



**ION  
DISTRICT**

**2023  
Community Investment Report**



**RICE**



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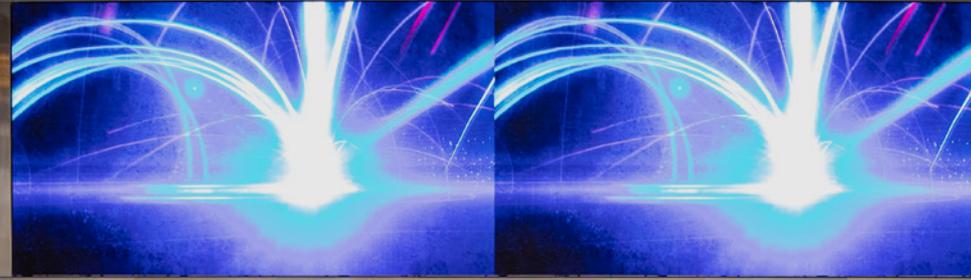
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Innovation is an invitation to **build the world you want to see.**



**A place where ideas and capital meet.**

Anchored by its flagship, Ion, at 4201 Main Street in Midtown, the new Ion District capitalizes on the city’s entrepreneurial ethos and legacy of innovation, introducing a walkable, mixed-use community spanning 12 blocks in the heart of Houston. An intentionally accessible, walkable and integrated urban community, where people, ideas, and businesses thrive. A job-generating neighborhood fueled by clean and sustainable technologies and the entrepreneurial drive to find a better way.



**Where ideas go to grow.**

Ion is the 266,000 square foot anchor building located in Ion District focused on accelerating innovation and building community through partnerships and programs that create opportunities to advance and sustain the innovation ecosystem in Houston. Ion, which opened its doors to the community in May 2022, is an inclusive space that offers opportunities for all. It’s where founders, researchers, startups and entrepreneurs come together to collaborate and collide.

In Action

# Activation Festival

In May of 2022, Ion officially opened to the Houston community. The inaugural Activation Festival offered more than 18 events showcasing the programming and companies operating in the district. Over the course of 5 days, Houstonians and visitors had the opportunity to experience and engage with the hub of Houston's innovation ecosystem.



**5**  
Days

**18**  
Events

**2.5K+**  
Visitors

In Action

# Ion District Tenants and Sponsors

Today, more than 300 businesses call Ion District home. Those businesses include Microsoft, Chevron Technology Ventures, Greentown Labs, and DivInc. Our tenants are comprised of startups, corporates, community partners and small businesses.



In Action

## Ion District Restaurants

World-class eating, by innovative restaurateurs and chefs who call Houston their inspiration are making the Ion District home.

### stuff'd

Stuff'd Wings, a popular food truck launched in 2019, opened its first brick-and-mortar restaurant last spring. The concept, known for their bone-in stuffed wings, was one of the first culinary operators to open in Ion District.

### Second Draught HTX

Second Draught, a 2,000-square-foot taproom from the owners of Baileson Brewing Co. in the Boulevard Oaks neighborhood, opened early fall of 2022 offering more than 70 craft breweries.

### THE LYMBAR KITCHEN + COCKTAILS

The Lymbar, a Latin-Mediterranean restaurant, bar and lounge project by chef David Cordúa, opened late last year. The name pays homage to his grandmother's house where he was first introduced to the Latin flavors.

### COMMON BOND ON-THE-GO COFFEE & BAKERY

Common Bond On-the-Go was one of the first spaces to open at the Ion. They offer a convenient, fast-casual iteration of the popular coffee shop and restaurant with signature cookies and pastries, along with grab-and-go breakfast items, cold sandwiches, and salads.

### Late August

Late August, a concept from Bravo Top Chef Alumna Chef Dawn Burrell and 2022 James Beard Award Finalist and Lucille's Hospitality Group Founder and Chef Chris Williams. Late August is scheduled to open later this year. The restaurant name pays homage to the iconic Sears Catalog that was always released in late August.

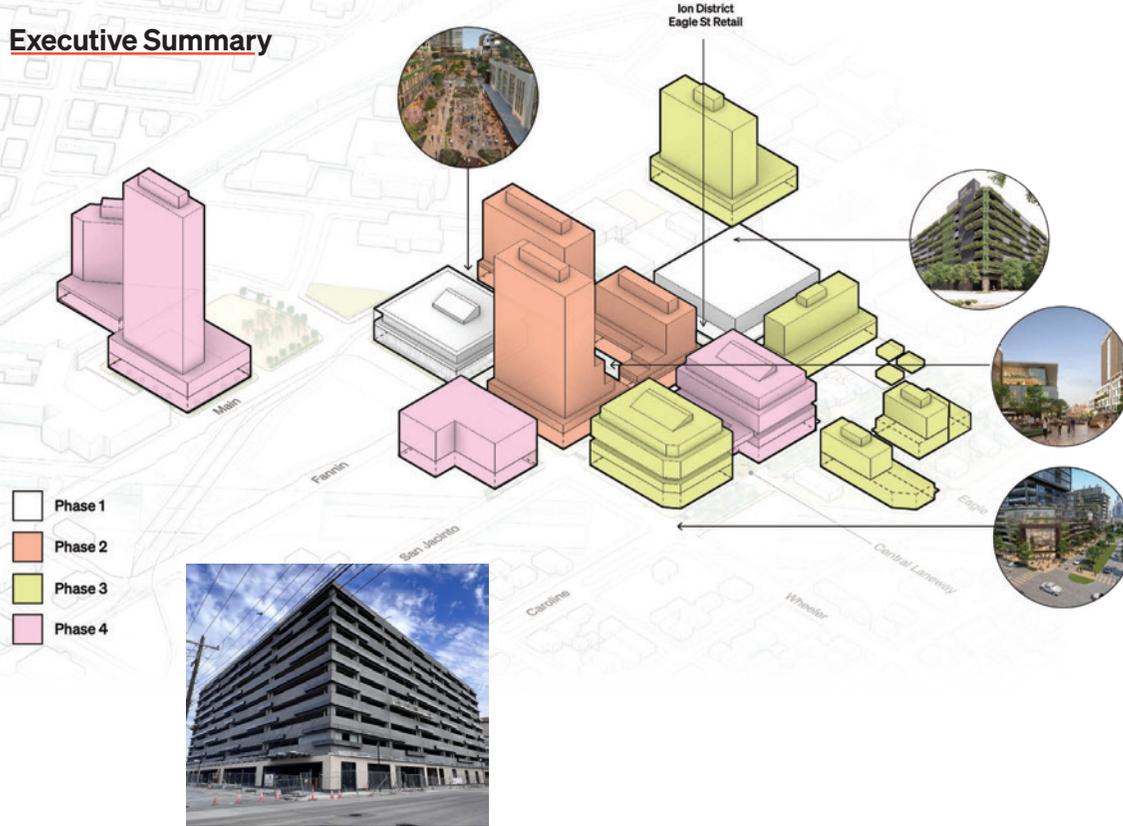
In Action

# Ion District Arts

Ion's "Eye On Art" program pays homage to the original department window store displays of the beloved Sears building on which Ion was built by engaging local artists to create site-specific art installations. Installation proposals are submitted and two teams are selected to be exhibited for 6 months. Other art installations around the district include the Greentown Labs Mural Commission, Interactive Mural for Activation Festival, and Common Desk lending library.



## Executive Summary



## District Garage

The 1,500-space parking garage that will serve the district is scheduled to be delivered by early Summer 2023. The district garage will also feature street-level retail.

**14+ EV**  
Charging Stations

**10K SF**  
Ground Level Retail &  
Gallery Space

**Advanced Parking**  
Assistance Equipment

## Phase One Development

Rice University is engaging with potential development partners for planning the next phase of development for Ion District.

# Ion District CBA



Rice Management Company (RMC), a division of Rice University finalized and adopted the first of its kind Community Benefits Agreement (CBA) with the City of Houston for the development of Ion District.

The agreement documents

## \$15.3 Million

**in direct community investments, as well as accountability metrics.**

The transformative agreement prioritizes the convergence of several essential elements:



**Economic Opportunities**



**Community Capacity Building**



**Housing Affordability**



## Millions More

**in project-based opportunities**



**MWBE Opportunities**



**Inclusive Hiring**



**Community Access and Sustainability**

### Community Advisory Council

The document also enabled the creation of a community advisory council whose members are appointed by the City of Houston.

Paul Charles

Donnisha Frison

Carol Y. Guess

Jaime Herrero

Jason T. Hyman

Eileen Morris

Mike Pittman (Chair)

Adriana Tamez

Steve Wells

Since signing  
the Ion  
District CBA  
in November  
of 2021,

Rice University has jump-started progress on its commitments to the City of Houston and the community.

## Direct Community Investments

**#1** Escrowed \$5M at Unity National Bank, the only certified Minority Depository Institution (MDI) in Texas

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**#2** Published a Request For Proposals (RFP) for a tech workforce provider

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**#3** Commenced first year of funding for housing counseling providers

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**#4** Requested proposals for Supportive Housing Grant



## Project-Based Opportunities

#1

Established participation goals with guidance from MWBE advisor

#2

Conducted 10 public outreach events with over 500 MWBE firms attending

#3

Leased 60% of restaurant space to local and minority-owned businesses

#4

Hosted over 130 community-focused events

“Since receiving the \$5M from Rice University, the deposit has allowed Unity National Bank to:

→ Increase SBA lending platform to assist MWBE firms gain access to capital

→ Hire experts to assist several Community Development Corporations to finance Affordable Housing units

→ Continue to create opportunities for economic well- and wealth creation in underserved communities.”

Sherifat Lawal Price  
Senior VP  
Lending | Unity National Bank



# Impact

# Direct Community Investments

Commitment A

## Tech Job Training & Talent Placement Program

\$2M

### Purpose

The commitment is designed to increase technology workforce training access for residents in Houston's underrepresented communities, in order to enhance their career opportunities. Additionally, this commitment is designed to increase the availability of in-demand skilled tech workers and the diversity of Houston's innovation ecosystem.

### CBA Summary

Rice University commits to provide \$2M over three years towards training programs within technology or technology-enabled industries to support underrepresented individuals in the community.

### Implementation Progress

In mid 2022, Rice University launched an RFP and received 18 responses from local and national workforce training providers. Respondents underwent multiple interview rounds and participated in site visits. Throughout the process, respondents were evaluated based on the organization's ability to provide adequate training and place trainees in tech and tech-enabled jobs. After thoughtful consideration, Per Scholas, a leading national provider of workforce training, was selected for the award.



**PER  
SCHOLAS**

Per Scholas is a national tech-training provider recognized for its ability to provide equitable access to skills training and employer networks. Their tuition-free courses are designed to meet industry standards and provide graduates with the skills needed for high-demand jobs.

→ \$0 cost to trainees

→ More than 80% of graduates find jobs within one year of graduating\*

→ \$56K average post-training income of a Per Scholas graduate\*

→ 85% of graduates are people of color\*

\* National statistics for Per Scholas.  
Houston statistics will be available after the first year.

Commitment B

# Inclusive Tech Accelerator

\$1.25M

## Purpose

The commitment is designed to provide underrepresented startups and founders increased access to technical assistance and mentorship opportunities that can help grow their businesses.

## CBA Summary

Rice University commits to providing \$1.25M over the next three years to support tech accelerators and incubators focused on the growth of underrepresented technology-focused start-ups and founders. As outlined in the Ion District CBA, recipients of this funding will preferably be focused on underrepresented founders.

## Implementation Progress

DivInc, a minority-owned accelerator program, and an Ion community partner, has been selected as one of the organizations that will be supporting women and minority-owned startups in Houston.

# DivInc

DivInc is a nonprofit accelerator aimed at promoting diversity and equity in the startup ecosystem. They offer a 12-week accelerator program for early-stage companies including programming, executive mentorship and lifetime community access. Originally founded in Austin in 2016, DivInc expanded to Houston in early 2021 and is headquartered at the Ion.

Since joining the Ion:

- 3 cohorts have launched
- 25 companies have participated in their cohorts
- Companies raised a total of \$10.1M in Venture Capital funding
- Companies have increased total employee headcount by 43 employees



“Being part of the DivInc and Ion community has been an incredible journey of growth and learning. I have had the privilege of learning from and collaborating with some of the most innovative and inspiring entrepreneurs. Through their mentorship and encouragement, I have been able to develop my skills and build meaningful connections, which have been instrumental in helping me to achieve our current success at Justli.”

Alicia Williams  
Founder & CEO, Tech Woke



Commitment C

# Minority and Women Tech Investment Fund

\$5M

## Purpose

The investment commitment is designed to increase access to venture capital investment for underrepresented founders.

## CBA Summary

Rice University commits to making a commitment of up to \$5M, of which \$3M will be available within 2 years and the remaining \$2M within the following 2 years, to a venture fund focused on Houston's underrepresented founders. The fund shall be administered by an established entity based and operated in the Houston area. Rice University and the City of Houston together will identify the management entity. In addition, Rice University will provide designated office space to the fund manager.

## Implementation Progress

Rice University has committed to investing \$5M as an anchor LP investor to a venture fund focused on providing capital to underrepresented founders, as well as providing designated office space. Rice University and the City of Houston are in the process of selecting an established fund management entity as defined by industry-standard fiduciary expectations and subject to customary due diligence.

Commitment D

# Affordable Housing Fund

\$4.5M

## Purpose

The investment commitment is designed to support the development and or preservation of affordable housing primarily in the Third Ward Super Neighborhood.

## CBA Summary

Rice University commits to investing \$4.5M in project equity, pre-development capital, and or low-cost financing towards an affordable housing fund focused on the creation and preservation of affordable housing in the Midtown and or Third Ward area.

## Implementation Progress

Within 180 days of signing the Ion District CBA, Rice University:

→ Escrowed \$2.5M to Unity National Bank

The fund product structure(s) is currently being evaluated in accordance with the CBA with consideration towards maximizing impact on affordable housing.

Commitment E

# Housing Counseling and Eviction Protection Grant

\$250K

## Purpose

The commitment is designed to support services that help house vulnerable households.

## CBA Summary

Rice University commits to providing \$250K over three years in housing counseling services to support vulnerable housing households and minority home ownership.

## Implementation Progress

Within 180 days of signing the Ion District CBA, Rice University escrowed \$250K to Unity Bank. Fifth Ward Community Redevelopment Corporation, Houston Area Urban League and Tejano Center for Community Concerns were selected based on the neighborhoods they serve and their status as U.S. Department of Housing and Urban Development (HUD) certified Housing Counseling Agencies (HCA).

The organizations have provided a full range of counseling services for renters and homeowners. Such services include identifying affordable housing, providing homebuyer education and connecting clients to community resources. The providers serve the Magnolia Park/Manchester, Third Ward and Kashmere Gardens as defined by the City of Houston Complete Communities.

Since being awarded funding, the service providers have collectively:

- Received \$23K for their services in 2022
- Served 123 individual households in their respective communities
- Selected organizations:



Artist: Anat Ronen

“Thank you, Rice Management, for providing us with the support to have the capacity to support our clients in a holistic manner.”

Gabriela Luna; Housing Sr. Manager;  
Tejano Center for Community Concerns

Commitment F

# Supportive Housing Grant

\$750K

## Purpose

The commitment is designed to provide funding assistance for the development of a supportive housing project in the Midtown area or adjacent neighborhoods.

## CBA Summary

Rice University commits to providing \$750K in grant funding to support the development of transitional or permanent housing, as well as supportive services to homeless individuals and families earning less than 50% of the average median income (AMI) in the Midtown area or adjacent neighborhoods.

## Implementation Progress:

Rice University has:

→ Escrowed \$750K at Unity National Bank within 180 days of signing the Ion District CBA

Published a Request For Expression of Interest (RFEI) to solicit proposals for supportive housing candidate projects to consider for funding assistance. Four proposals were received and are being reviewed. A project will be selected based on the number of units created, the affordability level of the units and the services provided to support the residents.



Representative Image Only

Commitment G

# Homelessness Services

\$500K

## Purpose

The commitment is designed to provide funding assistance for organizations supporting the homeless population.

## CBA Summary

Rice University commits to providing \$500K over 5 years to organizations offering stabilizing services to individuals without permanent housing such as access to care, housing options, and programs to end their homeless experience.

## Implementation Progress

Rice University has:

→ Escrowed \$500K at Unity National Bank within 180 days of signing the Ion District CBA.

Partnered with Covenant House Texas for community outreach focused on serving homeless, abused and abandoned young people and received \$50K of grant funding. Each year, they host Covenant House Sleep Out, a movement of individuals who accept the challenge to sleep outside for one night so that homeless kids don't have to. In 2022, Sleep Out was held at Ion District in which participants raised funds and awareness for Covenant House and their network of shelters.



Commitment H

# Early Capacity Building Grants

\$1M

## Purpose

The investment commitment is designed to support organizations serving the designated Complete Communities and Ion's surrounding communities as they respond to community needs.

## CBA Summary

Rice University commits to providing \$1M to organizations serving the designated Complete Communities and will take into consideration the Community Advisory Council's program and policy objectives.

## Implementation Progress

Rice University deposited \$1M into Unity Bank within 90 days of signing the CBA.





# Project- Based Opportunities

Commitment I

# MWBE Horizontal Contracting

## Purpose

The commitment is designed to provide economic opportunity by establishing contracting and or subcontracting goals for MWBE firms throughout the construction of horizontal development.

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## CBA Summary

Rice University commits to include targets for contracting and or subcontracting of MWBE firms in the construction of the Public Infrastructure and Improvements.

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## Implementation Progress

Construction of public infrastructure and improvements in the Ion District has not yet been executed.





Commitment J

# MWBE Vertical Contracting

## Purpose

The commitment is designed to provide economic opportunity by establishing contracting and or subcontracting goals for MWBE firms throughout the construction of vertical development.

## CBA Summary

Rice University commits to include targets for contracting and or subcontracting of MWBE firms in the construction of Vertical Development.

## Implementation Progress

Rice University engaged its MWBE Advisor to participate in several phases of the developer selection process:

Including:

- Provide input into the content and language of the developer RFP
- Identify minority-owned firms to be included in the list of invited developers
- Participate in the evaluation of proposals submitted by all respondents

Subcontracting Impact:

- 19 MWBE firms currently subcontracted on the District Garage
- Dollar amount spent on MWBE firms: \$16.9M
- MWBE utilization attainment, 23.3% as of 1/31/2023

“The MPACT team has been very instrumental in opening doors and expanding our participation opportunities on the District Garage in the Ion District. TLC Engineering has been in business in Houston for 23 years, and due to the outreach events and networking opportunities afforded at the Ion, we were able to secure a contract with Gilbane that we believe is the start of a long-term relationship.”

Tony Council, Owner  
TLC Engineering

## Project-Based Opportunities

Commitment K

# MWBE Advisor and Technical Assistance

### Purpose

The commitment is designed to provide guidance for achieving MWBE participation targets, and strategies to scale capacity, and improve accessibility to economic opportunities.

### CBA Summary

Rice University commits to engaging a minority-owned firm as an advisor to recommend innovative, strategic pathways to achieve MWBE objectives in the development, design, construction, management, and investment in Ion District. The Advisor will solicit support and guidance from the Mayor's Office and the City of Houston Office of Business Opportunities.

### Implementation Progress

MPACT Strategic Consulting was selected as the MWBE technical advisor. Since signing the CBA, they have served as an advocate for MWBE firms seeking to participate on the project and assisting firms already engaged by →



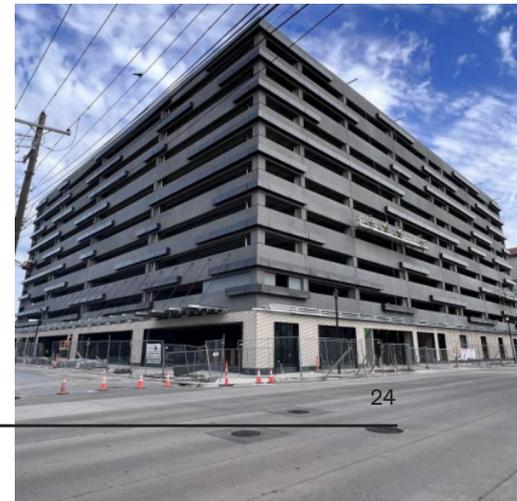
MPACT has provided services to District Garage by:

- Providing technical assistance in the form of navigating the Gilbane supplier portal, directing firms to resources and support, and facilitating follow-up opportunities from outreach events.
- Leading community input meetings for inclusive subcontracting and hiring conducted during the CBA development process.
- Developing the approach for determining participation capacity which will also be implemented in future development phases.



"MPACT Strategic Consulting has had the privilege of developing and assisting Rice University with the implementation of strategies to create, promote and commit to MWBE contracting opportunities and monitoring their participation. To date the Ion District development has spent millions with MWBE firms, in turn supporting the growth of Houston minority and women-owned businesses."

Robin Owens  
MPACT Strategic Consulting



Commitment L

# MWBE Outreach

## Purpose

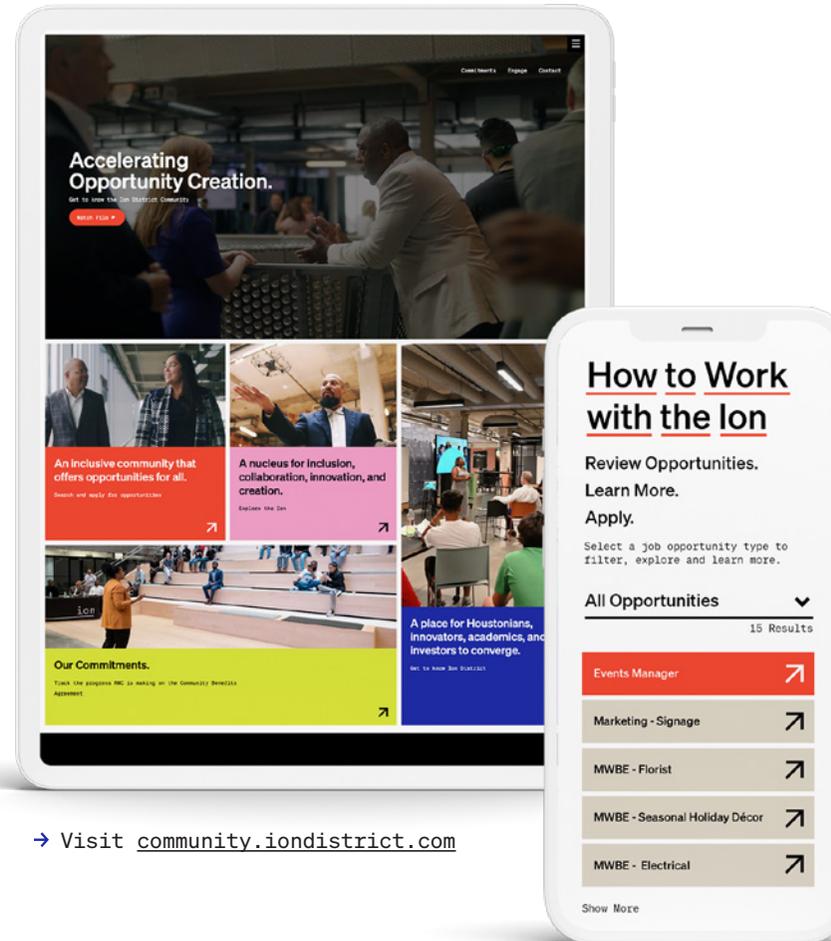
The commitment is designed to facilitate marketing and outreach efforts and increase awareness of contracting and subcontracting opportunities to MWBE firms.

## CBA Summary

Rice University commits to conducting outreach strategies for economic opportunities within the Ion District by hosting outreach events, providing information on contracting opportunities on a project website and engage with relevant organizations to expand outreach to MWBE firms and residents.

## Implementation Progress

Rice University has developed a publicly accessible community site where MWBE firms and residents can seek information on economic opportunities within Ion District. In addition, MPACT Strategic Consulting, the designated MWBE Advisor, conducted 10 monthly outreach events at the Ion with about 500 attendees, of which were primarily business owners.



→ Visit [community.iondistrict.com](https://community.iondistrict.com)

“The Ion is a special place, with a unique aura offering technology and connections that are unmatched to anywhere else in Houston. The premise for being at The Ion is rooted for us in generating more excitement and enthusiasm from new agencies, especially prime contractors. These connections through our events bring more opportunities and key contacts that lead to contracts, financing and ultimately success stories that we can tout.”

Milton Thibideaux, President  
Greater Houston Business  
Procurement Forum

Commitment M

# MWBE Contract Monitoring

**Purpose**

The commitment is designed to implement strategies to monitor MWBE contracting and participation.

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**CBA Summary**

Rice University commits to cause to have established ongoing monitoring and reporting and communication(s) protocols beyond the initial MWBE contracting levels. Rice University also commits to implementing systems to monitor and, where necessary, assist in prompt payments to MWBE firms and track contracting for actual work performed beyond the initial award.

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**Implementation Progress**

Through the MWBE Advisor, Rice University has implemented a monthly tracking system to report project participation for MWBE firms subcontracted on the District Garage. This data is captured by business-owner and by certification type and to date is reporting \$16.9M, or 23.3%, participation by MWBE firms.

Commitment N

# Inclusive Hiring

**Purpose**

The commitment is designed to support economic opportunities and promote women, racial and ethnic minorities throughout the development of Ion District.

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**CBA Summary**

Rice University commits to implementing strategies and workforce programs to promote the hiring of women, racial and ethnic minorities for construction, operations and maintenance throughout Ion District.

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**Implementation Progress**

With guidance from the Community Advisory Council, Rice University developed a program to identify employers within the district for participation in inclusive hiring practices; engage with employers to build relationships and promote opportunities; and collect data to measure the impact of hiring within the district. Implementation of this initiative will begin in 2023. Data summarizing the impact will be available in the incoming year.

Commitment 0

# MWBE Real Estate Investment Opportunities

## Purpose

The commitment is designed to increase access for minorities to create wealth-building opportunities in upcoming development phases.

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## CBA Summary

Rice University commits, where possible, to provide opportunities for minority investors in the financing of Ion District. Furthermore, Rice University commits to proactively setting aside equity offerings for underrepresented investors and selecting a firm to source potential investors. In doing so, Rice University will increase access for minorities to create wealth-building opportunities in upcoming development phases.

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## Implementation Progress

This initiative will commence with the next phase of development.



## Project-Based Opportunities

Commitment P

# Small Business Leased Space Opportunities

### Purpose

The commitment is designed to allocate ground floor retail space within Ion District to local businesses. Rice University commits to providing opportunities for minority- and women-owned businesses to lease ground-floor retail space within Ion District.

### CBA Summary

Rice University commits to leasing at least three ground-floor retail spaces to minority-owned Houston-based retail or restaurant businesses.

### Implementation Progress

In 2022, Rice University leased space to four minority- and women-owned businesses.

“The Lymbar is my grandmother’s house, it’s a tribute to all grandmothers. Mine liked well-worn paperbacks, crossword puzzles, rich food and whiskey. The house stayed in our family, and it’s where we perfected our family’s hospitality. The Lymbar is the distillation of our heritage.”

David Cordúa, Chef



“The journey to a permanent Stuff’d location in the Ion District is one that has a lot of personal significance for Prisoría and myself; she is really the reason why Stuff’d exists and why we are standing here about to expand the food truck into a brick and mortar. We are thrilled to be able to reach new audiences and to see old favorites returning to check out our new spot.”

Jarrold Rector, Co-owner



“It’s a wonderful space and I love what’s going to be happening here. I’m happy to be a part of it.”

Chef Dawn Burrell



“Second Draught is designed to be a communal destination for anyone and everyone who visits the Ion, whether they are here on a daily basis, are coming for a specific program, or are taking advantage of the Ion’s expansive open working areas.”

Sara Pope, Co-founder



Commitment Q

# Innovation-Focused Programming for Minority Residents, Businesses & Entrepreneurs

### Purpose

The commitment is designed to provide underrepresented individuals with access to events and programming to increase the community's access to new career opportunities and technology.

### CBA Summary

Rice University commits to making on-site programming available to underrepresented residents, entrepreneurs and founders in tech with the objective to support the growth of tech-enabled companies and disadvantaged business.

### Implementation Progress

- The Ion team hosted more than 130 events in 2022
- More than 3,675 registered attendees



Houstonians and visitors of all backgrounds had the opportunity to experience business, networking, and cultural programming that highlights and celebrates Houston's vibrant Hispanic community.

- 11 events
- More than 1200 registrations



A series of events during Black History Month celebrating and spotlighting the contributions of Black innovators.

- 6 events over 6 days
- More than 800 registrations



# Activation Festival

Over the course of 5 days, the Ion hosted its inaugural Activation Festival offering +18 events open to the community.



## Project-Based Opportunities

Commitment R

# Meeting Space for Public Use

### Purpose

The commitment is designed to provide designated space for community members and organizations to reserve and use.

---

### CBA Summary

Rice University commits to providing designated meeting space for select community organizations addressing the goals outlined in the Third Ward Complete Communities Action plan in an effort to increase support towards community needs. The designated space will be at least 400 square feet and made available once a month, at minimum.

---

### Implementation Progress

Rice University published a Community Space Guideline and Booking Request Form on the community website for organizations to request access for meeting space.

Commitment S

# Sustainability Certification

### Purpose

The commitment is designed for development to adhere to best practices for sustainable design and construction.

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### CBA Summary

Rice University commits to have all primarily commercial vertical development of at least 150,000 SF of enclosed space to apply for and receive LEED certification.

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### Implementation Progress

The Ion building achieved LEED Gold, WELL Silver and Wired Platinum certifications, which is an incredible distinction for an adaptive reuse space.



# Looking Ahead

In the year ahead, Rice University will continue to progress on key focus areas of the CBA.



### Economic Opportunities

- Launch Per Scholas' tech training cohorts
- Partner with another accelerator program focused on underrepresented founders
- Continue providing innovative programming that supports innovators and small businesses in the community



### Housing Affordability

- Select a supportive housing project to partner with
- Expand homelessness initiatives to support housing and case management services
- Continue providing housing counseling to support those vulnerable to housing instability



### Project-Based Opportunities

- Host job fairs to support inclusive hiring initiatives
- Continue providing technical assistance to new and engaged MWBE firms
- Promote contracting opportunities for the next phase of development when available



And every better way  
needs a place to begin.

**Join us.**

→ [community.iondistrict.com](https://community.iondistrict.com)

→ [iondistrict.com](https://iondistrict.com)

→ [info@iondistrict.com](mailto:info@iondistrict.com)

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