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TAX



For a map of Houston-area management districts go to:
http://www.houstontx.gov/planning/Neighborhood/docs_pdfs/mgmt-maps.pdf

Feeling Taxed?

Morgan Taylor talks to SMI Realty Management's Starla Turnbo about why she got involved with the Brays Oaks Management District and why all owners should get involved with their districts too.

Past Houston Apartment Association President Starla Turnbo serves on the board of directors for the Brays Oaks Management District. As a property owner, she sees the value in being part of the conversations that surround her properties' assessment fees. She wants to encourage all property owners to consider getting involved with the management district they pay into – if their properties exist within one. Why? Because that's part of what being a prudent business owner is all about.

Management districts, which are created by the Texas Legislature, essentially complement what local governments do, and often become lifelines for communities. The funding that is provided by businesses' annual assessments is used for hyper-focused projects to promote economic development within the community and help support the businesses. What inspired you to get on the Brays Oaks Management District board of directors and why do you feel it's your due diligence to do so?

We own three properties that are located in the Brays Oaks Management District. Our assessment is tens of thousands of dollars per year. As a property owner, I wanted to know where my money was going, how it was being spent and if I could have a positive influence within my community. Luckily, management districts are public forum, meaning anyone can have their voice heard and anyone can get involved.

Now, not every area of Houston is overseen by a management district. And, I'm not suggesting that more management districts should be created. What I'm saying is, if you pay into one, it's a good idea for you to be aware of where your money goes and how it is used. Management districts are an arm of cities and counties. But because they're hyper-focused on certain neighborhoods, it's a much more

intimate way to get things done. If you want to know how your assessment will affect you in your neighborhood, in your backyard – not way over on the other side of Houston – all you have to do is just ask someone. If you want to know where your money is going, I suggest getting involved so that you can find out.



Starla Turnbo

How can HAA members get involved with their respective management district and how much time would they have to dedicate?

Anyone can attend any meeting anytime. So, if you're paying an assessment to a management district, like I am, but you don't want to join the board or join a committee, you can at least attend the meetings so that you can be informed of what is going on in the district. Because management districts are public forum, you don't have to dedicate hours of your time to volunteering. If you have a little bit of time and the desire to learn, there is an opportunity you. It's good business to know where your or your investors' money is going. By attending just one meeting, you have the ability to contribute to the conversation.

Homeowners who don't pay any assessment fees are involved, which is great. We encourage everyone to get involved. But since it's the commercial properties who are charged an assessment, I highly encourage you (HAA members) to get involved, since it's your money or your investors' money. At the very least, be aware of the benefits of management districts.

In your eyes, what is the biggest benefit of the Brays Oaks Management District?

Certainly, everyone has their own opinions, but to me, a huge ben-

efit is the direct relationship the management district has with our local elected officials and state representative. If you own just one property, your voice, unfortunately, won't be as powerful nor as influential as the voice of an entire management district. When a community of people who share the same goals come together, it can be so much more powerful when you want to engage with city, county and state governments.

As an example, right now there's millions of dollars available for road construction in front of many HAA-member properties, including my own. If it was just a couple of us trying to explain how doing so would destroy all of these beautiful trees and how it would ruin the landscaping, sprinkler systems and all of these things we've already paid for as taxpayers over the past 20 years, it would be disastrous – we wouldn't get very far.

But, fortunately, we got the attention of Houston Councilmember Martha Casex-Tatum. We were able to explain how this road project would close off all the access points to all the businesses on that road and how it would ultimately hurt those businesses. The Brays Oaks Management District and those like it are a network, a group, a bigger voice and a resource for property owners.

Talk about the impact the Brays Oaks Management District has had on public safety.

Additional funding that is provided by the management district is critical to public safety. There's approximately 5,300 officers working the entire City of Houston and there just aren't enough resources for them. Typically, any extra resources go to the entire city's biggest hot spot. Whereas here in the Brays Oaks Management District, our focus is here. Through the years, the Brays Oaks Management District started reserving funds for public safety and created the public safety committee, which I chair.

Since then, we've donated a lot of different supplies, such as computers and the fingerprint machines (Automated Fingerprint Identification System) that allows officers to fingerprint someone who either refuses to show or who doesn't have ID.

We also instituted an overtime program with the Houston Police Department. A couple of hundred thousand dollars a year is budgeted for specific HPD substations. We have South Gessner and Southwest substations that participate. Their charter is to essentially focus on particular high-level crimes. So, through this program, HPD officers have their regular pay from the City of Houston, and in addition to that, they get a couple thousand dollars a year from the Brays Oaks Management District to work overtime within Brays Oaks. This has really helped to reduce the crime in our area. If every management district did this, what a difference it would make.

What would you say to property owners who still don't see the value?

I would say that management districts are only as good as the

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people who are involved with them. If apartment owners like myself weren't involved, it may not benefit apartments. If we don't get involved, we don't have the opportunity to voice our opinions. Since apartment owners have skin in the game, they should really and truly understand the benefits. It's our fiscal responsibility to get involved. It should be our own concern and obligation to know where the assessment money is going.

A lot of property owners don't agree with management districts. I can understand their point of view, however, if a property you own exists within a management district, we should do

our best in putting the funds to good use. Management districts are created to benefit the community, encourage development, increase existing business potential and so much more. The whole concept of a management district is economic development because the only people who pay into it are commercial owners. The more businesses, the more income for the management district.

Is there also a benefit to the management districts in apartment owners getting involved?

Yes. In the multifamily business, we have relationships the experts in the areas of finance, public safety, construction and renovations, development and much more. We are also exposed and privy to many quality of life situations that other business leaders in other industries aren't exposed to on a daily basis. As business owners, our expertise is so valuable to the management districts we do business in. It's great to have involvement from a diverse group of people, but management districts are there to make sure that businesses improve, thrive and that more businesses come to the district. People who either own or work for an apartment or management company can be really helpful to a management district.

We can't talk about the benefits of Brays Oaks Management Districts and others like it without talking about its partnership with the Houston Apartment Association's Rental Credit Reporting. Talk about how RCR's partnership with Brays Oaks Management District has helped apartments in the area as well as the overall community?

The partnership between HAA and Brays Oaks Management District brings RCR to every apartment owner in the district, and all apartment owners get to utilize RCR for free. RCR has so many benefits. It has helped reduce turnover, which helps reduce expenses. It also allows us to see evictions in real time. You don't have to wait for the judgment to hit an applicant's credit 30 days later, you can see it as it's happening. By being able to better hold renters accountable for their current leases, it helps keep children in their schools and it helps lower the student mobility rate. 🏠