Business Intelligence Unit data subscriptions and quarterly Growth Packets.

Q6 — Hardware Hits the Street (Months 16–18)

- Austin Avenue facade restorations under construction at 8 to 15 storefronts simultaneously. Period-correct awnings, restored masonry, integrated misting nozzles, and storefront lighting completed in rolling waves.
- Continuous string-light catenary installed across the four Austin Avenue event blocks. Ornate R.T. Dennis-style lamp standards installed at every Core intersection.
- Brazos Mist commissioned and operational on Austin between 4th and 8th. May–October seasonal activation. First documented increase in midday outdoor dwell time.
- Luxury parklets installed at every Austin Avenue restaurant block. These are not the temporary plywood platforms common to other cities; they are permanent, architecturally significant additions to the streetscape — natural stone bases, weathered steel framing, custom millwork seating, integrated low-voltage lighting, climate elements (Brazos Mist routing, optional radiant heating for cooler months), and curated landscape plantings. Each parklet is engineered as a permanent extension of the adjacent restaurant's identity.
- AI-adaptive signal control on Franklin commissioned. Surtrac-class system in production operation, with pedestrian-priority phasing for crossings.
- Digital Twin pilot platform launched, populated with real-time data from the Wi-Fi 7 mesh, ambassador reporting, and the IoT sensor mesh on Austin.

Q7 — The Tech Overlay Goes Live (Months 19–21)

- Waco Local app launched with the Spillover Multiplier mechanic, the Town vs. Gown Leaderboard, and BearBucks integration across the full PID merchant base willing to accept it.
- AI Co-Pilot service deployed to all PID merchants. Each business receives a configured Claude or equivalent model trained on its POS data, foot-traffic, and demographic context, with marketing, inventory, hiring, and customer service capabilities.
- Performance-Verified Culture Economy operational. IoT-verified busker dispatch with automatic micro-grant disbursement at designated activation spots during predicted pedestrian lulls.
- Edge robotics pilot launched: autonomous sidewalk-cleaning robot completes overnight Austin Avenue power-washing. Smart lighting infrastructure with multi-purpose poles (Wi-Fi, EV charging, environmental sensors) deployed at every Core intersection.
- Citizen-Developer Sandbox launched. Open API published with anonymized foot-traffic, environmental, and event data. Baylor Department of Computer Science formally partnered as the first developer community, with student capstone projects building on the API.

Q8 — Programming Cadence Locked (Months 22–24)

- Quarterly signature festivals fully operational: Spring (Brazos Arts Fest), Summer (Waco Food and Music), Fall (Heritage Night Market), Winter (Wonderland on Austin). Each event PID-vendor-first, with a 60% PID-vendor floor enforced.
- Baylor Student Life MOU operational. Two co-programmed events per month during the academic year. Game-day pre and post programming for all Foster Pavilion event days hosted in the Core, not on the riverfront island.
- Washington Avenue mural corridor commissioned and partially complete under Creative Waco curatorial leadership in partnership with Baylor Department of Art and Art History. First rotating sculpture installations sited at 5th and 7th. Live Oak canopy planting begins on Washington with drip-irrigation infrastructure routed.
- Year 2 KPI report: pedestrian dwell time up materially against Year 1 baseline; vacancy reduced; PID vendor spend percentage exceeds 65% target; assessed property values inside the Core growing measurably faster than the broader downtown.

YEAR 2 CAPITAL DEPLOYMENT

Approximately $22.4M total. PID #1 operating expanded: $4.2M. TIRZ #1 capital (Brazos Mist, lighting, parklets, gateway bollards completion, anti-drag-racing extensions): $4.8M. Federal grants drawn (USDOT SMART, RAISE, EDA): $5.1M. State grants (TxDOT TAP, TPWD): $1.5M. 90/10 Facade Match Pool deployed: $2.4M (City + PID + TIRZ shares). HOT programming: $1.0M. City match (engineering, capital): $3.1M. Private capital layer (CDFI, anchor investor): $1.3M. End of Year 2: the Core is physically transformed and the technology overlay is live.

Year 3 — COMPOUND (Months 25–36)

Year 3 is when the systems become routine and the financial model transitions to self-sustaining. The General Fund support phase-out completes on schedule. The TIRZ #1 increment alone funds the operating model. The peripheral districts the City has been investing in begin to arrive into a downtown that is already working — and that is the moment the Strategic Roadmap's billion-dollar bet starts to pay off.

Q9 — Operational Maturity (Months 25–27)

- Self-funding test passed: TIRZ #1 increment alone covers the $3.9M annual DWA operating budget. PID #1 assessment fully redirected to special-benefit services rather than administrative overhead.
- Convention Center two-tier vendor fee structure operational under ASM Global contract. PID-domiciled vendors receive the 5% subsidized rate; non-PID vendors pay the 18% market rate.
- Stage 2 Accelerator second cohort selected. First cohort graduates report measurable expansion: new locations, new hires, documented revenue growth.
- Washington Avenue Live Oak canopy completes initial growth phase. First measurable shade benefit on the corridor.

Q10 — Compounding Returns (Months 28–30)

- Independent third-party economic-impact study published, validating progress toward the $33.6M annual recurring impact model. Sales tax capture, ISD property value preservation, City General Fund efficiency, and TIRZ #1 private-development attraction all measured against baseline.
- Innovation Challenge launched: a one-time, $500K prize fund underwritten by a private anchor investor, awarded to teams (student or commercial) building on the Citizen-Developer Sandbox API. The Core's reputation as the most-wired downtown in mid-sized America attracts national attention.
- Mary Avenue and Waco Square Form-Based Code districts begin soft-launch programming, supported by the Core's now-mature operational and digital infrastructure.

Q11 — The Roadmap Lands (Months 31–33)

- Barron's Branch Phase 1A buildings begin receiving certificate-of-occupancy inspections. The first commercial tenants take possession into a downtown with a working, walkable, technologically dense Core directly adjacent. The supply-side strategy of the Strategic Roadmap meets the demand-side strategy of Waco First.
- Catalyst Phase 2 hotel (Graduate Hotels) opens and its guest experience is materially uplifted by the Core's mature infrastructure: Eduroam connectivity, Waco Local app integration, ambassador presence, walkable Austin Avenue programming.
- PID #1 boundary expansion considered by Council to capture the Magnolia Silos and Balcones Distilling — closing the free-rider gap that the Doctrine identifies. Expansion is now politically feasible because the Core's success has changed the economic argument.

Q12 — The Inflection Closes (Months 34–36)

- Year 3 KPI report published: pedestrian dwell time, weekday foot traffic, vacancy rate, assessed value growth, PID vendor spend percentage, Baylor student visit frequency, and visitor sentiment all reach or exceed the targets in the Section X framework.
- The Core is established as the most-wired 12 blocks in any U.S. mid-sized city. Press coverage attributes Waco's success to the integrated Doctrine, not to any single physical project. Comparable cities request operational case-studies.
- Plan formally renewed for a second three-year cycle, with an expanded scope to integrate the broader Strategic Roadmap districts using the Core's operational and digital infrastructure as the proven base.

YEAR 3 CAPITAL DEPLOYMENT

Approximately $16.1M total, decreasingly capital-heavy and increasingly operations-heavy. PID #1 operating: $4.0M (now fully self-funding from assessment and TIRZ increment). TIRZ #1 capital (residual completion of Washington Ave canopy, smart lighting expansion): $2.0M. Federal/state grant residual draws: $0.8M. 90/10 Facade Match Pool (final round): $0.8M. HOT programming: $1.2M. City match (capital and operating match transition): $4.7M (declining). Private capital layer: $2.6M. End of Year 3: the City's General Fund obligation to the Core operations is zero. The model is self-sustaining.

PART V

HARDWARE & HARDSCAPE: THE PHYSICAL CORE

The physical interventions are sequenced to make every dollar of public spending compound the next. Nothing here is decoration. Every element of the streetscape is engineered to serve a specific economic and operational purpose.

The Core is governed by a single design philosophy: thermal comfort, vertical friction, and visible activation as prerequisites — not amenities. A pedestrian who is hot, wind-blasted, and watching cars whip past at 35 miles an hour is a pedestrian who is leaving. The hardscape interventions in this part are not ornamental. They are the structural preconditions for the demand-side activation the entire plan depends on.

Austin Avenue: The Commercial Spine

Austin Avenue between 4th and 8th is the continuous, pedestrian-scale corridor with the highest concentration of historic building stock and ground-floor commercial frontage in downtown Waco. It is the corridor that, if activated correctly, defines the Core. The plan deploys five specific physical interventions on Austin, sequenced to compound visibly from month to month.

Intervention 1: The 90/10 Facade Restoration Program

The single largest barrier to historic facade restoration is not money — it is the soft cost of engineering review, architectural plans, and permitting fees that must be paid up front, on speculation, with no guarantee of project approval. The 90/10 program eliminates this barrier entirely.

- Cost share: PID #1 covers 50%, City match covers 40%, property owner covers 10%. Engineering and permitting fees waived in full.
- Eligible scope: facade restoration, masonry cleaning and tuckpointing, period-correct awning installation, signage refresh per Form-Based Code standards, integrated Brazos Mist nozzle installation, and storefront lighting upgrade.

- Pre-approved design packages: the City retains a structural engineering firm (Kimley-Horn or comparable, already engaged downtown) on a master contract. Property owners may use the pre-engineered standard awning, sign mount, and misting integration designs at zero cost — no separate engineer required.
- Three-year deployment: $1.0M Year 1 (limited pilot), $2.4M Year 2 (full deployment), $0.8M Year 3 (final round). Target: 25 to 40 storefronts restored in Year 1, 40 to 60 in Year 2, 15 to 20 in Year 3. Total: 80 to 120 fully restored facades over three years.

Intervention 2: The Brazos Mist Cooling Backbone

Waco averages more than 100 days per year above 90°F. Peak summer surface temperatures on unshaded asphalt routinely exceed 130°F. This is not a problem that planting more trees solves on a useful timeline. The Brazos Mist system addresses thermal comfort as a critical infrastructure category, on the same engineering footing as drainage or electrical service.

- System architecture: commercial-grade high-pressure pumps at two stations (one near 4th, one near 8th), feeding a continuous distribution network of cold-rolled stainless steel lines routed through the streetscape framework — windbreaks, R.T. Dennis lamp standards, public-art trellises, and parklet structures.
- Atomization: high-pressure nozzles produce sub-10-micron particles that flash-evaporate before reaching surfaces. Ambient air temperature drops 15 to 20°F within 6 to 10 feet of activation, with no wetting of pedestrians, awnings, or merchandise.
- Activation calendar: May 1 through October 15, with thermal sensors triggering automatic activation when ambient temperature exceeds 88°F and humidity falls below 60%. Manual override by the Public Realm Superintendent during festivals and events.
- Private extension: the 90/10 facade match covers the cost of extending Brazos Mist into private outdoor dining areas, awnings, and storefront facade walkways. Outdoor dining transforms from a fair-weather risk into a year-round revenue stream.
- Capital deployment: $1.8M for the public backbone (Year 2 Q5–Q6), with private extensions funded through the 90/10 match.

Intervention 3: The Continuous String-Light Catenary

After dark, the Core needs a single, recognizable, branded visual signature. The string-light catenary across Austin Avenue is that signature. It is the photograph that announces, in a single image, that this is the place Waco has decided to take seriously.

- Continuous installation across the four event blocks of Austin (4th–5th, 5th–6th, 6th–7th, 7th–8th), suspended between facade anchor points and reinforced lamp standards.
- LED with warm color temperature (2400–2700K) tuned to the Core's warm-cream and brick palette. Programmable for festival color schemes and event-specific lighting effects.
- Anchor points engineered to wind loads consistent with Brazos Valley conditions. Maintenance access integrated into lamp standard cross-arms.
- Capital: $0.4M (Year 2 Q5).

Intervention 4: Gateway Closure Bollards at 4th and 8th

The plan envisions Austin Avenue as a hybrid corridor — vehicle-accessible on a normal day, pedestrian-only during programming. The infrastructure to switch between modes in 30 minutes is the gateway bollard system at Austin's intersections with 4th and 8th.

- Retractable bollard arrays at both gateway intersections. Mechanical actuation rated for 5,000 cycles minimum. Closure time: 30 minutes including signage deployment and PD coordination.
- Architecturally significant gateway treatment: cast-bronze bollards mounted in custom granite bases, with integrated illumination at night. The bollards are themselves a piece of public infrastructure that signals district identity.
- Programming-ready electrical and water connections pre-wired into the gateway pads, supporting vendor stalls, sound systems, and stage equipment without temporary cabling on event days.
- Capital: $0.7M (Year 2 Q6).

Intervention 5: Luxury Parklets at Every Restaurant Block

Luxury, permanent parklets convert curbside parking spaces into outdoor dining and gathering zones at every restaurant frontage on Austin Avenue. The plan deliberately rejects the temporary wood-platform parklet vocabulary that has become common to other cities. The Doctrine's parklets are architecturally significant additions to the streetscape, designed to last decades, and built to the same material standard as the historic buildings they front. They are an investment, not a quick install.

- Material specification: natural stone base structure (limestone or granite quarried in central Texas where feasible); weathered steel framing; custom millwork seating in white oak or reclaimed hardwood; bronze or brass hardware; ceramic-tile or natural-stone table tops; integrated landscape planters with rotating seasonal plantings.

- Integrated infrastructure: low-voltage lighting (warm color temperature, dimmable, programmable for events); Brazos Mist routing concealed within the structural framing; optional radiant electric heating for cooler-month operation; discrete USB-C and standard outlet access at every seating position; dedicated fiber drops for outdoor mPOS reliability.
- Climate envelope: each parklet engineered to function year-round in Waco's climate. Permanent canopy structures (not removable) integrated with the windbreak vocabulary. Seating comfort verified under Brazos Mist activation in summer and with radiant heat in winter.
- Customization within standard: a base parklet specification is developed for each block and adapted to the adjacent restaurant's brand identity. The base is universal; the surface finishes, seating count, and shade treatments are customized. Each parklet feels like a permanent extension of the restaurant.
- Permitting: pre-approved Pink Zone design template available at zero soft cost. Property owners can install a luxury parklet with a 10-business-day permitting window.
- Capital: $1.2M Year 2 (initial deployment of 12 to 18 luxury parklets), with phased completion in Year 3. The unit cost reflects the higher material specification and longer service life — these are 30-year assets, not 3-year assets.

Franklin Avenue: The Reset

Franklin Avenue is the corridor that, today, makes downtown Waco feel like a place to drive through rather than a place to stop. The 2024 MPO data documents a spike in broadside and pedestrian-conflict collisions at transitional intersections. The 2023 street takeover incident — broken up by WPD, involving approximately 80 vehicles, most from larger cities — confirms what merchants have known: Franklin at night functions as a drag-racing strip, not a retail corridor.

The Reset Sequence

Franklin Avenue's reset is the largest single physical intervention in the plan, and its scope intentionally extends beyond the 12-block Core. Franklin currently operates two-way north of 4th Street (between 4th and University Parks Drive) and two-way south of 18th Street (toward interstate connections). The middle stretch — 4th to 18th — is the corridor's only one-way segment, and it is the operational source of the drag-racing, broadside-collision, and directional-confusion dynamic that today suppresses retail viability the entire length of Franklin. The plan converts the full 4th-to-18th stretch to two-way, producing a single continuous corridor from University Parks Drive through downtown Waco and out the south end. The intensive Core treatment (streetscape, anti-drag-racing geometry, gateway bollards) applies between 4th and 8th. The 8th-to-18th stretch receives a parallel but lighter treatment: two-way conversion plus naturalized streetscape improvements that knit the corridor visually together.

Core Segment Treatment (4th–8th)

- Two-way restoration on the Core segment in Year 1 Q2. One travel lane each direction with a center turn lane. Lane width compressed from the current 12-foot standard to 10 feet, inducing optical narrowing and reducing speeds.
- Through-traffic actively redirected to I-35 (via numbered-street on-ramps) and Waco Drive via updated wayfinding signage on all approaches. The corridor's purpose is changed from downtown-bypass to Core-destination.
- Raised crosswalks at every Core Franklin intersection (4th, 5th, 6th, 7th, 8th). Raised tabletop crossings physically force vehicles to 15 to 20 mph at every block.
- Curb extensions (bulb-outs) at intersections to shorten pedestrian crossing distances and slow turning vehicles. Reclaimed curbside width converted to widened sidewalks, luxury parklets, and on-street parking.
- Anti-drag-racing geometry: chicanes at 5th and 6th (lateral displacements at 5 to 7 mph), speed tables at 5th/Franklin and 6th/Franklin, raised median islands at remaining intersections. The straight-line acceleration corridor is structurally eliminated.
- Decorative gateway bollards at Franklin's Core edges (at 4th and at 8th), complementing the Austin Avenue gateway treatments and signaling the district transition.

Extended Corridor Treatment (8th–18th)

- Two-way restoration concurrent with the Core segment, completed in a single Public Works mobilization to minimize disruption. Lane geometry, signage, and signal retiming coordinated end-to-end so the entire 4th-to-18th stretch goes live as a single coherent corridor.
- Naturalized streetscape improvements between 8th and 18th: tree well infill where the canopy is currently broken, consistent pedestrian-scale lighting standards matching the Core's specification, repaired curbs and sidewalks, and consistent painted crosswalks at every intersection. The treatment is lighter than the Core's intensive package but ensures the visual transition between the Core and the neighborhoods south of 8th feels deliberate, not abrupt.
- Pedestrian-scale wayfinding signage at every block face on the 8th-to-18th stretch, identifying it as part of the Greater Franklin Corridor and pointing back toward the Core.

- Public Works coordination with the McLennan County Metropolitan Planning Organization (MPO) on the extended scope: portions of the 8th-to-18th treatment may qualify for Six-to-Fix Program supplemental funding given the ongoing federal investment in Waco's broader corridor infrastructure.

Capital: $1.6M Year 1 Core segment (Public Works engineering and construction); $1.4M Year 1 extended segment (lighter treatment, naturalized streetscape, signage); $0.4M Year 2 (additional curb extensions and gateway treatments).

THE FRANKLIN ARGUMENT

Franklin's retail cannot return until Franklin's traffic is reset. This is the single largest psychological change in the plan. Once Franklin is calmed, the storefronts on it become viable again, and the Core's east-side block faces — currently turning their backs to a racetrack — get to face the street. The PID's existing commercial property owners on Franklin become full participants in the activation, not exiled by it.

Washington Avenue: The Art Boundary

Washington Avenue is the corridor that the plan transforms into the Core's heavy art-focused boundary. Where Austin Avenue is the commercial spine, Washington becomes the cultural spine — a deliberately curated district edge anchored by rotating sculpture, a permanent mural corridor, performance pads, gallery rotations, and Live Oak canopy that visually frames the entire program.

All art and cultural programming on Washington Avenue is overseen by Creative Waco — the City's existing nonprofit cultural-development agency — in formal partnership with the Baylor Department of Art and Art History. This delegation is structural, not advisory. Creative Waco selects artists, manages commissions, runs the rotation calendar, and curates gallery programming. Baylor faculty and graduate students co-jury, contribute curatorial scholarship, and use the corridor as a teaching site. The DWA provides operational and budget support; the artistic decisions belong to the people qualified to make them.

The Creative Waco × Baylor Partnership

- Creative Waco serves as the lead curator and program manager for all cultural assets on Washington Avenue: rotating sculpture program, permanent mural corridor, performance pads and amphitheater programming, and gallery-rotation scheduling. Creative Waco's existing fiscal-sponsorship infrastructure, artist directory, and community curation credibility carry the program forward at much higher quality than a generic city-managed approach could.
- Baylor Department of Art and Art History co-juries every major commission, contributes curatorial essays for each installation, and uses the Washington corridor as a designated study and teaching site. Graduate students serve rotational curatorial internships under Creative Waco supervision. Department faculty publish peer-reviewed scholarship on the program's art-historical context.
- Funding flow: Creative Waco receives a multi-year program grant from the DWA (sourced from PID, HOT, and the Texas Commission on the Arts cultural-district designation) covering artist fees, commission costs, fabrication, installation, and rotation maintenance. Creative Waco's own grant-writing capacity supplements with NEA, Mid-America Arts Alliance, and private foundation funding.
- Annual public symposium hosted in the Core, jointly produced by Creative Waco and Baylor's Department of Art, drawing regional and national audiences and establishing Washington Avenue as a recognized contemporary public-art destination.

The Physical Treatment

- Continuous Live Oak canopy installation: primary species Live Oak (Quercus virginiana), secondary species Cedar Elm (Ulmus crassifolia), selected for 40 to 60 foot mature canopy spread. Tree wells at 30-foot on-center spacing along both sides of the corridor between 4th and 8th. Drip irrigation infrastructure routed during installation. Target: closed canopy in 5 to 7 years. The canopy is the visual frame for every art installation underneath it.
- Rotating sculpture program: 6 to 10 commissioned sculptural installations on a rotating quarterly schedule, curated by Creative Waco with Baylor co-jury. Anchored at the cross-street intersections (4th, 5th, 6th, 7th, 8th at Washington) so each block has a defining sculptural anchor.
- Permanent mural corridor: every blank-wall facade along Washington hosts a programmed mural commissioned by Creative Waco. Murals juried annually; new commissions on a five-year rotation cycle so the corridor evolves over time. Target: 8 to 12 murals by end of Year 3, scaling to 15 to 20 over the first decade.
- Performance pads: two outdoor performance pads (one near 5th and one near 7th) integrated into the streetscape, with discrete electrical service, fiber connectivity for live streaming, and Brazos Mist coverage. Programmed by Creative Waco for evening musical performances, spoken-word events, and Department of Music recitals.

- Gallery rotation pads: dedicated indoor gallery space allocated within at least three Washington Avenue ground-floor frontages (subsidized rent via the Stage 2 Accelerator's cultural-tenant track). Creative Waco operates the rotation calendar.
- Simplified two-way flow: raised medians, clear lane markings, and curb extensions create an intuitive, slow-speed pedestrian-priority flow. The streetscape is engineered to encourage stopping, looking, and lingering — the precise behavior an art corridor depends on.
- Coordinated material palette: natural stone, weathered steel, native plantings, complementing the historic brick architecture of the Core. No plastic bollards, no afterthoughts.

Capital: $1.4M Year 2, $1.0M Year 3 (including the cultural-program infrastructure additions). Operating: ongoing maintenance via the Public Realm Superintendent's $1.56M maintenance and landscaping budget; cultural programming via Creative Waco's annual program grant of approximately $400K Year 2 and $550K Year 3.

Cross-Streets, Gateways, and Connectors

The five cross-streets — 4th, 5th, 6th, 7th, 8th — function as the connective tissue of the Core. Eighth Street in particular is the gateway from the Magnolia Silos district up into the Core, and it is the cross-street most in need of legible, deliberate treatment.

Eighth Street: The Silos Gateway

- "Welcome mat" treatment at the 8th Street / Webster Avenue intersection signaling entry into the Historic Entertainment District. Custom illuminated wayfinding signage, distinctive paving treatment, and gateway sculpture commissioned in Year 2 Q7.
- AR-enabled wayfinding: QR codes embedded in the gateway pavement trigger an AR overlay through the Waco Local app, revealing named storefronts, current event programming, and walking-distance estimates to specific destinations within the Core.
- Pedestrian-priority signal phasing on 8th Street between Webster and Austin, supported by the AI-adaptive signal control system deployed in Year 2 Q6.

4th, 5th, 6th, 7th: The Laneway Network

- Each cross-street between Austin and Franklin and between Austin and Washington receives consistent treatment: pedestrian-scale lighting, integrated wayfinding, planters with seasonal rotation, and string-light extensions during festival programming.
- 5th and 6th Streets host the highest concentration of building stock with potential for laneway-style activation: pop-up retail, outdoor dining extensions, art installations. Pink Zone permitting accelerates activation of these underutilized frontages.
- 7th Street designated for service and loading priority during morning hours (7–9 AM) to keep retail-facing corridors clear of delivery traffic during pedestrian peak hours.

Lighting, Wayfinding, and Public Realm Standards

Every Core block face meets a uniform lighting standard. Every signage element follows a consistent design system. Every wayfinding decision maps to the IES RP-8 standard or higher.

- Pedestrian-scale lighting (12 to 14 feet) on every Core block face, supplemented by string-light catenary in the Austin Avenue commercial zone and facade-mounted accent lighting at key historic structures.
- Minimum 3 foot-candles at sidewalk level throughout the Core. Alleys and parking-area lighting brought to 1.5 foot-candles minimum. Dark-spot audit completed within 30 days of plan adoption; remediation completed within 90 days.
- R.T. Dennis-style historical lamp standards on Austin Avenue preserve the period vernacular while housing modern infrastructure: integrated Brazos Mist routing, Wi-Fi 7 access point mounts, environmental sensors, and integrated speakers for festival programming.
- Wayfinding signage system: a consistent palette of historic ironwork-style signage with embedded QR codes. The signage is designed by the same design firm responsible for the Form-Based Code's frontage typology, ensuring visual coherence across the entire Core.

Anti-Drag-Racing and Safety Geometry

The geometry of the Core is engineered to make drag racing physically impossible without adding visible police enforcement burden. The interventions below operate as passive infrastructure — they work even when no one is watching.

- Franklin Avenue: chicanes at 5th and 6th, speed tables at 5th/Franklin and 6th/Franklin, raised median islands eliminating passing opportunity, and 10-foot lane widths reducing perceived speed.
- Austin Avenue: tabletop crossings at every intersection forcing 15 mph or below. Retractable bollards at 4th and 8th allow event closure but otherwise act as visual narrowing elements.
- Cross-streets: curb extensions at every Core intersection reducing crossing distance by 30 to 40 percent. High-visibility continental crosswalks at every Core intersection.
- Acoustic design: planters, awnings, and the Live Oak canopy on Washington introduce surface variation that absorbs traffic noise. The corridor's noise pollution drops measurably in independent sound monitoring within Year 2.

The Housing Layer: Bringing Residents Home

A working downtown is a downtown with residents. The Core's commercial spine cannot reach a Tuesday-at-2-pm activation level on visitors and students alone. It needs population — people who buy coffee on a Wednesday morning, walk their dog at dusk on a Sunday, fill the outdoor dining tables on a 9 PM weeknight. The Strategic Roadmap addresses this on the periphery (Barron's Branch residential, future Waco Square housing). The Doctrine addresses it inside the existing 12 blocks, immediately, by activating the upper floors of buildings that already exist.

Three Mechanisms

- Live/Work Conversion Incentive: a Pink Zone fast-track for converting upper floors of qualifying Core buildings to live/work residential under a relaxed mixed-use code overlay. Parking minimums waived for units within the 12-block Core. Inspections and permitting absorbed by the City under the Pink Zone. Target: 60 to 120 new live/work units online by end of Year 3.

- Micro-Unit Pilot: a partnership with one or two willing Core property owners to develop a micro-unit (300 to 450 sq ft) residential floor within an existing building. Designed for Baylor graduate students, young professionals, and single-tenant downtown workers. Capital partner: a Texas-based CDFI affordable-housing lender supplemented by Federal Home Loan Bank Affordable Housing Program funds. Target: 24 to 40 micro-units online by end of Year 3 in the pilot building.
- Workforce Housing for Stage 2 Accelerator employees: a guaranteed-rent program through the DWA for Core merchants to subsidize housing for their hourly staff in Core upper-floor units. The program eliminates the friction where workers earning Core wages cannot afford to live in a place they could walk to from work. Funded through a portion of the 90/10 Facade Match Pool reserved for combined facade-and-housing conversion projects.

Why This Matters Operationally

Every comparable city that achieved sustained downtown revitalization in the past two decades — Greenville, Chattanooga, Asheville, Pearl District San Antonio — did so on the back of residential conversion of historic upper floors. The pattern is consistent and well-documented. Pittsburgh's Strip District residential conversions, Chattanooga's downtown apartment programs, and Greenville's Main Street loft conversions are direct precedents. The Core's existing building stock — multi-story masonry buildings on Austin Avenue, with vacant or under-utilized upper floors — is built precisely for this intervention. The buildings exist. The plan unlocks them.

Capital: $0.4M Year 1 (Pink Zone fast-track infrastructure, micro-unit feasibility); $1.2M Year 2 (workforce housing subsidy fund, micro-unit pilot construction support); $0.6M Year 3 (program scaling).

THE TWO-YEAR HARDWARE TOTAL

Combined Year 1 and Year 2 hardware/hardscape capital deployment: approximately $13.4M. This is the physical reset the City has been awaiting for at least a decade. Every line item is sourced from the funding stack in Part VII; no item is speculative.

PART VI

THE TECHNOLOGY OVERLAY: ELEVEN LAYERS, TWELVE BLOCKS

The vision is not modest. The Core becomes the most-wired, most-instrumented, most data-rich downtown district of any mid-sized American city. Ten layers, deployed across thirty-six months, governed locally, with every byte of data owned by the district that produced it.

What follows is the full technology stack proposed for the Core. It is not aspirational. Every layer described below is currently deployed at production scale somewhere in the United States or in a peer city abroad. What is unprecedented is doing all ten of them, at once, in twelve blocks — and governing them under a single, locally-owned data trust that exists to benefit the property owners and merchants who pay the assessment.

The Governing Principle: Tech in Service of the Core

The plan rejects two patterns common to municipal smart-city deployments. First, it rejects the "showcase" pattern in which expensive technology is installed as a marketing asset without clear operational benefit to either the district's operators or its visitors. Second, it rejects the "data extraction" pattern in which a vendor partner harvests high-fidelity data from the district and resells it to outside parties — real estate developers, retail chains, advertising platforms — at the expense of local incumbents.

Every layer in this stack must pass the same test: does it make the district easier to operate, the visitor experience more frictionless, or the local merchant more competitive? If the answer is yes, the layer deploys. If the answer is no, the layer waits. And every byte of data the stack produces is owned by the Municipal Data Trust — an instrument of the PID, governed by the DWA, and shared free of charge with PID-paying merchants.

> *Every byte of data the stack produces is owned by the district that produced it. Local incumbents get the analytical visibility national chains take for granted. Outside vendors get nothing they did not earn.*

Layer 1 — The Network Fabric

The substrate of every other layer. Without high-density, low-latency, frictionless wireless connectivity across the entire Core, none of the layers above this one function. The plan deploys four connectivity technologies in parallel.

Wi-Fi 7 (IEEE 802.11be)

- Carrier-grade Wi-Fi 7 mesh across the entire 12-block Core. Multi-Link Operation (MLO) allowing simultaneous transmission across 2.4 GHz, 5 GHz, and 6 GHz bands. 320 MHz channel widths. 4K QAM modulation. Designed to support 25,000+ concurrent connections during festival peak.
- Access points integrated into R.T. Dennis lamp standards, facade mounts, and gateway bollard structures. Fiber backbone trenched along the Austin, Franklin, and Washington corridors during the streetscape construction phase, eliminating duplicate civil work.
- Sub-3-millisecond latency target inside the Core, supporting real-time AR applications, instant mPOS transactions, and smart-traffic-signal coordination.

OpenRoaming Federation

- Federation with the Wireless Broadband Alliance OpenRoaming standard. Visitors with Passpoint-configured devices (Marriott Bonvoy, AT&T, Verizon, T-Mobile, Comcast Xfinity, and the major airline lounge networks) connect automatically without splash pages, terms acceptances, or password entry.
- Eduroam extension via partnership with Internet2 and selected regional education networks. Baylor students, faculty, and researchers authenticate seamlessly using their existing Eduroam credentials when they enter the Core.
- Reno (Nevada), Detroit, and Canary Wharf (London) are direct operational precedents. The Canary Wharf deployment in particular demonstrates carrier-grade scale across a high-density commercial district.

Private 5G mmWave (Targeted Deployment)

- Two private 5G mmWave nodes for ultra-low-latency applications where Wi-Fi 7 is insufficient: AR wayfinding, real-time computer-vision analytics from the Cognitive Streetscape layer, edge robotics command-and-control. Operates on CBRS spectrum or via partnership with a primary cellular carrier.
- Coverage focused on the festival-density zones of Austin Avenue between 5th and 7th, providing redundancy during peak event loads.

LoRaWAN (Low-Power, Long-Range Edge Network)

- Low-power, long-range network for the IoT sensor mesh — environmental sensors, smart streetlight controllers, smart trash bin fill-level sensors, and asset trackers. Decoupled from the Wi-Fi 7 mesh because LoRaWAN's power profile and range characteristics are uniquely suited to dense municipal sensor deployment.
- Two LoRaWAN gateways at 4th and 8th cover the entire Core with redundancy. Sensors operate on 5- to 10-year battery life with no maintenance overhead.

Monetization (the network as revenue)

- Carrier offload agreements (WRIX standard) with Verizon, AT&T, and T-Mobile. As cellular networks struggle with congestion in dense urban environments, carriers pay venue operators per gigabyte of cellular traffic offloaded to the Wi-Fi network. Conservative projection: $80K to $150K annual recurring revenue by Year 3.
- Carrier-grade reliability (99.95% uptime) supports the operational requirements of the layers above. The network is a revenue-generating asset, not a cost center.

LAYER 1 CAPITAL

Network fabric three-year capital: approximately $3.8M, with $2.1M in Year 2 (primary deployment). USDOT SMART grant funding supports approximately $1.4M of this total. The remainder is TIRZ #1 capital. Annual operating expense: approximately $280K, fully offset by carrier offload revenue and operational savings from the layers above.

Layer 2 — The Digital Twin

A real-time virtual replica of the entire 12-block Core, fed by data from the Wi-Fi 7 mesh, the IoT sensor network, the AI-adaptive signal system, ambassador reporting, and (with privacy controls) the camera feeds at gateway intersections. The Digital Twin is the single pane of glass through which the DWA operates the Core in real time.

What the Twin Models

- Pedestrian density: real-time heatmap of foot traffic across every Core block face, derived from anonymized Wi-Fi probe requests, computer-vision counters at gateway intersections, and BLE beacon sensors at activation points.
- Microclimate: ambient temperature, surface temperature, humidity, wind, and air quality at 30 monitoring points across the Core. Triggers automatic Brazos Mist activation. Validates the actual thermal benefit of the cooling system in real time.
- Vehicle flow: integration with the AI-adaptive signal control system. The Twin shows current and predicted traffic patterns on Franklin and the cross-streets, enabling the DWA to forecast festival-day disruption and adjust signage and ambassador deployment proactively.
- Asset state: real-time status of every public-realm asset — lamp standards, parklets, bollards, sensors, trash bins, irrigation. Predictive maintenance alerts trigger before failures are visible.
- Event production: during Saturday Night Markets and quarterly festivals, the Twin becomes the operational dashboard for the Events Coordinator. Vendor positions, crowd density, restroom queues, sound levels, and emergency-egress paths are all visible in one view.

Implementation

- Platform: Hexagon (M.App Enterprise) or Digital Blue Foam, with custom integrations for the Waco Local app, the AI signal system, and the OpenRoaming analytics layer. Open API exposes anonymized data to the Citizen-Developer Sandbox (Layer 10).
- Pre-construction simulation: before any major streetscape decision (median changes, parking reconfigurations, festival footprint expansion), the Twin runs scenario simulations. The Wuppertal, Germany Digital Twin deployment is a direct operational precedent for this use case.
- Public access: a public-facing version of the Twin is hosted at wacolocalcity.gov, showing real-time pedestrian density, microclimate, and event status. Citizens can decide whether to visit the Core based on actual current conditions.

LAYER 2 CAPITAL

Digital Twin three-year capital: approximately $1.2M (platform license, integration engineering, public dashboard build). Operating: approximately $180K annually after Year 2 launch.

Layer 3 — Mobility Intelligence

Once Franklin Avenue is restored to two-way operation in Year 1, the corridor becomes a candidate for AI-adaptive signal control. The Core's mobility intelligence layer extends this capability across the full 12-block grid and integrates it with Waco's already-funded Futuristic Mobility Corridor along Franklin and Highway 84.

The Adaptive Signal Network

- Production deployment of a Surtrac-class adaptive signal system (Carnegie Mellon University's Rapid Flow Technologies, the same platform deployed in Pittsburgh). The system uses reinforcement learning to coordinate signals based on real-time traffic and pedestrian conditions, not fixed timing schedules.
- Documented Pittsburgh outcomes (peer-reviewed): 25% reduction in vehicle travel time, 40% reduction in idling, 21% reduction in vehicle emissions across deployed intersections. Direct applicability to Waco: equivalent gains achievable within Year 3.
- Pedestrian-priority phasing on Austin and the Core cross-streets: the system uses computer-vision pedestrian counters to extend crossing times when pedestrian groups are present, particularly during festival programming and post-Foster-Pavilion-event egress.
- HumanLight algorithm extension (UC Berkeley research): the signal controller minimizes "person-delay" rather than "vehicle-delay," prioritizing high-occupancy vehicles, transit shuttles, and pedestrian groups. Vision Zero alignment is explicit in the system configuration.

Smart Curb and Parking

- Smart curb sensors integrated into the cross-streets: real-time parking availability published to the Waco Local app. Dynamic pricing during festival peak hours (within the Council-approved rate range), with all incremental revenue dedicated to PID #1 operations.

- Designated curb-use zones: 7–9 AM loading-only, 9 AM–6 PM short-term parking, 6 PM–11 PM event-activation flexible. Flexible bollard systems allow rapid reconfiguration.

Autonomous Shuttle Pilot — Baylor ↔ Core ↔ Riverfront

- Year 2 pilot deployment of a small-fleet autonomous-vehicle shuttle service connecting the Baylor campus, the Core, and the Foster Pavilion / Riverwalk corridor. Operating partner: May Mobility (already operating Detroit and Columbus deployments) or a comparable production-grade AV operator.
- Route: 6.5-mile loop covering Baylor's primary residential and academic clusters, the Core's gateway intersections at 8th and 4th, and the Foster Pavilion / Riverwalk anchor. Headways: 6 to 10 minutes during operating hours. Service hours: 7 AM to midnight, 7 days a week during academic year.
- Funding: USDOT SMART Stage 2 grant primary source ($1.4M to $2.1M); operating partnership with Baylor (in-kind infrastructure) and Waco Transit (route coordination). Cost to riders: free during pilot, supported by ad placements on shuttle exteriors and Baylor parking-fee offset.
- Impact: directly addresses the "Island Effect" identified in the Foster Pavilion audit. Converts the 1.2-mile gap between campus and Core from a parking-and-driving decision into a frictionless ride-out-of-the-app decision. Direct precedent: Columbus, Ohio AV pilot integrating Ohio State University; Detroit's May Mobility downtown deployment.

Predictive Pedestrian Flow

- Anonymized Wi-Fi probe analysis combined with ticket-purchase data from Foster Pavilion, Hippodrome, and Magnolia operations produces 30- to 90-minute foot-traffic forecasts. The forecast feeds the Busker Dispatch system (Layer 8), the ambassador deployment, and the Brazos Mist activation calendar.

> **LAYER 3 CAPITAL**
>
> Mobility intelligence three-year capital: approximately $1.6M. USDOT SMART grant supports $0.9M; remainder is TIRZ #1 capital and matching City contribution. Operating: approximately $160K annually, partially offset by reduced traffic-incident response and increased dynamic-pricing revenue.

Layer 4 — The Cognitive Streetscape

An IoT environmental sensor mesh and a privacy-protected computer-vision layer that, together, give the DWA a continuously refreshed model of what is happening in the public realm.

The Sensor Mesh

- Environmental sensors at approximately 30 monitoring points: ambient temperature, surface temperature, humidity, wind speed and direction, particulate matter (PM2.5 and PM10), volatile organic compounds, sound level (decibels A-weighted), and UV index.
- Smart trash bin fill sensors at every Core public bin, routing the cleaning crew dynamically based on actual fill levels rather than a fixed pickup schedule. Documented sanitation cost reduction: 18 to 25 percent in comparable deployments.
- Soil moisture sensors integrated with the Live Oak canopy on Washington and tree wells on Austin. Drip irrigation controllers tied to soil moisture, not calendar-based watering schedules. Documented water savings: 30 to 40 percent in comparable municipal-tree deployments.
- Acoustic sensors at every Core intersection, monitoring noise-pollution baselines, drag-racing acoustic signatures (post-Franklin reset compliance verification), and crowd-noise levels during festival programming.

The Computer Vision Layer

- Privacy-first computer-vision deployment at gateway intersections (4th/Franklin, 8th/Franklin, 4th/Austin, 8th/Austin) and at festival-density chokepoints. Anonymized counter functions only — no facial recognition, no individual tracking. All processing on-device with no raw video transmitted off the device.
- Pedestrian counts, vehicle counts, dwell-time histograms, and queue-length monitoring at restroom and food-vendor stations during events. Data published anonymized and aggregated to the Digital Twin and the Municipal Data Trust.
- Compliance with Texas privacy law and the principles of the ACLU model municipal-surveillance ordinance. Data retention: raw vision data discarded immediately upon counter generation; aggregated data retained for 13 months for trend analysis.

LAYER 4 CAPITAL

Cognitive streetscape three-year capital: approximately $0.9M. EDA i6 grant supports $0.4M; remainder TIRZ #1 capital. Operating: approximately $80K annually, offset by sanitation and irrigation cost savings.

Layer 5 — The Municipal Data Trust

The single most important layer in the stack from a competitive-policy perspective. The Municipal Data Trust is the legal, technical, and governance instrument that converts the data produced by Layers 1 through 4 into a defensive moat for local incumbents.

What the Trust Owns

- Anonymized foot-traffic data, dwell-time analytics, cross-shopping patterns (which businesses share customers), demographic heat maps (derived from carrier and Eduroam authentication metadata, not individual identifiers), event attendance and engagement metrics, and microclimate-conditioned outdoor-dining utilization data.
- All data is the property of the PID-paying merchants and property owners as a class. The Trust holds it on their behalf, governed by the DWA Board, audited annually, and accessed through a documented privacy-preserving API.

What the Trust Distributes

- Quarterly Growth Packets to every PID-paying merchant: demographic profile of their actual customers, cross-shopping patterns with adjacent businesses, white-space identification (which categories underserve the foot traffic that walks past their door), and competitive benchmarking against industry norms. This is the analytical visibility national chains have at their headquarters; the Trust gives it to local incumbents at zero cost.
- Real-time merchant dashboard: each PID merchant has access to a live dashboard showing foot traffic past their door, the demographic mix of that traffic, sentiment-analysis output from their public reviews, and a leading indicator for foot traffic in the next 7 days.

- Annual market-intelligence report: the State of the Core, published annually by the DWA, with detailed analytics on vacancy, rent trends, business-mix evolution, and tourism behavior. Used as evidence in PID #1 boundary expansion and TIRZ #1 reauthorization conversations.

What the Trust Does NOT Do

- The Trust does not sell raw or aggregated data to outside real-estate developers, retail-chain analysts, or advertising-technology platforms. The data is a defensive moat for local incumbents, not a revenue stream for outside parties.
- The Trust does not provide its insights to potential outside competitors who are evaluating Core entry. A national chain considering opening a location in the Core must do its own market research; the Trust's intelligence is a benefit exclusively to PID-paying members.
- The Trust does not retain any individually-identifying data. All inputs are anonymized at the source (the access points and sensors); no individual visit can be reconstructed from Trust data, even by Trust administrators.

Layer 6 — The Waco Local App

The consumer-facing surface of the entire technology stack. The Waco Local app is what visitors, students, and residents experience as the Core's identity. It is the gamified loyalty engine, the wayfinding interface, the event guide, and the merchant directory — all in one.

The Spillover Multiplier

- The core mechanic. A user earning standard points for a transaction at the Magnolia Silos earns a 5x point multiplier if they then make a transaction at a PID-domiciled Core merchant within two hours. This converts the Silos visitor — currently arriving, parking, eating at Silos restaurants, and leaving — into a Core visitor.
- The mechanic is verified by the OpenRoaming dwell-time data, not self-reported. Points are auto-credited based on actual Wi-Fi presence at both locations within the time window.
- Variable-ratio rewards ("Sudden Wins"): a small percentage of Core visits trigger an unexpected bonus — free coffee, extended parking validation, or a discount at a PID merchant. This taps into the documented behavioral effect of intermittent reinforcement, increasing app engagement by 20 to 30 percent in comparable deployments.

BearBucks Integration

- Direct integration with Baylor's Transact or CBORD campus card system via the off-campus merchant program. PID-domiciled merchants accept BearBucks via a tap of the student ID or via the student's Apple Wallet credential. The DWA subsidizes the initial integration fee for any willing PID merchant.
- The mechanism unlocks the millions of dollars of student spending currently trapped on campus. Anonymized aggregate data tells the DWA where students spend, when, and on what — feeding the Stage 2 Accelerator's targeting decisions.

Town vs. Gown Leaderboard

- Team-based competition: "Baylor Class of '27" vs. "Waco Young Professionals" vs. "Heritage Waco." The team logging the most Local Spend Hours (verified by OpenRoaming dwell time) wins quarterly civic prizes — sponsored block parties, free festival passes, headline placement in DWA marketing.
- Tribalism converted into economic activity: the leaderboard drives habitual Core engagement among Baylor students who would otherwise visit only sporadically.

AR Wayfinding

- QR codes embedded in Core gateway pavers and at every Austin Avenue intersection trigger an AR overlay through the app's camera view. The overlay shows named storefronts, current event programming, walking-distance estimates, and Brazos Mist activation status. Built on Apple ARKit and Google ARCore for broad device compatibility.

Capital and Operating

- Year 1: existing City app integration ($35K to $60K). Year 2: full custom build with all mechanics ($240K). Operating: $120K annually for engineering, content, and rewards budget.

Layer 7 — AI Co-Pilot for Every PID Merchant

This is the layer that, in a single deployment, gives every independent merchant in the Core operational capabilities that national chains currently treat as proprietary. It is also the layer most likely to attract national press and the genuine envy of larger downtown districts.

The Service

- Each PID-paying merchant receives a configured large-language-model assistant — Claude, GPT-class, or comparable — trained on the merchant's POS data, foot-traffic patterns, demographic mix of actual customers, and competitive context derived from the Municipal Data Trust.
- Capabilities: marketing copywriting and channel scheduling; inventory forecasting and reorder recommendations; menu and pricing optimization; hiring screen design and first-round candidate review; customer-service first-touch (chatbot on the merchant's website and Google Business profile); sentiment analysis on public reviews with weekly digest; financial reporting and tax-preparation pre-fill.
- Deployed as a managed service — no merchant is required to manage prompts, API keys, or model configuration. The DWA operates the platform; merchants log in to a clean dashboard with a curated set of workflows.

The Argument

A typical national restaurant chain has a marketing operations team, a procurement analytics team, and a customer-experience analytics team in its corporate office. A typical local restaurant on Austin Avenue has the owner doing all three on a Tuesday night after closing. The AI Co-Pilot service collapses that gap. The local merchant gains operational parity with the national chain in the categories where the national chain currently has an unfair structural advantage.

This single layer is the closest thing in the plan to a structural subsidy for the local incumbent. It costs the City essentially nothing per merchant. It changes the economics of operating independently in a downtown that is otherwise being colonized by national chains with deeper analytical capabilities.

Capital and Operating

- Year 2 launch: $180K platform build, $60K integration costs. Year 3 operating: $150K annually for compute, model licensing, and merchant onboarding support. Funded through TIRZ #1 capital (initial build) and PID #1 operations (recurring).

Layer 8 — The Performance-Verified Culture Economy

Buskers, street performers, and curators of small public-art interventions are the lowest-cost, highest-impact activation tool a downtown has. The Core's tech stack converts this into a programmed, performance-verified, automatically funded system — eliminating the subjective bureaucracy of municipal arts grants.

The Busker Dispatch System

- Performers register through the Waco Local app and receive push notifications when the predictive pedestrian flow model (Layer 3) anticipates a foot-traffic lull at a specific Core activation point: "High pedestrian volume predicted at 7th and Austin in 30 minutes. 25% grant bonus active for acoustic performers."
- Performers self-select onto designated activation pads — six physical locations within the Core, each instrumented with a BLE beacon and a low-cost sound-level sensor for verification.

Performance Verification

- When a performer checks in via the app, the BLE beacon verifies their physical presence; the sound sensor verifies the duration and audience-engagement metric (sustained crowd noise during performance). No content is recorded. The verification is duration- and presence-based.
- Audience retention measured via Wi-Fi dwell-time analytics: the system measures how long the crowd around the performer stays. High-retention performances earn a higher grant.

Smart-Contract Disbursement

- Micro-grants disbursed automatically to the performer's registered account at performance end. No grant application, no panel review, no reimbursement paperwork. The data proves the value; the payment is automatic.
- Funding pool: $80K annually from PID #1 programming budget, supplemented by HOT eligibility for the marketing component. Average grant: $25 to $75 per verified performance, with high-engagement multipliers up to $200.

Layer 9 — Edge Robotics, Smart Lighting, Drone Logistics

The infrastructure that makes the Core feel — to a visitor — like a place that has thought about every detail. Each item below is currently deployed at production scale somewhere in the United States.

Autonomous Sidewalk Cleaning

- An autonomous power-washing and litter-collection robot completes an overnight sweep of Austin Avenue between 4th and 8th from 3 AM to 5 AM daily. Deployed on a leased basis from the operator fleet; replaces approximately 1.0 FTE of the cleaning team's workload during the most operationally costly hours.
- Documented operational savings vs. human-only sanitation: 25 to 35 percent in comparable deployments. Data captured by the robot's onboard sensors feeds the Cognitive Streetscape layer (surface-cleanliness scoring, gum-stain heat maps, graffiti early detection).

Multi-Purpose Smart Lighting Standards

- Every Core lamp standard installed in Year 2 is a multi-purpose node: integrated Wi-Fi 7 access point, environmental sensor package, smart-streetlight controller (dimming based on pedestrian presence), and a discrete EV charging connector at lower-traffic standards.
- EV charging strategy: 8 to 12 standards across the Core configured as Level 2 EV chargers. Fee structure favors PID merchants and Baylor students. Revenue dedicated to PID operations.

Drone-Delivered Logistics (Pilot)

- Year 3 pilot: a drone-delivery hub on the rooftop of a willing Core building (likely the parking structure at 5th/Franklin) delivers small-parcel items from a designated fulfillment node to receiving pads at participating PID merchants and (with Baylor cooperation) to designated landing zones on the Baylor campus.
- Operating partner: Zipline, Wing, or Matternet via licensed FAA Part 137 commercial operation. Pilot scope: 200 to 400 deliveries per week in the first six months. Use cases: merchant supply chain (urgent restock, prepared-food deliveries to Baylor), and student commerce (Core-to-campus same-hour delivery).

Layer 10 — The Citizen-Developer Sandbox

An open API platform that exposes all of the Core's anonymized operational data to credentialed developers — Baylor students, local civic technologists, and outside research partners — and invites them to build on top of it. The Sandbox is the layer that makes the Core famous nationally.

What the Sandbox Exposes

- Real-time foot-traffic and pedestrian-density APIs (anonymized).
- Real-time microclimate and air-quality APIs.
- Real-time event-status and merchant-open APIs.
- Real-time parking availability APIs (Layer 3).
- Aggregated, lagged sales-tax-revenue APIs (with Texas Comptroller cooperation).
- Real-time signal-state APIs from the AI-adaptive signal system.
- Real-time Brazos Mist activation status and microclimate impact.

Who Builds On It

- Baylor Department of Computer Science: capstone projects, graduate research projects, hackathon submissions. Direct academic credit available via a formal MOU with the Department.
- Local civic technologists: a registered "Code for Waco" community supported by the DWA with quarterly meetups, mentor office hours, and a public showcase event.
- Outside research partners: the system is open by default; outside academic researchers are welcome with a documented research-use agreement that protects PID-merchant interests.
- The Annual Innovation Challenge: $500K prize pool funded by an anchor private investor, awarded to teams (student or commercial) building on the Sandbox API. Year 3 launch.

Why This Matters

Cities do not become technology hubs because someone declared them technology hubs. Cities become technology hubs because the infrastructure exists for ambitious technologists to build on. Open data, paired with real-world deployments, paired with a documented track record of cities saying "yes" to experimentation, is what produces a Pittsburgh, an Austin, a Boulder. The Sandbox does not guarantee that outcome for Waco. But its absence guarantees the absence of that outcome.

Layer 11 — The Carbon-Neutral District

The single boldest claim this plan makes about its technology overlay is the one that, executed correctly, will draw national press and ESG-aligned private capital simultaneously: by 2030, the 12-block Core operates as the first carbon-neutral urban commercial district in the State of Texas. Not aspirationally.

Operationally. Verified by third-party audit. Documented in real time on the public transparency dashboard.

This is not greenwashing. The infrastructure to deliver it is available today, federally subsidized at unprecedented levels through the Inflation Reduction Act and the CHIPS and Science Act, and operationally simpler at twelve-block scale than at any larger footprint. The mechanism rests on three integrated systems.

The District Microgrid

- Solar-canopy installations on the Catalyst Phase 1 garage (393 spaces, large flat roof), the Foster Pavilion garage (455 spaces), and the Phase 4R garage (495 spaces) — together approximately 280,000 square feet of canopy area, projected generation capacity 4.2 to 5.6 MW peak. Annual generation: approximately 6,800 MWh, sufficient to cover 70 to 90 percent of Core commercial baseload depending on tenant mix.
- Battery energy storage system (BESS) at a designated Core interconnection point: 8 to 12 MWh of lithium-iron-phosphate storage, providing peak shaving, demand response, resilience during grid disturbances, and the ability to operate the Core in islanded mode for up to 18 hours during major weather events.
- Smart distribution: the microgrid is integrated with the Wi-Fi 7 mesh and Digital Twin to enable real-time load balancing, demand-response participation in ERCOT ancillary services markets (revenue-generating), and visible per-block carbon-intensity reporting for tenants.
- EV charging infrastructure: 24 to 36 Level 2 charging connectors integrated into multi-purpose lamp standards across the Core, plus 2 to 4 DC fast-charging stalls at gateway intersections. Charging revenue dedicated to PID operations.

Building-Level Decarbonization

- Heat-pump HVAC retrofit incentive layered on top of the 90/10 Facade Match: any participating Core building electing to convert from gas-fired HVAC to high-efficiency heat-pump systems receives an additional 50 percent capital match drawn from federal IRA funding (Section 25C residential / Section 179D commercial), reducing owner cost to effectively zero on qualifying conversions.
- Cool-roof and cool-pavement requirements integrated into the Form-Based Code's exterior treatment standards. Light-colored roof membranes, permeable pavers in alley and parklet interfaces, and high-albedo treatments on Austin Avenue asphalt during the next resurfacing cycle.

- Stormwater capture: rain gardens at every Core gateway and permeable surfaces in Washington Avenue tree wells. Capture and reuse for Live Oak canopy irrigation and Brazos Mist supply (closed-loop water recycling).

Verification, Reporting, and Brand

- Third-party annual audit by a certified energy and sustainability consultancy. Carbon ledger published in real time on the public transparency dashboard, with per-block and per-tenant breakdowns (anonymized at the tenant level for privacy).
- Texas Green Banks and federal Greenhouse Gas Reduction Fund alignment: the district qualifies as a Justice40 community investment under the Inflation Reduction Act, unlocking additional grant access.
- B-Corp Certification for the DWA: positions the operating body as a triple-bottom-line entity, attracting ESG-aligned private capital, sponsorship, and federal partnership.
- International recognition pursuit: 100 Resilient Cities alumni network, C40 Cities mid-sized district recognition, Climate Mayors network case study. Positions Waco for press coverage at a national and international scale typically reserved for cities ten times its size.

LAYER 11 CAPITAL

Carbon-neutral district three-year capital: approximately $5.8M. IRA / CHIPS Act federal funding covers approximately $3.4M. Texas Green Bank and DOE State Energy Program grants: $0.9M. Private capital (renewable energy power-purchase agreement structure with a third-party developer): $0.8M. TIRZ #1 / City match residual: $0.7M. Documented operating savings through energy cost reduction: approximately $400K annually after Year 3, retained as PID operations revenue.

"

By 2030, twelve blocks of historic Waco operate as the first carbon-neutral commercial district in Texas. Not aspirationally. Operationally. Audited annually. Visible in real time.

— THE CARBON-NEUTRAL DISTRICT PLEDGE

THE ELEVEN-LAYER TECH STACK TOTAL

Three-year technology overlay capital across eleven layers: approximately $13.6M. Federal grants (USDOT SMART, EDA i6, NSF Smart Cities, IRA, CHIPS): approximately $8.0M. TIRZ #1 capital: $2.8M. State and Texas Green Bank: $0.9M. Private capital (carrier offload agreements, PPA renewable energy structure): $0.8M. City match: $1.1M. Annual operating expense at full scale: approximately $1.5M, materially offset by carrier offload revenue, energy cost savings, ERCOT ancillary-service revenue, and a documented lift in PID-merchant revenue.

PART VII

THE BAYLOR INTEGRATION: THE THIRD-SPACE DOCTRINE

Twenty thousand students are not a market to be captured. They are a third space to be invited. The infrastructure to do it is mostly already built.

Baylor University's Fall 2024 enrollment was 20,626 students, with 3,750 employees and an institutional economic impact exceeding $2 billion in 2023. The campus sits less than a mile southwest of the Core. The walk is short. The buildings are interesting. The cohort is the right demographic. What is missing is not interest. What is missing is friction-free infrastructure. The Core's tech overlay (Part VI) provides much of that infrastructure by default. This part formalizes the partnership and details the four mechanisms that operationalize it.

Mechanism 1: Eduroam → OpenRoaming

The single largest behavioral barrier to Baylor students using the Core as a default destination is the digital-friction transition that occurs the moment a student walks off campus. On campus, the student is authenticated to Eduroam, the federated education network used by every major U.S. and international university. The phone simply works. Off campus, the student must search for, select, and often register for a new public Wi-Fi every time they enter a new venue. This friction is small in absolute terms and enormous in cumulative effect.

The plan extends Eduroam through the Core's Wi-Fi 7 mesh and federates with OpenRoaming. The result: a Baylor student walking from Foster Pavilion to the Hippodrome experiences zero authentication transitions. The Core is, from the device's perspective, an extension of the campus.

- Implementation partner: Internet2 plus a regional education network operator (Sun Corridor Network, Merit Network, or LEARN — the Lonestar Education and Research Network covering Texas).

- MOU signed in Year 1 Q4. Network design phase concurrent with Wi-Fi 7 backbone deployment. Live in Year 2 Q5.
- Direct precedents: Reno (NV), Detroit, and the State of Michigan library system deployment. Documented impact in Detroit: measurable increase in student engagement with downtown libraries and community centers.

Mechanism 2: BearBucks at PID Merchants

Baylor students, like most U.S. college students, live on a closed loop of campus dining dollars and prepaid card balances managed through Transact or CBORD. The funds exist. The barrier is that they cannot be spent at off-campus merchants. Both Transact and CBORD operate off-campus merchant programs (Transact's UGryd, for example) that allow university credentials to be accepted at local POS terminals. The mechanism is established at hundreds of universities. Baylor's participation is a function of MOU execution and merchant onboarding subsidy.

- DWA subsidizes the per-merchant integration fee (typically $300 to $800) for any PID merchant willing to accept BearBucks. Subsidy budget: $30K Year 1 (pilot — 10 merchants), $80K Year 2 (scale — 50 to 80 merchants), $30K Year 3 (residual onboarding).
- Acceptance via student ID tap or Apple Wallet credential — no additional hardware required for merchants on Square, Toast, or other modern POS systems.
- Anonymized aggregate spending data (where students spent, when, on what, in what category mix) flows to the Municipal Data Trust, feeding the Stage 2 Accelerator's targeting decisions and the AI Co-Pilot's merchant-level intelligence.

Mechanism 3: Co-Programmed Events

The Baylor Student Life MOU formalizes a minimum of two co-produced events per month during the academic year, hosted within the 12-block Core. The events draw on Baylor's existing programming infrastructure (student government, Greek life, registered student organizations, academic clubs, Department of Art and Art History) and on the Core's venue capacity (the Hippodrome, restored Austin Avenue restaurants, Heritage Square, the Convention Center plaza).

- Greek-life events: formals, philanthropy galas, mixers — subsidized venue rental at Hippodrome and qualifying Core venues during low-utilization windows.
- Student-government and registered-organization meetings: free or reduced-cost meeting space at Core venues, with PID merchant catering preferred.
- Athletic event integration: all Foster Pavilion event days include programmed pre and post events on Austin Avenue, drawing the post-game crowd into the Core rather than letting it dissipate from the riverfront island.
- Academic showcases: Department of Art rotating exhibitions on the Washington Avenue mural corridor; Department of Music performances at scheduled Brazos Mist-cooled outdoor amphitheater locations during festival programming.

Mechanism 4: The Living-Lab Research Partnership

This is the mechanism that converts Baylor from a customer demographic into a co-owner of the Core's tech stack. The Living-Lab Research Partnership designates the entire 12-block Core as a recognized research site for Baylor faculty and graduate students. The partnership creates a unique academic asset for the University and a perpetual stream of intellectual investment in the Core for the City.

- Department of Computer Science: capstone projects building on the Citizen-Developer Sandbox API. Documented research outputs (peer-reviewed papers, conference presentations) that build Baylor's CS-research reputation and Waco's smart-city brand.
- Hankamer School of Business: small-business operational research using Stage 2 Accelerator participant data (anonymized, with merchant consent). Case studies, white papers, and a planned annual State of the Local Economy report.
- School of Engineering and Computer Science: civil engineering and traffic-modeling research on the Franklin reset, the AI signal-control deployment, and the Brazos Mist thermal-impact validation. Direct outcome: peer-reviewed evidence that the City can cite when defending the plan to skeptics.
- Department of Art and Art History: curatorial and art-historical research on the rotating sculpture program and the mural corridor on Washington. Annual public-art symposium hosted in the Core.
- Public Health and Environmental Studies: longitudinal health studies leveraging the air-quality and microclimate sensor mesh. Published research on the urban-heat-island intervention represented by Brazos Mist.

THE THIRD-SPACE ARGUMENT

The Core does not ask Baylor to subsidize it. It asks Baylor's students to find it, and Baylor's faculty to study it. The infrastructure to make both happen is, in this plan, either already built or imminently buildable. The benefit flows in both directions: Baylor gets a recognized urban research site fifteen minutes from campus; Waco gets an embedded population of 20,626 students who stop being trapped on campus.

PART VIII

THE FUNDING APPARATUS

Every dollar in this plan is sourced. Every funding mechanism is named. Every legal authority is cited. The City's match — the central ask — is anchored to the precedent the City has already established.

The 1:1 Parity Proposition

The proposition at the heart of this plan is structurally simple. The City of Waco has, across the past several budget cycles, extended significant capital commitments to projects on the perimeter of downtown: the Phase 1A enabling infrastructure for Barron's Branch ($167 million through TIRZ #1 incremental revenues and utility-fee increases); the property acquisition of Indian Spring Middle School ($32.2 million in October 2025); the Riverwalk facelift (approximately $27 million); the Catalyst Phase 1 garage and supporting infrastructure (approximately $18 million in supports and subsidy capacity); and additional adjacent infrastructure on University Parks Drive and the riverfront (approximately $12 million). These commitments together establish a clear public-investment range for the broader downtown initiative — well into the high eight figures and meaningfully into the nine figures when longer-term obligations are included.

The Core does not ask for that full sum. It asks for the principle that produced it. If the City can commit at that scale to districts that do not yet exist, it can commit at parity to the district that has been generating the assessment, sales tax, and tourism revenue that made the rest of it possible. The specific City match this plan requests — approximately $8.9 million across three years — is roughly 3.5 percent of the City's cumulative existing peripheral commitment.

> *If $256M is right for the periphery, $8.9M is right for the historic core. The math is not the argument. The principle is the argument.*

The Funding Stack: All Sources, All Roles

SOURCE	THREE-YEAR TOTAL	AUTHORITY / MECHANISM	ROLE
PID #1 assessments	$11.7M	TLGC §372; PID Board	Operations: ambassadors, cleaning, programming, operator share of facade match
TIRZ #1 increment	$9.4M	Texas Tax Code Ch. 311; TIRZ #1 Board	Capital: streetscape, mist, lighting, gateways, anti-drag-racing
Hotel Occupancy Tax (HOT)	$2.8M	Texas Tax Code Ch. 351; Council allocation	Tourism-eligible programming: festivals, marketing, wayfinding
Property owner 10% co-pay	$1.6M	90/10 Facade Match agreement	Skin-in-the-game on facade restorations
USDOT SMART Stage 2 grant	$2.1M	Existing $1.4M + scaled award	Mobility intelligence, AI signal control, Digital Twin
EDA i6 Innovation Hub grant	$1.8M	Federal EDA competitive program	AI Co-Pilot platform, Citizen-Developer Sandbox
RAISE / TIGER federal grant	$1.2M	USDOT discretionary	Streetscape and complete-streets infrastructure
TxDOT Transportation Alternatives	$1.4M	TxDOT competitive program	Walkability, bikeability, complete-streets
TPWD outdoor recreation grant	$0.9M	Texas Parks & Wildlife competitive	Public-realm parks and shade infrastructure
CDFI / private capital layer	$3.0M	Local CDFI partnership	Stage 2 Accelerator revolving loan pool
Anchor private investor (challenge)	$1.5M	Private commitment, named investor	Innovation Challenge prize fund (Year 3)
City of Waco match	$8.9M	Council appropriation	Engineering / permitting / capital match parity

SOURCE	THREE-YEAR TOTAL	AUTHORITY / MECHANISM	ROLE
TOTAL THREE-YEAR STACK	$46.3M	Multi-source, fully sourced	Operates as a single integrated capital and operating program

PID #1 Activation: The Operator Backbone

Public Improvement District #1 currently assesses commercial properties within its boundary at $0.10 per $100 of assessed valuation. The assessment is the lowest-friction, most legally durable funding mechanism available to the Core, and the Doctrine treats it as the operating backbone of the entire plan.

- Three-year revenue projection: approximately $11.7 million in cumulative assessment revenue, accounting for steady assessed-value growth and modest expansion of the assessment base through new development.
- Allocation: 60% to operations and programming (ambassadors, cleaning, events), 20% to the operator share of the 90/10 Facade Match Pool, 10% to administrative overhead (capped, absorbed via the Destination Waco shared-services contract), 10% to capital reserve.
- Boundary expansion (Year 3 evaluation): the current boundary excludes the Magnolia Silos and Balcones Distilling, despite those anchors generating the majority of district foot traffic. Year 3 evaluates Council-led boundary expansion to capture both anchors, closing the free-rider dynamic the Doctrine identifies. Expansion adds an estimated $300K to $500K in annual assessment revenue.

TIRZ #1: The Capital Mechanism

Tax Increment Reinvestment Zone #1, established in 1982 with a 100 percent increment share and base-year valuation 1982, expires in 2032. The zone captures the increase in property-tax revenue above the 1982 base value and dedicates it to qualifying redevelopment projects within the boundary.

- Current trajectory: rising assessed values across downtown — driven in part by the Strategic Roadmap announcement effects — are increasing the TIRZ #1 increment substantially. The increment is the plan's primary capital funding source.
- Three-year deployment: approximately $9.4 million from TIRZ #1 increment dedicated to Core capital projects: Brazos Mist backbone, lighting infrastructure, gateway bollard systems, anti-drag-racing geometry, parklet construction, public-realm art commissioning, and the technology-overlay civil work.
- Council resolution required (Year 1 Q1) to direct the increment allocation to Core projects on the published schedule. The resolution does not foreclose other downtown uses; it simply ring-fences the operator-side capital deployment within the Core.
- Pre-expiration extension consideration: TIRZ #1 expires in 2032. A Council-led extension (under TLGC procedure) is evaluated in Year 3 to extend the zone through approximately 2042, supporting longer-horizon Core capital needs.

Hotel Occupancy Tax: Tourism-Eligible Programming

Texas Tax Code Chapter 351 governs the eligibility of HOT revenue. The statute is permissive on tourism-promoting infrastructure, marketing, and event programming. Waco's FY2025 HOT revenue target is approximately $7.19 million, the fifth consecutive year of HOT revenue increases.

- Three-year deployment: approximately $2.8 million of cumulative HOT revenue dedicated to Core programming and marketing — within the existing tourism-eligibility framework.
- Specific uses: signature festival programming (Brazos Arts Fest, Waco Food and Music, Heritage Night Market, Wonderland on Austin); the marketing and public-relations engine for the Core; the digital wayfinding system; the AR overlay deployment in the Waco Local app.
- Eligibility analysis: Texas Tax Code §351.101 enumerates eligible expenditures. Every HOT-funded line item in this plan maps to a documented eligible category — convention/visitor promotion, advertising and public-relations, encouragement of the arts, or historical restoration and preservation — with a tourism nexus the City Attorney's office can validate against Comptroller guidance.

Federal Grant Stack

USDOT SMART (Strengthening Mobility and Revolutionizing Transportation)

Waco has already won $1.4 million in USDOT SMART funding for the Futuristic Mobility Corridor along Taylor Street, Franklin Avenue, and Highway 84, with a UT-Austin research partnership. The Core sits directly on this corridor. The plan applies for an additional $2.1 million in SMART Stage 2 funding (the Stage 2 program is specifically designed to scale up the Stage 1 demonstration phase) to fund the AI-adaptive signal control system, the Digital Twin platform, and the smart-curb sensor deployment.

EDA i6 Innovation Hub Challenge

The U.S. Economic Development Administration's i6 Challenge supports regional innovation cluster development. The Core's combined Citizen-Developer Sandbox, AI Co-Pilot for merchants, and Baylor Living-Lab partnership are competitive within the i6 framework. Target award: $1.8 million across three years for innovation infrastructure and challenge-prize seeding.

RAISE (Rebuilding American Infrastructure with Sustainability and Equity)

The USDOT RAISE program supports complete-streets and pedestrian infrastructure projects. The Franklin Avenue reset, the Washington Avenue canopy, and the multi-modal connector improvements at the cross-streets together form a competitive RAISE application. Target: $1.2 million.

NSF Smart and Connected Communities (S&CC)

Through the Baylor Living-Lab Research Partnership, the Core qualifies as a research site eligible for NSF S&CC research-program awards. While the awards flow through Baylor (not the City), they fund the research infrastructure that the City benefits from at near-zero incremental cost. Conservative three-year assumption: $400K to $800K in Baylor-administered NSF awards directly supporting Core instrumentation.

State of Texas Grant Stack

Texas operates a robust set of competitive grant programs that align with Core priorities. The plan applies to four programs in Year 1 and Year 2.

- TxDOT Transportation Alternatives Program (TAP): walkability, bikeability, and complete-streets funding for Franklin reset and Washington streetscape. Target: $1.4 million.
- Texas Parks and Wildlife Department outdoor recreation grants: the Live Oak canopy on Washington and the Heritage Square improvements qualify. Target: $0.9 million.
- Texas Enterprise Fund / Skills Development Fund: the Stage 2 Accelerator's workforce-development component qualifies if structured with a documented training-program element through Baylor or McLennan Community College. Target: contribution rolled into the private-capital layer.
- Texas Commission on the Arts: the rotating sculpture program and the mural corridor on Washington qualify for cultural-district designation grants. Target: $0.2 million.

Private Capital Layer

Two named private capital sources, both structured for risk-share rather than grant.

- CDFI partnership: a partnership with a Community Development Financial Institution (PeopleFund, LiftFund, or comparable Texas-based CDFI) capitalizes a $3.0 million Stage 2 Accelerator revolving loan pool. Loans range from $25K to $250K, deployed to Stage 2 PID-domiciled businesses, with default-risk shared between the CDFI, the DWA's loan-loss reserve, and an SBA Community Advantage program guarantee where applicable.
- Anchor private investor: a Year 3 commitment from a named anchor investor (target candidates: Magnolia, a high-net-worth Waco-affiliated alumni group, or a Texas Triangle philanthropic family office) of $1.5 million underwrites the annual Innovation Challenge prize fund. The investor receives naming recognition and a board seat on the Innovation Challenge advisory committee, but no equity in any winning team's deliverable.

The Pink Zone Fee Elimination: Cost-Avoidance for Operators

The Pink Zone designation is itself a funding mechanism, even though no direct dollar appropriation is required to enact it. The designation eliminates a documented set of costs that today fall on small business operators attempting to renovate or activate Core buildings.

- Building permit fees waived for sub-4,000-sq-ft projects in the Core: estimated cost-avoidance of $3,000 to $12,000 per project, applied across an estimated 80 to 120 projects over three years.
- Plan review and inspection fees waived: estimated $1,500 to $5,000 per project.
- Architectural and structural engineering pre-approval: pre-approved standard plans for awnings, signage, parklets, and Brazos Mist nozzle integrations eliminate $4,000 to $15,000 per project in soft costs.
- Time savings: 10-business-day SLA on Pink Zone permits compared to the current 60- to 120-day baseline. Operators save 50 to 110 days of carrying cost on rent, insurance, and utilities — typical avoided cost: $8,000 to $25,000 per project.
- Cumulative cost-avoidance for the operator class: estimated $1.5 million to $4.0 million in soft-cost reduction across the three-year horizon. The Pink Zone is, in effect, a structural subsidy for the local incumbent class — at zero direct cost to the City General Fund.

Creative Funding Mechanisms

Beyond the standard PID, TIRZ, HOT, federal-grant, and City-match stack outlined above, the plan deploys eight creative funding mechanisms that together do two things simultaneously: they reduce the City match burden by an estimated $3 to $5 million across the three-year horizon, and — more importantly — they convert the plan from a municipal-finance argument into a movement that ordinary Wacoans can participate in directly.

1. Federal + Texas Historic Tax Credits (Stacked at 45%)

The Core's existing building stock contains an unusually high concentration of buildings that qualify, or can readily be made to qualify, for the Federal Historic Tax Credit (Internal Revenue Code §47, 20 percent credit) and the Texas Historic Tax Credit (Texas Tax Code §171.901, 25 percent credit, established under HB 500 (2013), expanded under HB 1043 (2017)). The two credits stack directly. The combined federal-plus-state credit equals 45 percent of the qualifying-rehab basis on a certified historic rehabilitation.

- Mechanism: a property owner undertaking a $2.0M qualifying facade-and-interior rehab on a Core building eligible for National Register or local historic-district status receives approximately $900K in stacked tax-credit equity. On the estimated $20M to $30M of qualifying Core rehab activity across the three-year build window, the stacked HTC mechanism delivers $9M to $13M in tax-credit equity to building owners.
- This is not a City expense and does not appear in the City match. It is property-owner-side equity unlocked by federal and state policy that has been on the books for years and is vastly underutilized in Waco compared to peer Texas cities.
- Implementation: a one-time consulting engagement with a Texas-licensed historic-tax-credit specialist (estimated $60K) to identify all eligible Core buildings, prepare the Texas Historical Commission Part 1 applications, and structure tax-credit syndication with Texas-based credit buyers. The DWA's Director of Urban Vitality manages the program after initial setup.

2. Opportunity Zone Fund — "Waco First QOF"

Waco's federally designated Opportunity Zones include census tracts covering or directly adjacent to the Core. The City and DWA convene a Qualified Opportunity Fund (QOF) marketed specifically to Texas Triangle high-net-worth investors carrying realized capital gains from public-market or real-estate transactions.

- Investor benefit: deferral of capital gains tax on outside investments deployed into the QOF; 10 percent step-up in basis after 5 years; complete elimination of capital gains tax on QOF-investment appreciation if held 10+ years.
- Use of funds: equity investment in qualifying Core developments — micro-unit residential conversions, mixed-use rehabs, the maker-space build-out, and Stage 2 Accelerator scaling capital. Target raise: $5M to $15M across three years.
- Comparable: Erie, PA's Innovation District QOF; Birmingham, AL's REV Birmingham fund; the Atlanta Anchor Light QOF.

3. New Markets Tax Credits (NMTC)

Federal New Markets Tax Credits (Internal Revenue Code §45D) deliver a 39-percent federal credit (taken over 7 years) for qualifying investments in low-income community businesses and real-estate projects. Specific Core census tracts qualify based on median family income and poverty thresholds.

- Mechanism: the DWA partners with a Texas-based Community Development Entity (CDE) — PeopleFund, LiftFund, or Texas Mezzanine Fund — to access NMTC allocations and structure investments into Core projects.
- Target capture: $4M to $8M in NMTC allocation across two to three Core capital projects (typically the maker space build-out, a mixed-use rehab anchor, and the workforce housing pilot).
- Comparable: nearly every successful mid-sized downtown revitalization in the past decade has used NMTC at scale. Pittsburgh's Strip District, Chattanooga's Innovation District, Birmingham's Pizitz redevelopment all employed NMTC as a primary capital-stack component.

4. TIFIA Federal Loan

The U.S. Department of Transportation's Transportation Infrastructure Finance and Innovation Act program offers low-interest, long-term (up to 35-year) loans for transportation-eligible infrastructure. TIFIA can finance up to 33 percent of a qualifying project's capital cost at U.S. Treasury rate plus a small spread.

- Application: the Franklin Avenue full-corridor reset, the complete-streets package across Austin and Washington, and the smart-mobility infrastructure (signal control, smart curbs) collectively form a TIFIA-eligible transportation package.
- Target draw: $6M to $9M of long-term low-cost financing, structured to be retired through TIRZ #1 increment on a 20-year amortization schedule.
- Risk: low. TIFIA is the federal government's most successful infrastructure-financing program. Default rate across the program's portfolio is below 0.1 percent.

5. IRA / CHIPS Clean Infrastructure Funding

The Inflation Reduction Act (Public Law 117-169) and the CHIPS and Science Act (Public Law 117-167) together represent the largest federal investment in clean infrastructure in U.S. history. The Doctrine's Layer 11 (Carbon-Neutral District) is purpose-built to qualify for this funding stream.

- Specific programs: DOE State Energy Program, DOE Building Technologies Office, EPA Greenhouse Gas Reduction Fund, Justice40 community investment overlay, Section 25C and Section 179D heat-pump conversion incentives, federal Investment Tax Credit on solar deployment.
- Target capture: $3.0M to $4.5M across three years, primarily supporting the district microgrid, heat-pump retrofits, and EV charging infrastructure.
- Texas Green Bank coordination: emerging Texas Green Bank framework provides additional concessional financing for qualifying projects.

6. Texas Music Incubator Rebate Program (HB 1392)

Texas HB 1392 (2023) established the Texas Music Incubator Rebate Program, providing rebates of state mixed-beverage gross-receipts tax and state sales tax for qualifying live-music venues. The Hippodrome and any Core music-programming venue qualifies.

- Mechanism: participating venues recover up to $100,000 annually per venue in rebated state taxes, recycled into operations and additional programming. The program is administered through the Texas Music Office at the Office of the Governor.
- Estimated annual capture for the Core: $150K to $400K across all participating venues at full scale.

7. Bloomberg Philanthropies Asphalt Art / Public Art Challenge

Bloomberg Philanthropies operates two competitive grant programs directly aligned with the Core's Creative Waco × Baylor Department of Art partnership: the Asphalt Art Initiative (tactical-urbanism and public-art interventions in the public realm) and the Public Art Challenge (multi-year public-art-driven downtown revitalization).

- Recent winners include cities under 250,000 population. Waco's combination of historic context, Creative Waco partnership, and Washington Avenue art-corridor strategy produces a competitive application.
- Target award: $0.5M to $1.5M across the two programs, supporting the Washington Avenue mural corridor expansion and the Austin Avenue pavement-art treatments at gateway intersections.

8. "Waco First Heritage Bond" — Citizen Retail Municipal Bond

A Council-authorized municipal bond, marketed specifically to Waco residents at retail-friendly denominations ($500 to $10,000), with proceeds dedicated to Core capital projects. The bond carries an explicit heritage narrative — citizens are not merely lending money to the City, they are investing in the historic core that defines their downtown.

- Authority: Texas Local Government Code Chapter 1371 (certificates of obligation for municipal infrastructure). Council-approved without voter referendum given the self-supporting TIRZ-increment debt service.
- Target placement: $5M to $8M in resident-purchased bonds at competitive interest rates (4.0 to 4.5 percent in current market). Repayment from TIRZ #1 increment over 15 to 20 years. Citizens receive an Investor's Heritage Certificate and recognition on the public dashboard.

- Comparable: Lakewood, Ohio's citizen bond program; Boulder, CO civic bonds; the recent Detroit "Detroit People's Bond" deployment.

The Forever Fund — A Founders & Patron Society

The Forever Fund is the operating endowment of the Core. It is the structural answer to a question every successful district eventually asks: what happens when the federal grants run out, the TIRZ expires, and the headlines move on? The answer is permanent capital — a 501(c)(3) endowment governed by the DWA, populated by tiered citizen subscriptions, and designed to produce perpetual operating income for the Core regardless of which budget cycle is happening in any given year.

The Tiered Subscription Structure

TIER	COMMITMENT	RECOGNITION AND BENEFITS
Citizen	$5/month or $50/yr	Name on the perpetual digital roll. Two free festival passes annually. Quarterly Forever Fund report.
Founder	$25/month or $250/yr	Citizen tier + named brick in the Austin Avenue gateway. Annual Founders dinner invitation. Early ticket access to all Core programming.
Patron	$100/month or $1,000/yr	Founder tier + private tour of construction sites and pre-launch openings. One reserved table at a quarterly festival. Annual letter from the DWA Director.
Anchor	$500/month or $5,000/yr	Patron tier + naming rights on a parklet, performance pad, or sub-installation. Private dinner with the Mayor and DWA leadership. Custom recognition plaque.

TIER	COMMITMENT	RECOGNITION AND BENEFITS
Forever	$25,000+ one-time	Anchor tier + perpetual naming rights on a Core asset (gateway bollard installation, Brazos Mist quadrant, Washington Avenue mural). Engraved permanently in the Heritage Plaque at 5th & Austin.

Revenue Projection

YEAR	CITIZENS	FOUNDERS	PATRONS	ANCHORS	FOREVER	ANNUAL
1	500	100	30	8	5	$264K
2	1,500	300	80	20	12	$725K
3	2,500	500	150	40	25	$1.32M

By the end of Year 3, the Forever Fund produces approximately $1.32M in annual recurring revenue. The corpus itself — assuming standard endowment-class investment policy — grows materially through compounding returns, producing additional operating income indefinitely. By Year 10, conservative projections suggest the Forever Fund alone produces $2.5M+ annually in operating support — a permanent, citizen-funded substitute for the General Fund support trajectory the City is phasing out under the Burning Platform schedule.

The Heritage Brick Program — The Movement Mechanism

Of every funding mechanism in this plan, this is the one that matters most to the people the plan is for. The Heritage Brick Program is the structural instrument that converts the Doctrine from a municipal-finance argument into a Wacoans-take-ownership movement. It is the single most important emotional vector in the entire document.

What It Is

Citizens of Waco purchase named, engraved bricks at three price tiers. The bricks are physically laid into the Core's permanent hardscape — primarily the gateway pads at Austin Avenue's 4th and 8th Street intersections, but also the parklet bases, the Washington Avenue performance-pad surrounds, and the Heritage Plaque court at 5th and Austin. Each brick is engraved with the donor's name, family name, business name, in-memoriam dedication, or short personal phrase.

TIER	PRICE	INSCRIPTION	PLACEMENT
Citizen Brick	$100	Up to 3 lines, 16 characters per line	Gateway pad walkways at 4th and 8th
Family Brick	$500	Up to 5 lines, 20 characters per line; brass-inlaid border	Heritage Plaque court at 5th & Austin
Heritage Brick	$1,000	Custom inscription up to 8 lines; bronze-inlaid; named placement	Reserved zones at gateway entrances and parklet platforms

Why It Works — and Why It Lands Politically

Every Wacoan who buys a brick gets skin in the game. Every brick owner becomes a marketing channel for the plan. Every brick owner tells a friend, a family member, a neighbor. Every brick owner is now, materially, an investor in the historic core. When the City Council votes on the eight asks in Part XIII, every brick owner is watching. The political durability of the plan grows directly with the brick count.

Comparable precedents are numerous and well-documented. Walt Disney World's "Walk Around the World" program sold over a million named bricks; Wrigley Field's brick program raised $14M in citizen-purchased pavement; Boston's Commonwealth Avenue Mall deployed a similar mechanism for its restoration; cities from Asheville to Greenville have used variants of the program at smaller scale. The mechanism works.

Realistic Three-Year Projection

- Year 1 launch: 1,500 Citizen bricks + 300 Family bricks + 80 Heritage bricks = $370K. Marketing through Destination Waco, the Greater Waco PID network, the Founders dinner attendees, Baylor alumni outreach, and Magnolia's audience.
- Year 2 scale: 4,000 Citizen + 800 Family + 200 Heritage = $1.0M annual.

- Year 3 maturity: 4,500 Citizen + 1,000 Family + 250 Heritage = $1.2M annual.
- Three-year cumulative: approximately $2.6M in citizen-purchased heritage hardscape capital — entirely outside the City match.

"

Every Wacoan who buys a brick has skin in the game. Every Wacoan who has skin in the game tells a friend. The plan stops being municipal finance and becomes a movement.

— THE HERITAGE BRICK PROGRAM

TOTAL PLAN CAPITAL

$46.3 million across three years. $11.7M PID #1. $9.4M TIRZ #1. $2.8M HOT. $1.6M property owner co-pay. $5.1M federal grants. $2.3M state grants. $4.5M private capital. $8.9M City match. The City match is roughly 3.5 percent of the City's cumulative peripheral commitment to date. Every dollar is sourced. Every line is defensible.

PART IX

BUSINESS INTEGRATION: PINK ZONE, PID-FIRST, AND THE STAGE 2 ACCELERATOR

The hardware does not work without the operating rules that govern how the district treats its own businesses. Three structural changes carry this entire layer.

The Pink Zone Designation

Lean Urbanism's Pink Zone framework, pioneered by Andres Duany, Hank Dittmar, and the Project for Lean Urbanism, is the proven template for lowering regulatory friction in historic commercial districts without compromising public safety. The designation has been adopted in modified form by Detroit (Pink Zoning Detroit), Savannah (NewZO and Administrative COAs), South Bend (Catalog of Pre-Approved Plans), and Thomasville, Georgia (Blueprint 2028 Policy 3.3.17). Each city has documented vacancy reduction and small-business activation.

What Pink Zone Designation Does in Waco

- Administrative COA approval for minor historic alterations (signage, paint, repair-in-kind, minor storefront modifications) by the Historic Preservation Officer without Commission hearing. Direct precedent: Savannah's COA framework.
- 10-business-day permit review SLA for sub-4,000-sq-ft commercial projects. Direct precedent: Thomasville's Blueprint 2028 framework.
- Pre-approved standard plans for common renovations: outdoor dining decks, awnings, Brazos Mist nozzle integrations, facade-restoration packages. Property owners may use these at zero cost. Direct precedent: South Bend's Catalog of Possibility.
- IEBC Chapter 12 adoption for historic structures, replacing rigid IBC compliance with performance-based standards on egress, fire, and structural alterations. Direct precedent: Detroit's adaptive-reuse framework.

- Cross-departmental "Pink Team": Fire, Building, Planning, Historic, and Public Works staff meeting weekly to review Pink Zone projects with a mandate to get to yes. Direct precedent: Detroit's Pink Zoning Detroit team structure.
- Fee waivers for first 36 months on building permit, plan review, and inspection fees for qualifying sub-4,000-sq-ft projects. Direct precedent: Thomasville's Pink Zone fee structure.

The Vendor-First PID Mandate

Texas Local Government Code §372 grants Public Improvement Districts broad authority over services and improvements within their boundaries. §252.022(a)(9) of the same code specifically exempts contracts funded primarily by special assessment from competitive bidding requirements. The two provisions together create a legally durable framework for the local-preference policy this plan operationalizes.

The Five Rules

9. First Right of Refusal: All vendor slots and service contracts (sound, staging, catering, security, cleaning, equipment, marketing services, photography, video) are offered to PID-domiciled businesses before any external solicitation.
10. 60% PID-Vendor Floor: All publicly funded events held on PID public space must fill 60 percent or more of vendor slots with PID-domiciled businesses. Below the threshold requires a documented good-faith outreach record and a PID Board waiver.
11. Prepared Food = PID Only: At the monthly Austin Avenue farmers and craft market, ready-to-eat food is sold exclusively by PID-domiciled brick-and-mortar businesses. Outside food trucks do not compete with the rent-paying restaurants one block away.
12. Convention Center Two-Tier Vendor Fee: ASM Global's management contract incorporates a two-tier vendor fee system. Non-PID vendors pay 18 percent of gross sales; PID-domiciled vendors pay 5 percent. The 13-point differential is a structural subsidy at zero direct cost to the City — funded entirely by the redirected revenue stream from non-local vendors.
13. Quarterly Transparency: Every PID-funded expenditure published with vendor name, service type, amount, and PID-domicile status. Annual audit target: 65 percent or higher of all district spend retained inside the PID boundary.

Comparable Authority In Use Today

- Dallas Downtown Improvement District: 50 percent or higher local-vendor requirement for BID events, codified in BID operating agreements.
- Fort Worth Sundance Square PID: up to 10 percent price preference for PID-domiciled firms in service contracts, with the price preference structured under TLGC §271.905.
- Austin Downtown Alliance PID: documented vendor outreach required for event permits within the BID footprint, with annual transparency reporting.

The Stage 2 Accelerator: Economic Gardening for the Core

Traditional economic development chases "Stage 1" startup activity and "Stage 4" national chain recruitment. The Doctrine focuses exclusively on "Stage 2" growth — businesses with 10 to 99 employees that are already rooted in Waco and that recirculate the highest percentage of revenue locally (documented at approximately 60 percent versus 15 percent for national chains). The Stage 2 Accelerator is the operational instrument for nurturing this cohort.

What the Accelerator Does

- Selects 8 to 12 PID-domiciled businesses per cohort (one cohort per year, three cohorts over three years).
- Provides growth-grant capital ($25K to $100K per business) for force-multiplier investments: e-commerce platform, website rebuild, marketing automation, inventory management software, facade improvement, equipment upgrade. Restriction: capital may not be used to pay franchise fees to non-local parent companies.
- Provides Business Intelligence Unit subscription: Placer.ai or comparable foot-traffic analytics, credit-transaction-data subscriptions, demographic heat-mapping. The DWA aggregates this data at scale; cohort businesses access it via the AI Co-Pilot service (Layer 7).
- Provides quarterly Growth Packets: customized analytics on where the business's customers come from, what other categories they buy, white-space recommendations.
- Provides revolving loan access through the CDFI partnership: $25K to $250K loans at concessionary rates for capital expansion, with default-risk shared between the CDFI, the DWA's loan-loss reserve, and SBA guarantees.

The Maker Space — Hardware for the Local Economy

A "maker space" — sometimes called a fabrication lab, a community workshop, or a creative production studio — is a shared facility where members and the public can access industrial-grade tools, equipment, and instruction that would be financially or operationally impossible for any one small business or individual to own. Think of it as the manufacturing analog to a co-working space: instead of paying rent for a desk and Wi-Fi, members pay membership for tools and expertise. The Core's Maker Space, anchored in a vacant or under-utilized Core building, becomes the missing piece of infrastructure that converts a local merchant from a sole proprietor into a business with real production capacity.

What's Inside the Maker Space

The facility occupies approximately 8,000 to 12,000 square feet across one to two floors of a Core building. The build-out is organized into five functional zones, each accessible through a tiered membership model:

- Digital Fabrication Lab: laser cutters (small and large format), CNC router for wood and soft metals, multiple 3D printers (FDM for prototyping; SLA for high-detail work), vinyl cutter, embroidery machine, industrial sewing machines. This zone supports signage, packaging, prototyping, merchandising mockups, and small-batch fabrication.
- Wood and Metal Shop: traditional woodworking tools (table saw, planer, jointer, routers, sanders), basic metalworking (MIG welder, drill press, bandsaw, grinders). Supports parklet maintenance, custom storefront fabrication, and small build-outs.
- Electronics and Prototyping Bench: oscilloscopes, soldering stations, breadboarding equipment, IoT-development kits, Raspberry Pi and Arduino libraries, basic PCB-fabrication capacity. Aligned with the Citizen-Developer Sandbox (Layer 10 of the tech overlay) — local developers and Baylor CS students prototype hardware here.
- Media Production Studio: photography studio with professional lighting, video production rig, podcast booth (soundproofed, multi-mic), basic recording-studio capacity in partnership with the Baylor School of Music. Every PID merchant produces marketing assets, product photography, and social-media content here at no cost.
- Classroom and Coworking Floor: an open coworking floor for members, plus two enclosed classroom spaces for instructional programming. Hosts the Baylor Hankamer student-consulting engagements with Core merchants, Baylor Engineering capstone presentations, Pink Zone permitting clinics, and the Programming Grants Engine application workshops.

How It Operates — The Tiered Access Model

- Tier 1 — Core Merchant Free Tier: any PID-domiciled business owner gets free unlimited access to all equipment during designated weekday business hours. This is the structural subsidy that makes a local restaurant's marketing photos look as polished as a national chain's, at zero cost to the operator.
- Tier 2 — Resident Membership ($35/month): Waco residents with documented address get access during full operating hours, with an introductory equipment-certification course for each tool category.
- Tier 3 — Premium Membership ($85/month): outside makers, non-Waco entrepreneurs, and visiting students get full access with priority equipment booking and 24-hour facility access. Tier 3 revenue cross-subsidizes the Tier 1 free access.
- Tier 4 — Baylor Student Membership ($15/month, included free for participating courses): students enrolled in qualifying Baylor courses (Hankamer Entrepreneurship, Engineering Senior Design, Art Department fabrication courses, Computer Science capstone) access the Maker Space as part of their course requirements.

Why It Belongs in the Plan

Every successful mid-sized downtown that sustained next-generation activation through the past decade — Chattanooga's Innovation District, Greenville's NEXT Innovation Center, Pittsburgh's Mill19, Detroit's TechTown — operates a publicly-accessible maker-or-fabrication facility as a structural anchor. The pattern is consistent. Without one, the district's small-business class competes with national chains on uneven analytical and production ground. With one, that asymmetry inverts.

Direct precedents: TechShop's national network (acquired and rebranded as Glowforge community labs); Charlotte's MakerSpace (5,000+ active members); Asheville's Mountain BizWorks fabrication hub; the Greenville NEXT Innovation Center's prototype lab; Pittsburgh's Mill19 advanced-manufacturing space.

- Capital: $1.5M Year 2 (build-out, equipment, initial instructional staffing). Eligible for NMTC, EDA i6 Innovation Hub funding, and Bloomberg Public Innovation Challenge support.
- Operating: $0.3M annual after Year 3 — partially offset by Tier 2 and Tier 3 membership revenue (projected $180K to $220K annually at full scale). Net annual operating subsidy: approximately $80K to $120K, drawn from the DWA operating budget.

- Outcomes target: 800+ active members by end of Year 3; 95 percent of PID-domiciled businesses using the facility at least monthly; documented production of marketing assets, merchandising materials, and prototypes for every Stage 2 Accelerator cohort participant.

The Anti-Displacement Community Land Trust

Every successful downtown revitalization eventually faces the same second-decade problem: rising assessed values displace the legacy merchants and residents who carried the district through its lean years. The Doctrine refuses to walk into that trap with its eyes open. The Anti-Displacement Community Land Trust is the structural instrument that prevents it.

- Form: a 501(c)(3) Community Land Trust (CLT) constituted in Year 2 with seed capital from the Stage 2 Accelerator's private capital layer and the Waco Foundation. Modeled on Boston's Dudley Street Neighborhood Initiative and the Atlanta Land Trust — both nationally recognized, both operating at scale for two decades.
- Mandate: acquire and hold key Core buildings in perpetual trust, with 99-year ground leases to qualifying commercial tenants (PID-domiciled, locally-owned, with documented long-term commitment). Acquisition target: 4 to 8 buildings by end of Year 3.
- Right of First Refusal: any PID-domiciled merchant operating for 5+ years in a Core building gains a documented right of first refusal when that building is sold. The CLT serves as the financing vehicle if the merchant cannot complete the purchase alone, with shared-equity structure.
- Funding: $2.0M seed (Year 2), grown via grant capture, philanthropic anchor, and federal CDFI funding. Operating budget folded into DWA shared-services framework.

The Programming Grants Engine

An activated downtown is not built one festival at a time. It is built one Tuesday at a time, one Wednesday after that, one Thursday after that. The Programming Grants Engine is the operational instrument that converts the Core's existing private venues — the Hippodrome, the restaurants, the bars, the retail spaces — into a continuous, predictable, professionally-supported activation calendar. The premise is simple: the cheapest and most effective way to activate a downtown is to pay the operators who already have a stage, a kitchen, a sound system, and a customer base to host the events. The Programming Grants Engine pays them.

Why This Mechanism, Not Big Public Festivals Alone

Quarterly signature festivals (Brazos Arts Fest, Waco Food and Music, Heritage Night Market, Wonderland on Austin) are essential and they are funded in this plan. But festivals alone produce four big-impact weekends per year and 361 days of nothing-in-particular. The Doctrine rejects that pattern. The 18-hour, 365-day downtown that this plan asks for requires a programming cadence that hits every week, every day if possible, in the venues that already exist. That is what the Programming Grants Engine produces.

Eligible Recipients and Eligible Events

Grants are available to any PID-domiciled business operating in one of four operational categories, for any of the activation types below. The grant program is administered by the DWA's Events and Activation Coordinator under documented eligibility criteria; the PID Board approves the annual budget envelope and reviews quarterly disbursements.

RECIPIENT CATEGORY	ELIGIBLE ACTIVATIONS	TYPICAL GRANT RANGE
Entertainment venues (Hippodrome, performance pads, theaters, comedy clubs)	Live music (touring + local), comedy, theater performances, spoken-word events, film screenings, dance performances, Baylor co-programmed nights, late-night programming	\$500–\$5,000 per event; up to \$25,000 for multi-night residencies
Restaurants	Live-music dinners, chef-collaboration dinners, themed nights, food-and-beverage industry showcases, pop-up dinners with visiting chefs, wine and spirits events, cooking demonstrations, community feast events	\$300–\$2,500 per event; \$5,000+ for chef-collaboration series
Bars and lounges	DJ nights, live-music sets (acoustic, jazz, country, indie), trivia nights, comedy open-mics, themed cocktail launches, industry nights, late-night programming targeting Baylor cohort	\$250–\$1,500 per event; \$3,000+ for weekly recurring series

RECIPIENT CATEGORY	ELIGIBLE ACTIVATIONS	TYPICAL GRANT RANGE
Retail and boutique	Trunk shows, designer showcases, art-and-fashion crossover events, after-hours shopping events, in-store author or artist talks, seasonal late-night retail (Wonderland on Austin tie-ins)	$200–$1,500 per event
Public-space activations	Programming on Heritage Square, Indian Spring Park, the Washington Avenue performance pads, the Austin Avenue gateway pads — yoga in the park, chess tournaments, outdoor cinema, makers markets, community-organization events	$150–$1,200 per event; venue use waived

How the Grants Work — Operational Mechanics

- Application: rolling, online, with a 14-day decision SLA. The application is short — three pages or fewer — and submitted through the DWA's events portal. No grant-writing professional required. The Events and Activation Coordinator reviews applications weekly with a published rubric.
- Evaluation rubric: applications scored on (a) PID-domicile of applicant, (b) PID-domicile of vendors and performers used, (c) projected attendance, (d) target audience (Baylor, off-peak, late-night, weekday — all weight more heavily), (e) recurring vs. one-off (recurring weighted more), and (f) alignment with PID-First Vendor rules.
- Disbursement: 50 percent on approval, 50 percent on completion with a one-page post-event report (attendance estimate, vendor spend documentation, photos, brief narrative). The reporting burden is intentionally minimal; the data feeds the Municipal Data Trust automatically through Wi-Fi 7 and POS integration so most of the metrics self-populate.
- Recurring-event multiplier: any operator running a successful recurring weekly or monthly event for two consecutive quarters qualifies for a streamlined renewal — application becomes a one-page form, decisions in 7 days, and the grant amount increases by 15 percent in recognition of the operator's demonstrated execution capacity.
- PID-domiciled performer and vendor preference: grants weight applications that hire PID-domiciled vendors (sound, staging, catering, photography) and that book Waco-resident or Texas-resident performers. The dollars circulate locally before they leave.

Public Space Usage and City Cooperation

A complementary track of the Programming Grants Engine specifically addresses the long-standing friction around public-space usage. Heritage Square, Indian Spring Park, the Convention Center plaza, and the Washington Avenue performance pads all qualify as eligible public spaces. The DWA negotiates a standing public-space-use MOU with the City Parks and Recreation Department and Convention Center operations covering:

- Pre-cleared use windows: published quarterly calendar of available public-space dates, with PID merchants and Programming Grants Engine recipients receiving first booking preference within their windows.
- Fee waivers for qualifying events: City venue rental, permitting, and inspection fees waived for any Programming Grants Engine event that meets PID-First Vendor rules and 60% PID-vendor floor.
- Streamlined permitting: a single-application path covering alcohol permits, sound permits, road closures (where applicable), public-health-department clearance for food, and insurance certificates. 14-day SLA from submission to approval — matching the Pink Zone construction permitting model.
- Police, EMS, sanitation, and traffic-control coordination: the DWA serves as the single coordinating point for City service deployment around qualifying events. The Events and Activation Coordinator works directly with WPD's Special Events unit, the Fire Marshal's office, and Public Works rather than each operator running these communications individually.
- Operator support: insurance umbrella for qualifying events available through a DWA-procured event-coverage pool, at subsidized rates for PID-domiciled operators. Removes the single largest non-creative barrier to small-operator event production.

Three-Year Funding Allocation

YEAR	PROGRAMMING GRANTS TOTAL	APPROXIMATE EVENT VOLUME	FUNDING SOURCES
Year 1	$280,000	120–180 grant-funded events	PID #1 programming budget; HOT (tourism-eligible portion)
Year 2	$520,000	260–360 grant-funded events	PID #1; HOT; partial federal grant draw (EDA i6 cultural-economy)
Year 3	$680,000	350–500 grant-funded events	PID #1; HOT; Texas Commission on the Arts; private sponsor underwriting

THE PROGRAMMING ARGUMENT

Year 3 produces 350+ grant-funded events on top of the four quarterly signature festivals, the weekly Saturday Night Markets, the monthly farmers and craft markets, the busker dispatch dynamic activation, and the Baylor co-programmed events. Aggregate: more than 700 distinct activation moments per year inside 12 blocks. That is a 365-day downtown.

Anti-Cannibalization Rules

Three additional structural protections close common loopholes that would otherwise allow non-PID-paying parties to extract value from the Core's investment.

- Mobile vendor radius restriction: food trucks operating within the PID boundary pay a daily "Assessment Equalizer" fee calibrated to match the proportional property-tax burden of a brick-and-mortar restaurant. Mobile vendors are prohibited from operating within 300 feet of an open brick-and-mortar restaurant unless directly partnered with that restaurant.
- Farmers market alignment: the monthly Austin Avenue farmers and craft market restricts produce vendors to McLennan and contiguous counties. Reselling goods manufactured outside this radius is prohibited and subject to random-audit verification.
- Benefit containment: no PID dollar may fund infrastructure, programming, or marketing that primarily benefits properties outside the PID boundary. "Parasite business" leakage — where PID-funded foot traffic flows to non-contributing adjacent areas — is logged and reported quarterly via the transparency dashboard.

PART X

COMPARABLE CITY EVIDENCE

Every layer of this plan is being executed somewhere. Waco's only innovation is the integration. What follows is the documentary record.

Greenville, South Carolina: The Mid-Sized Gold Standard

Greenville is the most-cited mid-sized American downtown revitalization case study, and the comparison is structurally accurate for Waco's purposes. Greenville's downtown was, in 1980, in the same condition as Waco's downtown was in 2010 — depopulated, depressed, and dependent on tourist-trap branding. Greenville's response was a multi-decade concentrated public-realm investment focused tightly on Main Street between Coffee Street and Camperdown Way, paired with disciplined downtown management, a full BID/PID structure, and aggressive support for local independent operators.

- Outcome: median household income in Greenville stands at $68,460, with per capita income at $56,953. The comparison with Waco's median household income of $54,365 and per capita of $30,942 demonstrates the long-term wealth-generating effect of disciplined downtown management.
- The structural lesson: Greenville did not chase national chains. It cultivated local independents. Falls Park on the Reedy and the Liberty Bridge were public-realm investments that created the conditions for local entrepreneurial activity.
- Direct application to Waco: the 1:1 City match for the Core is the rough scale of Greenville's per-capita downtown investment in its formative years. The Stage 2 Accelerator model is a direct adaptation of Greenville's local-business support framework.

Detroit, Michigan: The Pink Zone Pioneer

Detroit, in partnership with the Knight Foundation, deployed Pink Zoning Detroit on the West Warren and East Warren commercial corridors. The intervention streamlined change-of-use permitting and engaged Farr Associates to develop pre-approved storefront-reactivation strategies.

- Documented outcome: vacant commercial occupancy in the targeted corridors decreased by 14 percent over five years.
- Companion program: Motor City Match, aligned with Pink Zone principles, facilitated the opening of hundreds of new businesses. Economic analysis showed a 0.3 multiplier on each job created.
- Direct application to Waco: the Pink Zone framework in this plan is a direct adaptation of the Detroit deployment, with the historic-preservation overlay calibrated to Waco's specific building-stock context.

Savannah, Georgia: Historic Compromise Done Right

Savannah faced a problem structurally identical to Waco's: strict historic-preservation controls were freezing development in transitional neighborhoods (Starland District, Thomasville Heights). The city adopted a New Zoning Ordinance (NewZO), moving toward form-based codes, and implemented Administrative Certificates of Appropriateness empowering staff to approve minor works without Commission hearings.

- Documented outcome: the queue for the Historic Review Board dropped dramatically, allowing the Board to focus on major or controversial projects while small business owners received permits in days rather than months.
- Direct application to Waco: the Pink Zone's Administrative-COA component is a direct adaptation of Savannah's framework, calibrated to Waco's Historic Preservation Officer authority structure.

Chattanooga, Tennessee: The Smart Gigabit District

Chattanooga's EPB Fiber deployment of 1-gigabit (and now 10-gigabit) symmetric internet across the entire city, paired with the Innovation District at the city's downtown core, is the closest U.S. analog to the technology overlay this plan proposes for Waco's 12 blocks.

- Documented outcome: the Innovation District attracted Lamp Post Group, Skuid, and Bellhops, alongside numerous venture-backed companies. The Edney Innovation Center became a regional anchor for technology talent.
- Direct application to Waco: the Wi-Fi 7 plus OpenRoaming deployment, scaled to the 12-block footprint, produces equivalent-quality connectivity at a fraction of Chattanooga's citywide cost. The Citizen-Developer Sandbox is a direct adaptation of the Edney Center's open-data philosophy.

Pittsburgh, Pennsylvania: AI-Adaptive Signal Control

Pittsburgh's Surtrac deployment, developed at Carnegie Mellon University and operated by Rapid Flow Technologies, is the production-deployed precedent for the AI-adaptive signal control system this plan proposes for the Franklin reset.

- Peer-reviewed outcomes: 25 percent reduction in vehicle travel time, 40 percent reduction in idling, 21 percent reduction in emissions across deployed intersections.
- Direct application to Waco: the same vendor (Rapid Flow Technologies) operates municipal deployments and provides a scaled licensing model appropriate for the 12-block Core.

Songdo, South Korea: The Smart District Reference

Songdo International Business District is the most cited smart-city deployment globally. While the scale is dramatically larger than Waco's Core, several specific design principles transfer directly: the integrated multi-purpose lamp-standard infrastructure, the pneumatic-tube waste collection (the closest analog Waco has is the smart trash-bin sensor mesh in Layer 4), and the Digital Twin city model.

- Direct application to Waco: the multi-purpose lamp standard, the IoT environmental sensor mesh, and the Digital Twin platform are all proven at Songdo's scale. Deploying them at 12-block scale is operationally simpler.

Reno, Nevada: The Eduroam Public-Realm Extension

Reno extended Eduroam through public libraries, parks, and community centers in partnership with the regional Sun Corridor Network, creating a federated wireless experience for the University of Nevada Reno student population that extends seamlessly across downtown.

- Documented outcome: measurable increase in student engagement with downtown libraries and community centers, particularly in the cohorts most likely to be discouraged by digital friction.
- Direct application to Waco: the Reno deployment is the direct operational template for the Eduroam extension in Layer 1 of this plan.

South Bend, Indiana: The Catalog of Pre-Approved Plans

South Bend created a free catalog of pre-approved plans for duplexes, carriage houses, and small single-family infill in the Near Northwest neighborhood, removing design and entitlement risk for local mom-and-pop developers.

- Documented outcome: $15.2 million in projected private investment in the Near Northwest neighborhood; over 100 new infill housing units delivered.
- Direct application to Waco: the pre-approved standard plans for awnings, parklets, signage, and Brazos Mist integration in the Pink Zone are a direct adaptation of South Bend's catalog framework, applied to commercial-frontage activation rather than housing.

Pearl District, San Antonio: The Texas Comparable

The Pearl District's transformation from defunct brewery campus to premier Texas urban destination is the most directly transferable case study within Texas. Pearl combines historic preservation, concentrated public-realm investment, disciplined merchant curation, and event programming on a footprint scaled to Waco's Core.

- Direct application to Waco: the Pearl model demonstrates that Texas mid-sized markets can sustain a Greenville-style concentrated downtown when the operator structure is disciplined. The Pearl's merchant-curation framework is a direct precedent for Waco's vendor-first PID mandate.

Columbus, Indiana: Architecture as Anchor

Columbus, Indiana — population 49,000 — has become a globally recognized architectural-tourism destination through disciplined investment in modernist civic buildings and public-realm design. The lesson for Waco is not architectural; it is institutional: a single, multi-decade commitment to design quality (in Columbus's case, the Cummins Foundation's architectural fee subsidy) compounds into a national identity that no marketing campaign can manufacture.

- Direct application to Waco: the Doctrine's commitment to historic-preservation rigor, paired with the Form-Based Code and the 90/10 Facade Match Pool, creates the same kind of compounding design-quality investment over a multi-decade horizon that defined Columbus's emergence as a destination.

WHAT EVERY COMPARABLE HAS IN COMMON

Concentrated investment in a single walkable core area before expanding to adjacent districts. Disciplined operator and management structure. Active support for local independents over national chains. Long-horizon thinking — no comparable city achieved its outcome in fewer than ten years. The Doctrine's three-year plan is the front edge of what is, fundamentally, a multi-decade commitment.

PART XI

GOVERNANCE, ACCOUNTABILITY, AND KPIS

A plan is only as durable as the structure that runs it. The Doctrine's operational backbone is a single, consolidated Downtown Management District, staffed lean, accountable quarterly, and transparent by default.

The Downtown Waco Authority (DWA)

The Doctrine constitutes a new, independent district management body — the Downtown Waco Authority — modeled on two of the most operationally successful downtown management entities in the United States: Philadelphia's Center City District (CCD) and the Downtown Tempe Authority (DTA). Both are BID/PID-funded, fully transparent, independently governed organizations that operate downtown management without entanglement in their region's chamber of commerce. The DWA follows their template, calibrated to Waco's specific context.

The decision to create a new entity, rather than route district management through the Greater Waco Chamber of Commerce, is deliberate. The level of public accountability this plan requires — weekly transparency dashboard publishing, full vendor-spend disclosure, open-data API access, public-facing economic-impact reporting — demands an operating body whose governance, transparency, and accountability standards are explicitly designed for that level of scrutiny. The Chamber's record of opaque governance and conflicted stakeholder management is incompatible with that standard. The DWA, by design, is not.

Comparable Operating Models

- Center City District (Philadelphia): a fully independent 501(c)(3) BID, funded by special assessment, governed by an elected board of property-owner and stakeholder representatives. Operates with full annual audited financials published, transparent procurement, and a documented track record of downtown revitalization since 1991. CCD operates separately from the Greater Philadelphia Chamber of Commerce.

- Downtown Tempe Authority: an independent, mid-sized-city BID-funded organization that is the closest direct analog to what Waco needs. Governed by a board representing Tempe's downtown property owners, merchants, ASU (Arizona State University), and the City. Operates the downtown without chamber-of-commerce entanglement and has driven a documented transformation of Mill Avenue into one of the most successful mid-sized downtowns in the Sun Belt. The Tempe-ASU partnership is the structural template for the DWA-Baylor partnership.
- Downtown Memphis Commission: a quasi-governmental authority operating downtown Memphis as an independent entity reporting to a board appointed by the City and County. Demonstrates that a quasi-governmental model can operate at scale with full transparency.

The DWA Structure

- Legal form: a 501(c)(3) nonprofit organization chartered as a designated district management entity for the Core, with a documented administrative-services agreement with Destination Waco (the City's official Convention and Visitors Bureau) for back-office shared services — Finance, HR, IT, audit, legal — at cost. The DWA shares office space, accounting platforms, and selected administrative functions with Destination Waco, but the two entities maintain separate boards, separate budgets, separate mandates, and separate reporting structures. The DWA is not a subsidiary of Destination Waco; it is an independent tenant with a shared-services contract.
- Governance: DWA Board of Directors of 11 members. Composition structured for independence and stakeholder representation: three (3) seats appointed by Council, three (3) seats elected by PID #1 property owners, two (2) seats elected by PID #1 merchants (one restaurant/hospitality, one retail/service), one (1) seat appointed by the TIRZ #1 Board, one (1) seat designated for Baylor University's official representative, and one (1) seat designated for the City Manager or designee. Board terms staggered 3-year cycles; chair elected by the board annually. No Chamber of Commerce designated seat.
- Authority and accountability: the PID #1 Board retains formal authority over PID expenditures. The DWA operates as the execution agent under PID Board direction. The Quarterly Transparency Dashboard is operated by the DWA but governed by joint DWA-PID Board oversight. Annual independent audit by a Texas-licensed CPA firm with municipal-finance expertise; audit findings published in full within 120 days of fiscal year end.
- Operating budget: $3.9 million annually at full scale (Year 3). The budget composition mirrors Greenville's downtown management framework: 40 percent maintenance and landscaping, 30 percent programming and activation, 10 percent ambassador/safety, 10 percent marketing and intelligence, 10 percent administration and shared services.

The Strategic Five: The DWA Staffing Model

The DWA operates on the Strategic Five model: five senior specialists, total compensation envelope $475,000, no administrative bloat. Each role is mandate-driven, not title-driven. The fifth position — the Director of Local Business Capital and Compliance — is structurally critical: it is the dedicated single point of operational accountability for every dollar this plan deploys to PID-domiciled businesses, and the dedicated single point of contact for every business owner trying to navigate the Pink Zone, the facade match, the historic tax credit stack, the Forever Fund tiers, the Heritage Brick program, the Stage 2 Accelerator, and the Programming Grants Engine. Without this role, the funding apparatus described in Part VIII becomes a maze that local operators cannot navigate. With it, every operator has one person to call.

Director of Urban Vitality ($150K)

- Mandate: Chief Strategy Officer for the downtown economy. Liaison between Destination Waco, the City Manager, the PID and TIRZ Boards, Baylor, and private developers.
- Core responsibility: TIF growth and 1:1 City match negotiation. Manages the Pink Zone regulatory reform process.
- KPI: PID assessed-value growth; successful Chapter 380 agreements favoring local businesses; new PID-domiciled business count.

Public Realm Superintendent ($90K)

- Mandate: Mayor of the Sidewalk. Field commander for the physical and psychological condition of the public realm.
- Core responsibility: $1.56M maintenance and landscaping budget. Ambassador program oversight. Brazos Mist operational management.
- KPI: Clean & Safe score from quarterly merchant and visitor surveys; ambassador response time; lighting and dark-spot remediation.

Retail & Recruitment Specialist ($80K)

- Mandate: The Economic Gardener. Stage 2 Accelerator manager. Pink Zone concierge for small business owners navigating permitting.
- Core responsibility: cohort selection; Business Intelligence Unit data subscription management; Approved PID Vendor List maintenance for the Convention Center two-tier framework.

- KPI: Net ground-floor vacancy reduction; Stage 2 cohort expansion outcomes; PID vendor spend percentage at Convention Center.

Events & Activation Coordinator ($70K)

- Mandate: Curator of the 18-Hour City. Manages the $1.17M programming and activation budget.
- Core responsibility: Weekly cadence (Saturday Night Market, Baylor co-programming, busker dispatch). Quarterly signature festivals. Spillover Multiplier campaign management.
- KPI: Pedestrian dwell time; off-peak (Mon–Thu) foot traffic; event attendance; Baylor student spend percentage.

Director of Local Business Capital and Compliance ($85K)

The fifth member of the Strategic Five is the dedicated single point of contact for every local business owner trying to access, navigate, or operationalize any of the funding mechanisms, permitting frameworks, tax-credit stacks, or grant programs in this plan. The role exists because the alternative — making each operator independently navigate a maze of agencies, programs, consultants, and applications — guarantees that only the best-resourced operators succeed, while the local independents this entire plan exists to support fall through the cracks.

- Mandate: the Local Business Concierge. The named, trusted, phone-answering single point of contact for every PID-domiciled business owner navigating any program in the plan.
- Pink Zone permitting concierge: walks every applicant through the 10-business-day SLA, the pre-approved standard plan library, fee waivers, and IEBC Chapter 12 compliance for historic structures. Maintains relationships with the cross-departmental Pink Team (Fire, Building, Planning, Historic) and serves as the operator's advocate inside that team.
- 90/10 Facade Match administration: receives and processes every facade-grant application, coordinates with the City's retained structural engineering firm, manages disbursement schedule, and tracks the cumulative deployment against the $2.4M Year 2 capital pool.
- Federal + Texas Historic Tax Credit stack management: identifies eligible Core buildings, coordinates with Texas Historical Commission for Part 1, Part 2, and Part 3 applications, structures tax-credit syndication with Texas credit buyers, and serves as the named liaison for every property owner pursuing the 45-percent stacked credit.
- Opportunity Zone / NMTC / TIFIA pipeline: maintains the deal pipeline for the Waco First QOF, the partnered CDE delivering NMTC allocation, and the TIFIA loan structuring. Connects qualifying operators and developers to the right capital instrument for each project.

- Stage 2 Accelerator administration: cohort selection, growth-grant disbursement, Business Intelligence Unit data subscription management, quarterly Growth Packet preparation.
- Programming Grants Engine administration: runs the rolling-application portal, the 14-day decision SLA, the evaluation rubric, the disbursement schedule, the recurring-event multiplier program, and the post-event reporting compliance.
- Forever Fund tier management: stewards the citizen-subscription tiers, the donor recognition program, the annual Founders dinner, and the perpetual naming-rights placement program.
- Heritage Brick Program administration: manages the brick purchasing portal, the inscription review process, the fabrication and installation schedule, and the Heritage Plaque court at 5th and Austin.
- Texas Music Incubator Rebate Program coordination: works with qualifying Core music venues to register, apply, and claim the state mixed-beverage and sales-tax rebates under HB 1392.
- KPI: number of Core merchants supported through one or more programs; aggregate dollars unlocked for local operators across all funding mechanisms; Pink Zone permit review average days; merchant-satisfaction score on a quarterly survey.

WHY THE FIFTH POSITION IS NON-NEGOTIABLE

Every funding mechanism in this plan is more powerful than any one local operator can navigate alone. Without a dedicated Local Business Concierge, the funding apparatus becomes a maze that benefits only the best-resourced operators — exactly the inverse of the Doctrine's intent. With this role, every dollar in the plan is operationally accessible to every PID-domiciled business owner. This is the role that makes the rest of the plan work for the people the plan is for.

The Quarterly Transparency Dashboard

Public-facing dashboard hosted at a city-affiliated URL, refreshed weekly, audited annually. The dashboard is the single most important accountability mechanism in the entire plan. It does not require interpretation. It does not allow obfuscation. It exposes every PID and TIRZ-funded contract, every event vendor mix, every spending decision, to direct public review.

What the Dashboard Shows

- Every PID-funded expenditure: vendor name, service type, amount, PID-domicile status, contract date, deliverable.
- Every TIRZ-funded capital project: project name, budget, contractor, contractor PID-domicile status, completion percentage, expected completion date.
- Every event held on PID public space: event name, date, attendance estimate, vendor mix (PID vs. non-PID percentage), PID Board waiver record if below 60% threshold.
- Every Stage 2 Accelerator cohort outcome: anonymized growth metrics, deployed capital, current cohort status.
- Every Pink Zone permit issued: project type, square footage, review days, fee waiver value.

Year-by-Year KPI Targets

METRIC	YEAR 1 TARGET	YEAR 2 TARGET	YEAR 3 TARGET
Average daily pedestrian count (Austin Ave)	Baseline + 15%	Baseline + 40%	Baseline + 75%
Off-peak (Mon–Thu) pedestrian count	Baseline + 20%	Baseline + 50%	Baseline + 90%
Avg pedestrian dwell time (Core)	Baseline + 8 min	Baseline + 18 min	Baseline + 30 min
Ground-floor vacancy rate (Core)	Reduce 25%	Reduce 50%	Reduce 70%
PID-domiciled vendor spend %	≥ 50%	≥ 60%	≥ 65%
Storefront facade restorations completed	25–40	65–100 cumulative	80–120 cumulative
Baylor student visits (verified via Eduroam)	Pilot baseline	+250% vs. baseline	+500% vs. baseline
BearBucks-accepting PID merchants	10	50–80	90–120
Stage 2 Accelerator graduates with documented expansion	0 (Y1 cohort)	5–8	12–18 cumulative

METRIC	YEAR 1 TARGET	YEAR 2 TARGET	YEAR 3 TARGET
Annual recurring economic impact (modeled)	$8.5M	$22M	$33.6M
DWA General Fund support	$164K	$80K	$0 (self-funded)
Quarterly transparency dashboard published	All quarters	All quarters	All quarters

Annual Audit and Public Review

- Independent third-party financial audit by a Texas-licensed CPA firm with municipal-finance expertise. Published within 120 days of fiscal year end.
- Annual State of the Core public meeting hosted by the DWA, with Council members, PID Board, TIRZ Board, Baylor leadership, and the public present. Live-streamed and archived.
- Annual KPI report presented to Council at a public session documenting performance against targets, with explanations for any variance.
- Three-year cycle review at the end of Year 3: independent evaluation of plan outcomes, with recommendations for extension, revision, or expansion to additional districts.

PART XII

ECONOMIC IMPACT AND RETURN ON INVESTMENT

The plan is not an expense. It is an investment. The model below shows where the return lands, distributed across the four taxing bodies that benefit from a working Core.

The $33.6M Annual Recurring Impact Model

At full build-out (end of Year 3), the plan is modeled to produce approximately $33.6 million in annual recurring economic impact, distributed across the State of Texas (sales-tax capture from redirected and net-new spending), Waco ISD (property-value preservation translating to maintenance of district maintenance and operations revenue), the City of Waco (General Fund efficiency and direct sales-tax revenue), and TIRZ #1 (private development attraction increment).

BENEFICIARY	ANNUAL RECURRING IMPACT	SOURCE OF IMPACT
State of Texas — sales tax capture	$17.9M	Redirected and net-new taxable spending in the Core; increased capture rate of tourist dollar; longer dwell time translating to higher per-visit spend
Waco ISD — property value preservation	$6.3M	Maintenance and growth of assessed values inside the Core (versus the depreciation that would occur in a neglected core); stable M&O revenue base
City of Waco — General Fund efficiency	$6.2M	Operational efficiency from DWA consolidation; direct sales-tax revenue; reduced incident-response burden from the public-safety offset of the ambassador and safety-geometry deployment

BENEFICIARY	ANNUAL RECURRING IMPACT	SOURCE OF IMPACT
TIRZ #1 — private development attraction	$3.1M	Increment growth from rising assessed values; accelerated private investment timelines; lower de-risking cost on subsequent Strategic Roadmap districts
TOTAL	$33.6M	Annual recurring at full build-out

Three-Year ROI Summary

Cumulative three-year capital deployment: $46.3 million. Cumulative three-year recurring economic impact (assuming linear ramp-up Years 1 through 3 followed by full $33.6M annual): approximately $64.1 million across Years 1 through 3 alone. ROI within the three-year build window: approximately 1.4x. Beyond Year 3, with capital deployment dropped to a steady-state operating model and recurring impact at $33.6M per year, the plan generates ongoing returns at approximately 8x to 10x of marginal investment indefinitely.

Risk Mitigation: Avoiding the Stockton Trap

Stockton, California's 2012 bankruptcy is the cautionary tale for every mid-sized American city pursuing aggressive capital deployment. Stockton issued bonds to fund a waterfront arena, a ballpark, a marina, and a high-end hotel, on the speculative theory that amenity-led growth would lift local incomes. The 2008 recession arrived; the revenue projections collapsed; the debt service remained fixed. The result was the largest municipal bankruptcy in U.S. history at the time.

Waco's current trajectory bears structural similarities to pre-bankruptcy Stockton: significant debt service obligation (approximately $0.150348 per $100 valuation of property tax dedicated to debt service); aggressive capital deployment on amenities ($167M Barron's Branch, $27M Riverwalk facelift); and a tax base whose discretionary spending capacity is constrained by rising fixed costs. The Doctrine's plan deliberately addresses this risk through three structural mechanisms.

- Self-funding operational model: by Year 3, DWA operations are funded entirely by PID assessment and TIRZ #1 increment. The General Fund obligation is zero. No new debt service is added by this plan.
- Demand-side activation rather than additional supply: the plan explicitly does not propose new amenity construction. It activates the building stock, infrastructure, and assets that already exist. There is no "bet" on a new arena or convention asset.
- Diversified funding stack: federal grants, state grants, private capital, and HOT revenue together carry approximately $10.5M of the $46.3M three-year stack. The plan does not rely on a single funding source whose collapse would unwind the program.

THE ROI ARGUMENT, IN ONE SENTENCE

An $8.9M three-year City match, deployed against a $46.3M total stack, produces a $33.6M annual recurring impact at full build-out — a return that compounds indefinitely after Year 3.

PART XIII

THE ASK: WHAT THE CITY MUST DO

Eight Council actions. None unprecedented. Each defined in detail below, with sample ordinance language, timeline, and stakeholder engagement requirements.

Ask 1: Match the Peripheral Investment Precedent at 1:1 Parity

Council appropriation of approximately $8.9 million across the three-year build window, structured as an annual capital match against the operator-side deployment.

- Year 1: $1.1M (engineering, permitting absorption, Public Works Franklin reset).
- Year 2: $3.1M (engineering, capital match on facade pool, infrastructure parity on Brazos Mist and lighting).
- Year 3: $4.7M (capital match transition, Stage 2 Accelerator match, Innovation Challenge co-funding).
- Authority: Council appropriation. Suggested vehicle: a multi-year Capital Improvement Program (CIP) line specifically for the Core District, structured to allow annual re-confirmation against KPI performance.

Ask 2: Activate TIRZ #1 Increment for Direct Core Allocation

Council resolution dedicating an annual portion of the rising TIRZ #1 increment (approximately $3.1M annually at peak) to Core capital and operations, on a published schedule running through TIRZ #1's 2032 statutory expiration.

- Authority: Texas Tax Code Chapter 311; TIRZ Board concurrence; Council resolution.

- Sample resolution language: "BE IT RESOLVED that the Tax Increment Reinvestment Zone Number One incremental revenue, in the amounts and for the years specified in Schedule A attached hereto, is hereby dedicated to the capital and operational requirements of the Core District Activation Plan adopted under separate Council action."
- Companion: Year 3 Council evaluation of TIRZ #1 extension from 2032 to approximately 2042 to support longer-horizon Core capital needs.

Ask 3: Adopt the PID-First Vendor Ordinance

Council ordinance codifying the local-preference policy under the authority granted by Texas Local Government Code §372 and §252.022(a)(9). Ordinance applies to all PID-funded contracts and all events held on PID public space.

- Five rules: First Right of Refusal, 60% PID-Vendor Floor, Prepared-Food PID-Only at the Austin farmers market, Convention Center two-tier vendor fee, quarterly transparency.
- Sample ordinance text (excerpt): "All contracts funded primarily by Public Improvement District #1 special assessments shall, before any external solicitation, be offered to businesses domiciled within the PID #1 boundary. Awards to non-domiciled vendors require a documented good-faith outreach record and a finding by the PID #1 Board that no qualified PID-domiciled vendor exists at a competitive price (defined as within 15 percent of the lowest external bid)."

Ask 4: Designate the 12-Block Core as a Pink Zone

Council ordinance creating the Pink Zone regulatory overlay for the 12-block Core, encompassing administrative-COA permitting, fee waivers, IEBC Chapter 12 adoption, and the cross-departmental Pink Team.

- 10-business-day permit review SLA for sub-4,000-sq-ft commercial projects.
- Building permit, plan review, and inspection fees waived for qualifying sub-4,000-sq-ft projects for 36 months.
- Pre-approved standard plan library available at zero cost.
- Performance-based code compliance for historic structures via IEBC Chapter 12.

Ask 5: Restore Franklin Avenue to Two-Way Operation

Council direction to Public Works to restore Franklin Avenue between 4th and 8th to two-way operation by end of Year 1 Q2, with raised crosswalks, bulb-outs, and anti-drag-racing geometry as specified in Part V.

- Engineering scope: lane reconfiguration, signal retiming, raised crosswalk construction, decorative gateway bollards at 4th and 8th.
- Coordination: through-traffic redirected to I-35 (via numbered-street on-ramps) and Waco Drive via updated wayfinding signage on all approaches.
- Public engagement: pre-construction public meeting at Heritage Square; merchant communication via DWA; post-construction performance review at Year 1 Q4.

Ask 6: Authorize the Eduroam / OpenRoaming Network Extension

Council authorization for the Wi-Fi 7 / OpenRoaming network deployment under the funding stack in Part VIII, with execution of supporting MOUs with Baylor University, Internet2 (or LEARN regional partner), and a selected wireless integrator.

- MOU scope: federation governance, data privacy and ownership, fault-domain responsibility, security incident response.
- Procurement: USDOT SMART grant funded through Year 1 Q4 RFP; selected integrator under contract by Year 2 Q5; operational by Year 2 Q6.

Ask 7: Sign the Baylor Student Life MOU

Tri-party MOU between the City of Waco, Baylor University Student Life, and PID #1, governing the Core's third-space operations.

- Co-programmed events: minimum 2 per month during the academic year. Funding: $40K to $60K annual subsidy from PID and HOT, with Baylor in-kind contribution of student-leader and event-planning capacity.
- BearBucks acceptance program: DWA subsidy of merchant integration fees; Baylor processing of off-campus merchant agreements via Transact or CBORD.
- Living-Lab research designation: formal recognition of the Core as a Baylor research site for CS, Engineering, Business, Public Health, and Art faculty and graduate students.
- Game-day pre/post programming: minimum two Foster Pavilion event days per month with co-produced Core programming, moving the post-game crowd from the riverfront island into the Core's commercial spine.

Ask 8: Authorize the Quarterly Transparency Dashboard

Council authorization for the public-facing transparency dashboard hosted by the City and operated by the DWA under PID Board supervision.

- Data scope: every PID-funded expenditure, every TIRZ capital project, every event vendor mix, every Pink Zone permit, every Stage 2 Accelerator cohort metric.
- Refresh cadence: weekly. Annual independent audit. Public API access for civic-technology developers.
- Required for public trust: the dashboard is non-negotiable. It is the single most important accountability mechanism in the entire plan.

The Decision Tree

The eight asks above are sequenced for logical Council consideration. Asks 1, 3, 4, 7, and 8 are foundational and should pass at adoption. Asks 2 and 6 follow at Year 1 Q1 and Year 1 Q4 respectively. Ask 5 (Franklin reset) is the most operationally complex and should be directed at adoption with implementation through Year 1 Q2.

Stakeholder Engagement Calendar

- Council work sessions: pre-adoption work session for full plan review; quarterly check-ins through Year 1; annual review at the end of each fiscal year.
- PID Board: monthly meetings during Year 1; quarterly thereafter. PID Board has final authority on all PID-funded decisions.
- TIRZ #1 Board: quarterly meetings throughout the plan, with increment allocation reviews aligned to capital deployment phasing.
- Public engagement: monthly DWA-hosted Office Hours at a Core venue; quarterly State of the Core public meeting; annual public budget review.
- Baylor partnership: bimonthly tri-party meetings (City, Baylor, DWA) during Year 1; quarterly thereafter.
- Press and media: quarterly progress briefings; annual comprehensive performance review with a documented narrative for use by Destination Waco and the City of Waco in their economic-development and tourism outreach.

CLOSING

THE CLOSING ARGUMENT

Waco has spent the last decade proving that it is a great place to visit. The next three years must be dedicated to proving that it is a viable place to live, build, hire, and stay. The Strategic Roadmap is the supply-side strategy. This Comprehensive Plan is the demand-side companion. Neither succeeds in isolation.

What this plan asks the City of Waco to do is not unprecedented. Every layer described here is being executed somewhere — Greenville, Detroit, Savannah, Chattanooga, Pittsburgh, Reno, San Antonio, South Bend. What is unprecedented is doing all of them at once, in twelve blocks, on a published timeline, governed by a transparent operational structure, and integrated through a Silicon Valley-class technology overlay that will, when complete, make Downtown Waco the most-wired mid-sized downtown in the United States.

This is the proof-of-market that the rest of the Strategic Roadmap depends on. It is the demand-side investment that turns peripheral supply-side construction into something private capital believes in. It is the operational discipline that makes the next decade of downtown Waco's growth durable. And it is the answer, finally, to a decade-old question that has gone unspoken for too long: is the historic core that built Waco's downtown reputation worth the same scale of public commitment as the districts that have not yet been built?

> *If the City can commit at scale to districts that do not yet exist, it can commit at parity to the district that has been generating the assessment, sales tax, and tourism revenue that made the rest of it possible.*

The Waco First Coalition — the property owners, merchants, and residents of the Historic Entertainment District — submits this Comprehensive Plan in good faith, with full documentation, complete funding sources, and a thirty-six-month execution roadmap. We are not asking the City to bet on us. We are asking the City to come in at parity behind a bet that has already been made — and that has already been paying.

The decision is now in front of the Council. We are ready when the City is ready.

THE WACO FIRST COALITION

The property owners, merchants, and residents of the

Historic Entertainment District

Austin Avenue · 4th–8th Streets · Franklin–Washington · 2026

APPENDIX A

LEGAL AUTHORITIES AND STATUTORY CITATIONS

Texas Local Government Code

- §372.003: Authorization for Public Improvement Districts to fund authorized improvements that confer special benefit on definable parts of the municipality. Foundation for the Doctrine's local-preference fiduciary argument.
- §252.022(a)(9): Exemption from competitive bidding for contracts funded primarily through special assessments levied on property that benefits from the improvements. Direct authority for direct-award of PID-funded contracts to PID-domiciled vendors.
- §271.905: Authorization for municipalities under 250,000 population (Waco's approximately 146,608 qualifies) to grant 5 percent local-bidder preference based on "additional economic development opportunities." Direct authority for the Multiplier Effect Justification used in TIRZ-funded contracting.

Texas Tax Code

- Chapter 311: Tax Increment Financing. Governs the operation of TIRZ #1 and the deployment of incremental revenue.
- Chapter 351: Hotel Occupancy Tax. Governs eligible uses of HOT revenue. Specifically, §351.101 enumerates eligible categories: convention/visitor promotion, advertising and public-relations, encouragement of the arts, and historical restoration and preservation.
- Chapter 380: Economic Development Programs. Authority for Chapter 380 agreements between the City and private parties supporting local economic development objectives.

Federal Authorities

- 23 U.S.C. §213: Transportation Alternatives Program (TxDOT TAP).
- USDOT SMART (Strengthening Mobility and Revolutionizing Transportation) Discretionary Grant Program: 49 U.S.C. §6614.
- USDOT RAISE (Rebuilding American Infrastructure with Sustainability and Equity) Discretionary Grant Program: Bipartisan Infrastructure Law (Public Law 117-58).
- EDA i6 Challenge: 13 C.F.R. §306.

International and Building Codes

- International Existing Building Code (IEBC) Chapter 12: Historic Buildings. Performance-based compliance pathway for historic structures, replacing rigid IBC compliance.
- Texas Disabilities Act and ADA Standards for Accessible Design: governing the public-realm accessibility design of all Core interventions.
- ADA-compliant tabletop crossing and bulb-out design standards: per FHWA Pedestrian Facilities User Guide.

Privacy and Data Governance

- Texas Capture or Use of Biometric Identifier Act (Texas Business and Commerce Code §503.001): governs the privacy-first deployment of computer-vision elements in Layer 4. The plan's deployment is fully compliant: no biometric identifiers collected, no facial recognition, no individual tracking.
- ACLU model municipal-surveillance ordinance principles: guides the Municipal Data Trust governance, retention, and access policies in Layer 5.

APPENDIX B

KPI DEFINITIONS AND MEASUREMENT METHODOLOGY

Pedestrian Count and Dwell Time

- Methodology: anonymized Wi-Fi probe analysis at access points, supplemented by computer-vision counters at gateway intersections (4th/Franklin, 8th/Franklin, 4th/Austin, 8th/Austin), and BLE beacon sensors at activation points.
- Baseline: Q1 Year 1 measurement period (90 days) establishes the pre-intervention baseline. Subsequent measurements computed against baseline.
- Reporting: weekly aggregate published to the transparency dashboard; quarterly trend analysis published as part of the KPI Report.

Vacancy Rate

- Methodology: parcel-by-parcel inspection of every ground-floor space in the 12-block Core, classified per Section 2.3 of the plan: Active, Underperforming, Vacant, or Noncompliant. Inspection conducted by the DWA's Retail Specialist, refreshed quarterly.
- Targets: Reduce Year 1 by 25 percent against baseline; reduce Year 2 by 50 percent cumulative; reduce Year 3 by 70 percent cumulative.

PID-Domiciled Vendor Spend Percentage

- Methodology: every PID-funded expenditure logged with vendor PID-domicile status. Quarterly aggregate calculation: (PID-domiciled vendor spend) / (Total PID-funded spend).

- Targets: ≥50% Year 1, ≥60% Year 2, ≥65% Year 3.
- Reporting: dashboard live; quarterly KPI Report; annual audit verification.

Annual Recurring Economic Impact

- Methodology: independent third-party economic-impact study commissioned annually by the DWA. Methodology aligned with the IMPLAN regional input-output model standard. Inputs include PID-funded direct spend, induced spend through the local supply chain, increased visitor capture rate (documented through HOT revenue and visitor sentiment surveys), and Baylor student spending captured at PID merchants (via BearBucks aggregate data).
- First study: Year 2 Q3, establishing Year 1 actual. Subsequent studies: annually.

Baylor Student Engagement

- Methodology: Eduroam authentication events at Core access points, anonymized and aggregated. BearBucks transaction counts at participating PID merchants. App-engagement data from the Town vs. Gown leaderboard mechanic.
- Targets: pilot baseline established Year 1 Q4; +250 percent vs. baseline by end of Year 2; +500 percent by end of Year 3.

APPENDIX C

IMPLEMENTATION CHECKLIST: THE FIRST 90 DAYS

What happens within ninety days of Council adoption. None of the actions below require new construction. All of them are visible.

Days 1–30: Governance and Foundation

14. Council adopts the Comprehensive Plan and the eight supporting actions (Asks 1–8 in Part XIII).
15. Downtown Waco Authority (DWA) constituted as a new independent 501(c)(3) district management entity, modeled on Philadelphia's Center City District and the Downtown Tempe Authority. City Center Waco absorbed into the DWA. Administrative shared-services contract signed with Destination Waco. The Greater Waco Chamber of Commerce is explicitly outside the DWA operating chain.
16. Strategic Five positions posted: Director of Urban Vitality, Public Realm Superintendent, Retail and Recruitment Specialist, Events and Activation Coordinator, and Director of Local Business Capital and Compliance.
17. Quarterly Transparency Dashboard launched with two years of historical PID and TIRZ data populated.
18. Initial parcel-by-parcel inspection of every ground-floor space in the Core completed; District Activation Scorecard published.
19. Pre-construction public meeting at Heritage Square introducing the plan to the broader downtown community.

Days 31–60: Permitting and Engineering

20. Pink Zone Designation Ordinance passed by Council; Pink Team cross-departmental staff identified and trained.
21. PID-First Vendor Ordinance passed; PID Vendor Registry published.

22. Engineering RFP issued for Franklin Avenue two-way restoration. Pre-bid conference held within 21 days of RFP issuance.
23. Eduroam / OpenRoaming MOU drafted with Baylor and circulated for signature.
24. Federal grant applications submitted: USDOT SMART Stage 2, EDA i6, RAISE.
25. State grant applications submitted: TxDOT TAP, TPWD.
26. First Storefront Improvement Assessments completed for every existing PID merchant; 90/10 facade match offer circulated.

Days 61–90: First Visible Wins

27. Strategic Four hires confirmed; Director of Urban Vitality begins. Public Realm Superintendent begins.
28. Ambassador program contracts awarded; uniformed ambassadors visible on the street within 75 days of plan adoption.
29. Cleaning service contract activated; daily power-washing schedule begins.
30. Initial dark-spot lighting audit completed; remediation scheduled.
31. Franklin Avenue contractor selected; mobilization underway.
32. First-Saturday Night Market launched on Austin Avenue with temporary closure infrastructure (gateway bollards installed in Q4).
33. First public quarterly KPI baseline report: pre-intervention pedestrian counts, vacancy classification, PID vendor spend percentages, citizen sentiment baseline.

THE FIRST 90 DAYS, IN ONE SENTENCE

Within ninety days of Council adoption, anyone walking through downtown Waco should be able to identify by sight that something fundamental has changed.